

**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

Fryeburg Water Company
Docket No. DW 09-291

PETITION FOR TEMPORARY RATE INCREASE

NOW COMES the Fryeburg Water Company and petitions the Commission to approve temporary rates pursuant to RSA 378:27 and, in support hereof, states as follows:

1. The Fryeburg Water Company (the “Company”) is a public utility in the State of Maine that serves approximately 737 customers in the Town of Fryeburg at rates approved by the Maine Public Utilities Commission (the “Maine PUC”). The Company also serves approximately 67 customers in East Conway, New Hampshire, adjacent to its Maine service territory, at rates approved by this Commission. *See* Order Nos. 24,873 & 24,950.

2. As set forth in the *Pre-Filed Testimony of Jean Andrews*, the Company has experienced a significant decline in its sales to Pure Mountain Springs, LLC, a supplier for Poland Springs, to levels well below those used in the 2006 test year for its most recent rate case. This decline in sales adversely impacts the Company’s ability to provide service to its customers and to earn a reasonable return on its investment in water utility property. On December 29, 2009, the Company provided notice of its intent to file for an increase to its New Hampshire customers in this proceeding, and on or about January 4, 2010, the Company sought approval for a 15% rate increase from the Maine PUC, based on a 2009 test year.

4. On or about April 16, 2010, the Maine PUC approved a stipulation providing for an increase of 12.9% above the test year effective April 1, 2010. A copy of all documents filed with the Maine PUC is included herewith. *See Pre-Filed Testimony of Jean Andrews*, Exhibit JA-2.

5. The Company seeks a rate increase to charge the rates approved by the Maine PUC on a temporary basis because its present earnings from its New Hampshire customers are insufficient to provide for the operations and maintenance as well as a reasonable return on the cost of its property used and useful in the public service. Continuation of the Company's current rates would therefore result in the confiscation of the Company's property and its investment therein.

6. RSA 378:27 allows the Company to increase its rates on a temporary basis subject to reconciliation, if the Commission finds that it is in the public interest. *Appeal of Office of Consumer Advocate*, 131 N.H. 651, 661 (1991) ("RSA 378:27 requires the PUC to set reasonable temporary rates that are "sufficient to yield not less than reasonable return.") The temporary rates sought herein will serve the public interest by allowing the Company to recover the costs to provide service to its customers, as well as its allowed return.

WHEREFORE, the Fryeburg Water Company respectfully requests that this Commission:

- A. Grant this petition to charge temporary to the Company's New Hampshire customers at the rate approved by the Maine PUC as set forth herein; and
- B. Grant such other relief as justice may require.

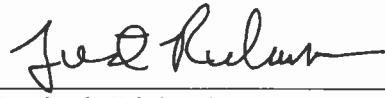
Respectfully submitted,

FRYEBURG WATER COMPANY

By Its Attorneys,

UPTON & HATFIELD, LLP

Date: August 10, 2010

By: 
Justin C. Richardson
NHBA #12148
159 Middle Street
Portsmouth, NH 03801
(603) 436-7046
jrichardson@upton-hatfield.com

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by electronic mail on all persons on the official service list in this proceeding.


Justin C. Richardson