STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DW 07-105, DW 10-043, DW 10-141

LAKES REGION WATER COMPANY, INC.

Investigation into Quality of Service, Affiliate Agreement with LRW Water Services, Inc., and Permanent Rate Proceeding

Summary of Order *Nisi* Approving Recovery of Costs for Utility Manager

NOTICE OF ORDER NO. 25,496

April 22, 2013

SUMMARY OF ORDER

On March 5, 2013, pursuant to the terms of Commission Order No. 25,391 (July 13, 2012), Lakes Region Water Company, Inc. (Lakes Region), a regulated public utility that provides water service to approximately 1,615 customers in various communities in central New Hampshire, filed a petition seeking a rate surcharge for recovery of salary and benefits for a new manager, as well as recovery of Lakes Region's related managerial recruiting costs. On April 9, 2013, Commission Advocate Staff, on behalf of itself, non-advocate Staff and the Office of the Consumer Advocate, filed a letter recommending the Commission provide its approval of recovery of recruitment costs as well as the direct on-going costs of the new manager. Advocate Staff suggested that the hiring of the manager was largely consistent with Order No. 25,391, and recommended adjustment to Lakes Region's permanent rates for the direct costs of the manager since those costs are permanent and on-going. Advocate Staff also recommended that the Commission provide its approval for recovery of the recruitment costs as filed, consistent with Order No. 25,391, through a one-time surcharge of approximately \$1.81 per customer.

Lakes Region is authorized by order *nisi* to recover an additional \$59,546.08 annually to cover the cost of its new manager in base rates, which will result in a rate increase of approximately \$35 to \$40 per customer per year, although the exact rate calculations will be made after Lakes Region submits its revised tariff. In addition, Lakes Region is authorized to recover a total of \$2,928.80 in managerial recruitment costs through a one-time surcharge of \$1.81 per customer to customer bills. All persons interested in responding to this Order *Nisi* may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than May 8, 2013 for the Commission's consideration; and any party interested in responding to such comments or request for hearing shall do so no later than May 15, 2013. This Order *Nisi* shall be effective May 22, 2013, unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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