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STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

September 23, 2015 - 10:07 a.m.  
Concord, New Hampshire

NHPUC OCT12'15 PM 3:04

RE: DW 15-199  
ABENAKI WATER COMPANY:  
Request for Change in Rates.  
(Prehearing conference)

PRESENT: Suzanne G. Amidon, Esq.  
(Presiding as Hearings Examiner)

Sandy Deno, Clerk

APPEARANCES: Reptg. Abenaki Water Company:  
Justin C. Richardson, Esq. (Upton & Hatfield)  
Don Vaughan, Chairman - Board of Directors  
Alex Crawshaw, President  
Deborah Carson, Treasurer  
Stephen P. St. Cyr, Consultant  
  
Reptg. Laconia Housing Authority:  
Richard P. Weaver, Executive Director  
  
Reptg. Lakemont Co-op aka Briarcrest Estates:  
John G. Drouin, Vice President  
  
Reptg. Village Shore Estates Association:  
David L. Laflamme, President

Court Reporter: Steven E. Patnaude, LCR No. 52

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**APPEARANCES: (c o n t i n u e d)**

**Reptg. Residential Ratepayers:**

Susan Chamberlin, Esq., Consumer Advocate  
Pradip Chattopadhyay, Asst. Consumer Advocate  
Office of Consumer Advocate

**Reptg. PUC Staff:**

Rorie E. Patterson, Esq.  
Mark A. Naylor, Director - Gas & Water Div.  
Robyn Descoteau, Gas & Water Division  
Eileen Hadley, Consumer Affairs Division

**OTHER APPEARANCES:**

Hugh Baird, Briarcrest Estates  
George Blaisdell, Briarcrest Estates  
Betty Isaac, Briarcrest Estates  
Ron Richmond, Briarcrest Estates  
Harvey Beetle, Briarcrest Estates (with Jeffrey Beetle)  
Pat Letendre, customer  
Diane Doner Salice, Village Shore Estates  
Warren Fargo, Village Shore Estates  
Fred Hammond, Village Shore Estates

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**P R O C E E D I N G**

1  
2 HEARINGS EXAMINER AMIDON: For those of  
3 you don't know me, my name is Suzanne Amidon. I'm a Staff  
4 attorney here with the Commission. And, I've been asked  
5 by the Commission to serve as Hearings Examiner. And, as  
6 a hearings examiner, I don't make any decisions or any  
7 rulings, but I can make recommendations to the Commission,  
8 and that's what I'll be doing following the hearing; for  
9 example, recommendations regarding the parties' motions to  
10 intervene, and any other pending motions. I don't believe  
11 there are any pending motions.

12 So, this prehearing conference relates  
13 to the June 1st filing by Abenaki Water Company of the  
14 intent to file rate schedules. In addition, on July 24th,  
15 Abenaki filed proposed tariff pages, along with testimony  
16 and schedules, and related information to support its  
17 request for a rate increase. This prehearing conference  
18 was scheduled today, and, following the prehearing  
19 conference, there will be a technical session.

20 At the outset, what I'd like to do is to  
21 take appearances. And, that is just to find out who is  
22 here. So, even if you don't want to speak, please  
23 identify yourself and any association that you have for  
24 the record. And, then, after that, I would like to

1 discuss the motions to intervene.

2 And, then, at the technical session  
3 following this, I would expect Staff and the Parties would  
4 work on a schedule. And, insofar as you are an intervenor  
5 in the case, if the Commission approves your intervention,  
6 I just want to remind you that you will need to agree to  
7 the schedule and be timely in your filings, in other  
8 words, if discovery is due on November 8th, you know,  
9 please observe those schedules for the Commission's sake.

10 So, we'll begin with the Company.

11 MR. RICHARDSON: Thank you. Good  
12 morning. Justin Richardson, with Upton & Hatfield, here  
13 on behalf of Abenaki Water Company. With me here at  
14 counsel table, I have the Chairman of the Company's Board  
15 of Directors, Don Vaughan; Alex Crenshaw [Crawshaw?], who  
16 is the President of the Company; to his right is Stephen  
17 St. Cyr, who's our regulatory consultant, he's filed  
18 testimony with our Petition; and, lastly, Deborah Carson,  
19 who is the Company's Treasurer.

20 HEARINGS EXAMINER AMIDON: Thank you.  
21 And, for the record, there has been an affidavit of  
22 publication filed in this. Thank you.

23 Okay. Thank you. And, let's just then  
24 move up to the second table.

1 MR. RICHARDSON: I'm sorry. Let me  
2 correct for the record. I said "Crenshaw", I meant to say  
3 "Crawshaw", when I introduced Alex.

4 HEARINGS EXAMINER AMIDON: Oh.

5 MR. RICHARDSON: I got my client's name  
6 wrong, and I apologize for that.

7 HEARINGS EXAMINER AMIDON: Yes. Well,  
8 let's hope that I don't mispronounce names today, but I  
9 might. And, I'll apologize at that time.

10 Okay. So, let's move up to the second  
11 table.

12 MR. DROUIN: Good morning. John Drouin,  
13 intervening for Briarcrest, also known as "Lakemont  
14 Estates".

15 MR. BAIRD: Hugh Baird. I also am a  
16 Briarcrest resident. And, I'm here to represent our side  
17 of the story.

18 MR. BLAISDELL: George Blaisdell. And,  
19 I from Briarcrest.

20 HEARINGS EXAMINER AMIDON: And, I would  
21 just ask everybody, for the sake of our court reporter  
22 here, please speak into the microphone, and make sure that  
23 the microphone is on. I imagine that we took care of  
24 that. If the red light is on, the microphone is on. But

1 that helps our court reporter record who's here.

2 Okay. So, we'll start with you, sir.

3 MR. LETENDRE: My name is Pat Letendre.  
4 I live in Bow, on White Rock Hill -- of White Rock Water  
5 Company, now Abenaki Water Company. I'm a little -- I'm  
6 nervous, sorry. Excuse me.

7 HEARINGS EXAMINER AMIDON: That's okay.  
8 Did you file a -- did you file a letter with us?

9 MR. LETENDRE: I did not file anything.  
10 I'm just here to see what's going on. And, if I'm allowed  
11 to make a comment, I'll make a comment or two later.

12 CHAIRMAN HONIGBERG: Okay. Very good.

13 MS. SALICE: Diane Doner Salice, from  
14 Village Shore Estates, in Bow. Just attending for  
15 support.

16 HEARINGS EXAMINER AMIDON: Very good.

17 MS. ISAAC: Betty Isaac, Briarcrest  
18 Estates.

19 HEARINGS EXAMINER AMIDON: Thank you.

20 MR. RICHMOND: Ron Richmond, Briarcrest.

21 HEARINGS EXAMINER AMIDON: And, we'll  
22 start with you, sir, in the back. Yes.

23 MR. H. BEETLE: My name is Harvey  
24 Beetle. I am from Briarcrest Estates, in Belmont.

1 HEARINGS EXAMINER AMIDON: Okay.

2 MR. J. BEETLE: Jeffrey Beetle. I'm  
3 just visiting with Harvey today.

4 HEARINGS EXAMINER AMIDON: Okay. Very  
5 good. Welcome.

6 MR. FARGO: Warren Fargo, Village Shore  
7 Estates, Bow.

8 HEARINGS EXAMINER AMIDON: All right.

9 MR. LAFLAMME: Good morning. David  
10 Laflamme. I'm the current President of the Village Shore  
11 Estates Association, in Bow.

12 HEARINGS EXAMINER AMIDON: Thank you.

13 MR. HAMMOND: Fred Hammond, with Village  
14 Shore Estates, in Bow.

15 HEARINGS EXAMINER AMIDON: Okay.

16 MR. WEAVER: I'm Dick Weaver, Executive  
17 Director of Laconia Housing Authority and owner of the  
18 Orchard Hill Project in Belmont. I'm also, for the  
19 record, a member of the Ratepayers Advisory Board.

20 HEARINGS EXAMINER AMIDON: Let me just  
21 ask you a question. You represent the Orchards, too?

22 MR. WEAVER: Orchard Hill II Project.

23 HEARINGS EXAMINER AMIDON: Okay. All  
24 right. Because we have letters from individuals who say

1 they live in "the Orchards", that's not Orchard Hill?

2 MR. WEAVER: Not to my knowledge.

3 HEARINGS EXAMINER AMIDON: Okay. I just  
4 wanted to clear that up. Thank you.

5 MR. DROUIN: Excuse me?

6 HEARINGS EXAMINER AMIDON: Yes.

7 MR. DROUIN: To clarify that, I think  
8 that group --

9 *[Court reporter interruption.]*

10 MR. DROUIN: Excuse me. I think that  
11 group you have with the other signatures is from Granite  
12 Ridge, which is up in the Orchards as well, I think.  
13 They're part of the Belmont group. That's -- I don't  
14 think there's anyone here to represent them today, though.

15 HEARINGS EXAMINER AMIDON: Thank you.  
16 That's what I was trying to determine. So, thank you very  
17 much.

18 MS. CHAMBERLIN: Good morning. Susan  
19 Chamberlin, Consumer Advocate. And, with me today is  
20 Pradip Chattopadhyay.

21 MS. PATTERSON: Good morning. My name  
22 is Rorie Patterson. I'm the Staff attorney for the New  
23 Hampshire Public Utilities Commission Staff. And, with me  
24 today is Mark Naylor, who is the Director of the Gas and

1 Water Division. I also have Robyn Descoteau --

2 MR. NAYLOR: Descoteau.

3 MS. PATTERSON: I'm sorry, I'm nervous,  
4 too -- Robyn Descoteau, who is a member -- an analyst in  
5 the Staff [Gas?] and Water Division. And, Eileen Hadley,  
6 who is in the Consumer Affairs Division at the Commission.

7 HEARINGS EXAMINER AMIDON: Thank you.

8 Now, there are a couple things that -- I do have a list of  
9 people who have signed who want to make public comments.  
10 So, I'd like the parties to know, would you like me to  
11 take public comment now or move to intervention? Anybody  
12 have a preference?

13 MR. RICHARDSON: I don't believe there's  
14 any preference. We'll proceed however seems to be the  
15 most efficient.

16 HEARINGS EXAMINER AMIDON: Okay. I  
17 think -- sir, you raised your hand?

18 MR. BLAISDELL: Yes. I'd like to speak.

19 HEARINGS EXAMINER AMIDON: Oh, no.  
20 Absolutely. I'm not going to foreclose any opportunity to  
21 speak. I'm just trying to determine the order, the  
22 sequence, you know, when we're going to do what.

23 But why don't we proceed with the public  
24 comment. And, I have to say the list here I have, anybody

1 who didn't sign this, by the way, who wants to speak later  
2 will be able to speak. So, we'll take public comment now.  
3 The first name on the list, and I'm just going to go in  
4 order, is John Drouin. And, just speak into the  
5 microphone, sir, --

6 MR. DROUIN: Yes.

7 HEARINGS EXAMINER AMIDON: -- if you  
8 would. Thank you.

9 MR. DROUIN: I'm here today in my role  
10 as current Vice President of Briarcrest --

11 *[Court reporter interruption.]*

12 MR. DROUIN: Okay. I'm current Vice  
13 President of Briarcrest Estates, also known as "Lakemont".  
14 I'm here representing 48 homes in the Belmont section,  
15 about the raises that Abenaki wants to put into effect.  
16 And, that's about it for now.

17 HEARINGS EXAMINER AMIDON: Well, and I'm  
18 assuming that you're concerned that they're asking for an  
19 increase in rates?

20 MR. DROUIN: Yes. I'm concerned about  
21 them asking for almost a 20 percent increase in the water,  
22 and about 50 percent in the sewer. It seems an exorbitant  
23 amount, seeing three years ago we just had a doubling of  
24 our water bill already, water and sewage bill. It just

1 seems out of proportion the amount of raise they want to  
2 put in. We are looking at going to \$125 a month for our  
3 water bill, from about an \$85 to \$90 a month payment.  
4 And, on the Laconia side of Briarcrest, they're paying \$70  
5 for three months of water and sewage. It just seems way  
6 out-of-whack for what we're getting. Thank you.

7 HEARINGS EXAMINER AMIDON: Okay. And,  
8 just to clarify, you did file, Mr. Drouin, a Petition to  
9 Intervene on behalf of Lakemont Co-op, also known as  
10 "Briarcrest Estates"?

11 MR. DROUIN: Yes.

12 HEARINGS EXAMINER AMIDON: Okay. Thank  
13 you. Hugh Baird.

14 MR. BAIRD: Good morning. Good to see  
15 friends from Connecticut. Unfortunately, my story is a  
16 little bit more drastic, not only my story, but for some  
17 300 people who live in Bow and live in Belmont, and I  
18 think that figure is even higher, but we'll verify that at  
19 some time.

20 I well realize, having worked for a  
21 public utility for 33 years in Connecticut, the highest  
22 increase that SNET ever obtained was 7 percent during my  
23 time. That was some time ago, I agree. And, I realize  
24 prices have purged and gone up tremendously. And, I know

1 this is a very complicated affair up here. We have three  
2 different townships, and some others that we haven't  
3 counted yet, who are getting tremendous increases in their  
4 sewer and water facilities.

5 My increase, for example, two years --  
6 three years ago, I paid \$43 for sewers and water. My  
7 recent bill, which I'll be sending in the mail tomorrow,  
8 is -- went up 100 percent. It's a \$95 bill, from \$43  
9 three years ago, it's 95 right now. I think that's very  
10 unfair to the people. Particularly up here, in the  
11 various areas, many of us are seniors, many of us are  
12 veterans. We're on fixed incomes. And, I think that this  
13 type of increase is going to jeopardize the lives of  
14 people here. And, I think we got to realize that. Al Van  
15 Sinderen spoke before the Connecticut group many times,  
16 and he was concerned about people and how they live. And,  
17 I'm happy to say that he carried out that type of  
18 direction thoroughly.

19 Just a couple of things I want to add at  
20 this time. The rates doubled, as I indicated earlier.  
21 The facilities are available, I believe. It's  
22 complicated. But we have water and sewer lines running  
23 up. I'm 200 feet away from the Laconia Water Company,  
24 200 feet. And, yet, we're being asked to pay Abenaki

1 rates. Just doesn't make sense. The facilities are  
2 there, I believe. And, with a little work, they can be  
3 turned over properly, and we would pay a normal rate, I  
4 hope.

5 HEARINGS EXAMINER AMIDON: Is there  
6 anything --

7 MR. BAIRD: I would finish this up to  
8 say, I've also been a newspaper person many years. And, I  
9 can -- I'm writing my letter right now, at this time.  
10 And, unfortunately, "Muddy Waters and Sewers Affair",  
11 that's what I would call this is what's happening at this  
12 time. And, I'm delighted that the PUC is going to listen  
13 and going to take some action to make -- to uncloud this  
14 terrible increase. Thank you.

15 HEARINGS EXAMINER AMIDON: Thank you.  
16 Mr. Blaisdell.

17 MR. BLAISDELL: Hi. I'm George  
18 Blaisdell. I'd like to say that this is ridiculous. I  
19 sat in the last -- the last time they had a rate increase.  
20 I'm on a fixed income. I put my house up for sale; six  
21 months, not one person looked at it. Nobody wants it,  
22 because they know what the Belmont water is. I'm going to  
23 be forced to either walk away from my house, and I don't  
24 want to, because I think this is -- to do this to seniors,

1 that are retired, on a fixed income, is absolutely  
2 obnoxious.

3 I am very scared what's going to happen  
4 here. The last time it happened, it was close for my wife  
5 and I. I've looked over those dockets many of times.  
6 And, there's so many lies in those dockets that I believe  
7 that this should be completely investigated, right from  
8 the top, from the Mooneys, when they sold this water. At  
9 the same time they sold Briarcrest to us, it seems very  
10 strange that the water company, the people that own the  
11 water, sold their water to Abenaki at the same time.

12 And, I went down to the town last couple  
13 weeks ago, the Town of Belmont. I wanted to see where the  
14 water lines and everything was, because I have a document  
15 here that says about "Laconia going into Belmont so many  
16 feet", and we could have connected on there. But  
17 Mr. Mooney decided to go on a well, but he didn't say  
18 whose well it was. He forced people to buy in the Belmont  
19 section, because he gave them free water. Once he got  
20 done with the Belmont section, he started charging. If  
21 that well was worth anything, Mr. Mooney would not have  
22 sold it.

23 Now, this is the second time they want a  
24 raise in the last, what, three years? First, it was --

1 and the people that are running the well are the same  
2 people that ran it before. It's just a different name.

3 So, it's just strange, very strange.

4 And, how anybody can ask for that kind of money for people  
5 who are on a fixed income? There are people up there that  
6 have walked away. My wife works in the office,  
7 voluntarily, because we just purchased a part [sic?].  
8 And, she tells me of the people that are walking away,  
9 because they can't afford it. We just can't.

10 And, it's -- if they're not making any  
11 money, they shouldn't have bought the place. If I was to  
12 buy a business, and it went under, that's too bad. And,  
13 they should be held responsible for the same reason. I  
14 mean, they should have known something. I mean, everybody  
15 seemed to think that it was a gold mine. But, if it was,  
16 Mr. Mooney never would have sold it.

17 But I was told at the Town, when I went  
18 down to Belmont, that Mr. Mooney still has his hands in  
19 it.

20 HEARINGS EXAMINER AMIDON: Well, this  
21 investigation will be into the current filing. The rate  
22 case that you have -- that has been filed by the Company  
23 in July is the rate case that we'll be looking at. I  
24 don't understand that any prior dealings or transactions

1 will be examined. It's really this filing. Just to  
2 let -- just to clarify that for you.

3 MR. BLAISDELL: And, we are --

4 HEARINGS EXAMINER AMIDON: I think the  
5 prior transactions are probably outside the scope of this  
6 docket.

7 MR. BLAISDELL: And, we are doing a  
8 title search, and we also are doing a registry of deed.  
9 We're going all the way on this.

10 HEARINGS EXAMINER AMIDON: Right. But  
11 that is really probably peripheral to this proceeding.  
12 I'm just giving you the caution now, because I don't want  
13 you to think that that's something that the Commission has  
14 before it at this time.

15 MR. BLAISDELL: Okay. Thank you.

16 HEARINGS EXAMINER AMIDON: Okay?

17 MR. BLAISDELL: Thank you.

18 HEARINGS EXAMINER AMIDON: All right.

19 You're welcome. Patrick, here's my chance to --

20 "Letendre"?

21 MR. LETENDRE: "Letendre".

22 HEARINGS EXAMINER AMIDON: Okay.

23 MR. LETENDRE: Yes. Good morning. Is  
24 this thing on?

1 HEARINGS EXAMINER AMIDON: Just get  
2 closer to it, sir.

3 MR. LETENDRE: Get closer to it? Is  
4 that better?

5 MR. PATNAUDE: Yes.

6 MR. LETENDRE: Yes. Okay. I just want  
7 to make a couple of comments. One is that one-time  
8 expenses of the water company to improve facilities, like  
9 putting remote-reading water meters, fixing leaky valves,  
10 and pipes and things like that, should not lead up to a  
11 permanent increase in rates. These things, like the  
12 increase in -- like changing the water meters and fixing  
13 leaks, should improve their operating position over time  
14 and make them more profitable without an increase in  
15 rates. That's one point I want to make.

16 And, the other point, I want to just  
17 remind the Commission, but I believe their purpose is to  
18 protect the consumer from monopoly powers of utilities,  
19 and not to grant utilities' increases based on  
20 inefficiencies or problems that the utilities should be  
21 able to solve under the existing rates. Thank you.

22 HEARINGS EXAMINER AMIDON: Well, thank  
23 you. Mr. Laflamme.

24 MR. LAFLAMME: Good morning. I've

1 prepared written remarks. Would you like a copy of those  
2 now, later, or not at all?

3 HEARINGS EXAMINER AMIDON: Why don't you  
4 give copies -- how many copies do you have, sir? Just the  
5 one?

6 MR. LAFLAMME: No, about 15.

7 HEARINGS EXAMINER AMIDON: Oh, okay.  
8 You might as well share with everybody now.

9 MR. LAFLAMME: Sure.

10 HEARINGS EXAMINER AMIDON: And, then,  
11 since we have your written remarks, maybe you could focus  
12 on the high points or --

13 MR. LAFLAMME: I would really like to  
14 read them. I spent a lot of time on this.

15 HEARINGS EXAMINER AMIDON: Then, go  
16 right ahead. If you spent time on it, I can certainly  
17 appreciate you want to read it. Thank you.

18 (Mr. Laflamme distributing documents.)

19 MR. LAFLAMME: Can I start?

20 HEARINGS EXAMINER AMIDON: Yes, please.

21 MR. LAFLAMME: My name is David  
22 Laflamme.

23 *[Court reporter interruption.]*

24 MR. LAFLAMME: I'm a resident of Village

1 Shore Estates, and I'm currently the President of the  
2 Village Shore Estates Association. We have about 100  
3 members. Almost all of our members are customers of  
4 Abenaki Water Company. And, therefore, we are directly  
5 and substantially affected by the proposed rate change.

6 I am not an attorney. We do not have  
7 the budget to retain counsel. No board members receive  
8 compensation and we have no staff. Our small budget  
9 covers taxes on two commonly owned properties and not much  
10 else.

11 In addition to this brief introduction  
12 and a summary, my remarks are divided into six sections.  
13 I'll note those sections as I progress.

14 First is a clarification. I'll start  
15 off by noting that the figures in the notice on the bottom  
16 of my water bill this month did not align well with the  
17 part of the order relative to our community. A section of  
18 text at the bottom of the bill reads as follows: "Abenaki  
19 Water Company has recently filed an application with the  
20 New Hampshire Public Utilities Commission for a general  
21 water rate increase of 23 percent and a sewer rate  
22 increase of 50 percent."

23 First, Abenaki does not provide sewer  
24 service for our community. Second, the water rate

1 increase described in the order is 27.68 percent for Bow.  
2 Note that I'll round this to "28 percent" in my remarks  
3 for ease of presentation. I understand that the  
4 "23 percent" noted on my bill is the increase when looking  
5 across the Bow and Belmont water systems run by Abenaki,  
6 and they do provide sewer service in Belmont. While I do  
7 not believe there was any malicious intent, it was  
8 misleading to describe the increase as "23 percent" on the  
9 water bills for Bow. The increase is 28 percent for us.

10 Now, I'll speak to the timing and  
11 magnitude of the rate change. Abenaki Water Company  
12 purchased our water system from White Rock Water Company  
13 and took over operation and maintenance on February 14th,  
14 2014. We, Village Shore Estates Association, submitted a  
15 series of questions to Abenaki prior to the sale. A  
16 record of these questions and the corresponding responses  
17 from Abenaki are in the PUC's records identified as DW  
18 13-236, Exhibit 5.

19 Among other things we, asked: How will  
20 our water rates be affected by this purchase? How will  
21 our water rates be affected with the expense of the  
22 improvements?" The response from Abenaki was: "The  
23 purchase transaction will have no impact on rates.  
24 Abenaki Water Company does expect that customers will

1 ultimately benefit from more efficient operation of the  
2 White Rock water system due to New England Service's  
3 administrative support and related synergies and  
4 efficiencies. This will result in reduced operating costs  
5 relative to what they otherwise would have been."

6 Less than two years later, Abenaki is  
7 proposing a 28 percent increase. While we would not  
8 expect our rate to stay the same indefinitely, we were  
9 understandably surprised by the magnitude of the proposed  
10 rate change. A rate change this large is unreasonable,  
11 especially in the context of their response to our inquiry  
12 less than two years ago. In testimony by Mr. Vaughan at  
13 the time of the sale, he spoke about minimizing "rate  
14 shock". I think every customer who understood the  
15 proposal was shocked by the rate increase.

16 The typical home described in the order  
17 would see an increase of over \$169 per year. Our water  
18 rate is already the third highest in the state. A  
19 28 percent increase is excessive.

20 Regarding the amount of notice we  
21 received. The amount of time between receipt of the order  
22 and this prehearing conference, about two weeks, was  
23 inadequate to organize the community and fully prepare.  
24 In fairness, at least six weeks should have been provided.

1                   Regarding the accessibility of  
2 information in the order in relation to the adequacy of  
3 customer notification. I believe customers did not  
4 receive adequate notification of the proposed rate change.  
5 And, here's why: The order (DW 15-199) that was enclosed  
6 with our water bill is written at a very high reading  
7 level for a document that is intended to be accessible to  
8 a wide range of customers at varying educational levels.

9                   I used the latest version of Microsoft  
10 Word to assess the reading level, and the result was a  
11 grade level of 15.3. After having been out of school for  
12 a few years, most people read three to five years below  
13 their highest level of education. Given this, roughly 18  
14 to 20 years of education, the equivalent of a master's to  
15 doctoral level education, is necessary to read and  
16 understand this order. Even without the adjustment, the  
17 order essentially requires at least a four-year college  
18 degree. Census data indicate only about a third of New  
19 Hampshire residents have a four-year college degree or  
20 better.

21                   This particular reading measure, like  
22 many, is based on the number of words per sentence and the  
23 number of syllables per word. It does not assess  
24 numeracy, which is obviously a necessary skill in this

1 case.

2                   The most recent statistics from the  
3 National Assessment of Adult Literacy in the United  
4 States, which did include an assessment of numeracy,  
5 classified respondents into the categories of "Below  
6 Basic", "Basic", "Intermediate", and "Proficient".  
7 Arguably, only those in the Proficient category could  
8 understand this order. Only 13 percent of Americans  
9 scored in the Proficient category. Put another way, over  
10 80 percent of Americans could not read and fully  
11 understand this order.

12                   Why do I make this point? I make it,  
13 because it suggests that customers were not adequately  
14 informed about the rate increase. Customers were not  
15 adequately notified because the order was, in all  
16 likelihood, not fully understood by many customers.

17                   I personally heard from one neighbor who  
18 was surprised when I told her about the proposed increase.  
19 She said she had seen the order that came with her bill,  
20 but it was "gobbledygook" that she couldn't easily  
21 understand, so she ignored it. Avoidance is not an  
22 uncommon response when encountering a document written at  
23 this level. She has a four-year college degree. This is  
24 not a theoretical exercise, this is real life, and the

1 readability of the order has most certainly played a role  
2 in this situation.

3 Both the PUC and Abenaki can and should  
4 do better with these orders. Another attempt to notify  
5 customers should be made using a more accessible format.  
6 A maximum of an eighth grade reading level would be a good  
7 target. In addition, we can offer to convene a meeting in  
8 our community where the rate proposal could be introduced  
9 verbally by the PUC and/or Abenaki Water Company.

10 I understand that the purpose of this  
11 prehearing conference, to some extent, is to provide the  
12 opportunities for customers to be heard. However, the  
13 adequacy of the process to inform affected customers  
14 directly impacts whether they understand the importance of  
15 attending this prehearing conference.

16 It was important to take this amount of  
17 time and care to clearly explain this issue, and call your  
18 attention to the many residents in both communities who  
19 have undoubtedly not been adequately notified of the  
20 proposed rate increase.

21 Regarding some financial aspects. We  
22 question the cost of equity at 10.75 percent. This seems  
23 higher than what we would expect. We also question the  
24 debt-to-equity ratio of 42 percent to 58 percent; a ratio

1 of 50/50 would seem more appropriate given the interest  
2 rates that remain at or near historical lows. During  
3 testimony at the time of the sale, Mr. Vaughan spoke about  
4 expecting a debt-to-equity ratio of 50/50 specifically to  
5 mitigate rate increases going forward. Understanding that  
6 our expertise does not lie -- generally lie in this area,  
7 we look to the PUC to provide context for these figures  
8 relative to appropriate comparators in New Hampshire.

9           Regarding maintenance and cost of  
10 improvements. We have been pleased to see the maintenance  
11 and improvements Abenaki has carried out since taking over  
12 the system. Residents have been complaining for many  
13 years, and some of those concerns are being addressed.  
14 However, most or all of these expenses should have been  
15 known at the time of the sale. Abenaki's parent company,  
16 New England Service Company, specializes in purchasing,  
17 operating, and maintaining water systems like the one in  
18 our community. With their many years of experience in  
19 this business, they should have been aware of the history  
20 of the system and been able to acquire the system for a  
21 price that accounted for the improvements they have been  
22 making. If they overpaid for the system, they should not  
23 attempt to inflate our water rate to make up for their  
24 mistake. They can wait a little longer for their

1 investment to pay off if they miscalculated.

2 When thinking about due diligence, I can  
3 tell you that the Association was never approached to  
4 offer an opinion on the state of the water system. There  
5 was no customer satisfaction survey to the best of our  
6 knowledge. In fact, we brought up our concerns related to  
7 water storage needs and valve maintenance costs in the  
8 questions I referred to earlier. Remember, we were led to  
9 believe that the sale would lead to reduced operating  
10 costs relative to what they would have been otherwise.

11 In summary, a nearly 28 percent in our  
12 water rate is excessive. Our water rate is already the  
13 third highest in the state. Increasing it by 28 percent  
14 far exceeds what is reasonable. We ask the PUC to very  
15 closely scrutinize this rate increase request and ensure a  
16 fair outcome.

17 HEARINGS EXAMINER AMIDON: Thank you.  
18 And, that's the purpose of the proceeding, which was just  
19 opened with this prehearing conference. And, I will say,  
20 though, that the order of notice comported with Commission  
21 rules and with the Administrative Procedures Act of the  
22 State of New Hampshire. So, as to whether, you know, the  
23 notice was adequate, it met the requirements of the law  
24 and the rules. So, I will point that out to you.

1                   This is not like -- a rate case is not  
2                   like constructing a wind turbine, where the Site  
3                   Evaluation Committee is required to visit the site. It's  
4                   a different type of proceeding, and this notice was  
5                   adequate. So, I'm sorry if that did not meet your  
6                   requirements. But I think we have a good attendance here.  
7                   So, I think a lot of the consumers did get notice of it.

8                   In addition, we've got, I mean, at least  
9                   a dozen to letters from the Orchards, and I'm still not  
10                  certain what that is. None of whom are here. So, I mean,  
11                  we do have quite a strong consumer interest. And, I  
12                  appreciate the fact that so many consumers turned out for  
13                  this prehearing conference.

14                  MR. LAFLAMME: May I respond?

15                  HEARINGS EXAMINER AMIDON: I'd like to  
16                  move on to Mr. Weaver, because this is just a comment  
17                  period. I just wanted to explained to you that the notice  
18                  was consistent with the law. I just want to move on to  
19                  Mr. Weaver, and then take the positions of the parties,  
20                  the Company, the OCA, and Staff.

21                  MR. WEAVER: Thank you. As I mentioned  
22                  earlier, I'm the Executive Director of the Laconia Housing  
23                  Authority. And, I also serve in the role on the  
24                  Residential Ratepayers Advisory Board serving the

1 interests of low -- residents of low income housing.  
2 Laconia Housing Authority owns a 32-unit project in  
3 Belmont, known as Orchard Hill II. Am I off?

4 *[Referring to the microphone.]*

5 MR. WEAVER: Okay. Well, anyhow. The  
6 residents of that project, to qualify, they must be very  
7 low income, which means that they earn less than 50  
8 percent of median area income for the area. They are,  
9 because of their low income nature, their rents are  
10 subsidized, although Laconia Housing does not have the  
11 option to raise the rent -- to raise the rent to cover  
12 additional costs, because those rents are controlled by a  
13 federal agency.

14 We find that, in all the projects that  
15 we own, the rates we pay in Belmont are four times what we  
16 pay at any other projects. We have projects in Laconia,  
17 and also in Northfield, and they pay a rate that's very  
18 similar on all those projects, but its Belmont rates are  
19 four times what we currently pay.

20 I realize the decision of the PUC is not  
21 based on necessarily our ability to pay, but I do believe  
22 that those rates have to be, as the gentleman before us  
23 said, a product of either mismanagement or having paid too  
24 much originally for the company to try to recover their

1 costs on the backs of low income individuals.

2 HEARINGS EXAMINER AMIDON: Well, thank  
3 you. Appreciate your participation in this proceeding  
4 this morning.

5 And, now, I'd like to proceed with  
6 getting -- and, just for the record, we've heard from  
7 Mr. Weaver, who's filed a petition to intervene on behalf  
8 of the Laconia Housing Authority; from Mr. Laflamme, who  
9 filed a petition as President of the Village Shore Estates  
10 Association; we've heard from Mr. Drouin who's filed a  
11 petition on behalf Lakemont Co-op, also known as  
12 "Briarcrest Estates"; and then we have a number from the  
13 Orchards people, who are not here.

14 But what I'd like to do now, if they --  
15 since we've heard from the parties who request -- who are  
16 here who have requested intervention, I would just like to  
17 proceed with the Company's position, and then move to the  
18 OCA and Staff. Thank you.

19 MR. RICHARDSON: Thank you. I think  
20 where I want to start with is, obviously, we're  
21 sympathetic to people who don't want to have to spend more  
22 money than they have to, and that's what this proceeding  
23 is all about. But, as I read the comments that were filed  
24 by Mr. Laflamme, I was caught by something that I had

1 planned to say. And, so, I'll say it again in his words.  
2 That he was "pleased to see the maintenance and  
3 improvements that Abenaki has carried out since taking  
4 over the system". And, obviously, we're not here to  
5 decide the rate issues today. So, I'm not going to, you  
6 know, overly belabor that point. But I hope that those  
7 who are here understand and appreciate that it's true,  
8 that Abenaki purchased this system and they carried the  
9 rate base over. But what we're here to recover today is  
10 the cost for those improvements that had been made,  
11 because of all those things were made with the expectation  
12 of improving service, and I think service has actually  
13 improved. And, if those improvements were not made, then  
14 your water quality might not have met the Drinking Water  
15 standards, which is something that the Company takes  
16 exceedingly -- or, considers exceedingly important to  
17 accomplish, and we take that role seriously.

18           You know, we look forward to working  
19 with on all of the issues. And, you know, we've requested  
20 a consolidation of rates, because we feel that that is  
21 going to minimize the swings, because, as of right now,  
22 the systems are separate between the different water  
23 systems. And, from a customer's perspective, the reason  
24 this is important for you is is, if that means that the

1 Company makes an improvement in your system, and it's only  
2 recovered from your customer group, as opposed to the  
3 system, the water system as a whole, that means the  
4 Company would be underearning, and their only revenue --  
5 or, their only recourse would be to come back and seek a  
6 revenue increase for that system, and then the costs of  
7 that would have to be borne by those specific customers.  
8 So, the reason you're seeing things like consolidation in  
9 this case is actually ultimately to benefit you, and to,  
10 as this system becomes more efficient, to reduce the  
11 frequency.

12 Obviously, the past is the past, and  
13 there has been a lot that's happened. But I think we can  
14 all agree that we're making progress.

15 And, the Company comes to these  
16 proceedings and initiates this because they do want to  
17 make money, but they ultimately, at the end of the day,  
18 they do it because they have to. Because, when you spend  
19 money to make these improvements, as your costs go up,  
20 there's what's called a "lag" between your spending your  
21 money and your being able to adjust your rates. And, so,  
22 that's why they have to be proactive and file this type of  
23 request.

24 So, we look forward to addressing all of

1 the issues and trying to come up with what is a reasonable  
2 compromise on everything. And, we hope that will be  
3 ultimately in the best interest of everyone. Thank you.

4 HEARINGS EXAMINER AMIDON: Thank you.  
5 With respect to the motions to intervene by the Housing  
6 Authority, the Village Shore Estates, and Briarcrest  
7 Estates, do you have any position on any of the motions to  
8 intervene?

9 MR. RICHARDSON: Yes. And, I apologize.

10 HEARINGS EXAMINER AMIDON: I mean, I  
11 didn't ask that at the outset. It's a new question.

12 MR. RICHARDSON: Yes. I thought we were  
13 going to come back to that. So, I will address that right  
14 now.

15 It is very simple. We think that  
16 working with the various homeowner associations would be a  
17 productive thing to do, and we don't have -- we do not  
18 have any objection to their participation as parties.

19 I've not -- I'm only aware of two  
20 petitions to intervene. So, I'm hoping that, before your  
21 recommendation is submitted to the Commission, I can have  
22 the opportunity to look back and make sure that there's  
23 nothing further.

24 I did see one request from Senator

1 Boutin to intervene. And, we do have some concerns about  
2 that, because we feel that that is his -- the interest  
3 that he's asserting is really that of the customers, which  
4 is represented by Staff and by the Office of Consumer  
5 Advocate. And, we're concerned that, obviously, in  
6 anything like this, this is a small water company. If we  
7 have to respond to data requests from additional  
8 intervenors, that raises costs. If there are appeals,  
9 that raises the cost of this proceeding, which ultimately  
10 comes back onto the customers. So, we're inclined to  
11 object to that request for intervention.

12 But, apart from that, I'm not expecting  
13 to see any other objections.

14 HEARINGS EXAMINER AMIDON: Just to  
15 clarify, has the OCA and Staff seen all of the motions to  
16 intervene that I referenced?

17 MS. CHAMBERLIN: Yes. I've looked at  
18 the motions to intervene, and we do not object.

19 HEARINGS EXAMINER AMIDON: Okay. But  
20 you've actually received them?

21 MS. CHAMBERLIN: I received the one  
22 that -- from the representative. It's in our file.

23 HEARINGS EXAMINER AMIDON: Uh-huh. Yes,  
24 because there appeared -- because I looked at the

1 Docketbook, and I must admit it was yesterday, and I did  
2 not see some of these. I see Mr. Weaver's, but I don't  
3 see any of the others. Is that fair to say?

4 MS. DENO: The senator's is in there as  
5 well.

6 HEARINGS EXAMINER AMIDON: The senator's  
7 is now in there. So, that's why I wondered, if they  
8 didn't make it to the Docketbook, which apparently is why  
9 you haven't received them.

10 MR. RICHARDSON: I received -- I learned  
11 of the Laconia Housing Authority's petition, which was Mr.  
12 -- I've forgotten his name.

13 HEARINGS EXAMINER AMIDON: Mr. Weaver.

14 MR. RICHARDSON: -- Mr. Weaver, thank  
15 you, and we do not have an objection to that one. I  
16 received yesterday, at probably 4:30, I believe when it  
17 went out to the service list, the Representative  
18 Boutin's, --

19 HEARINGS EXAMINER AMIDON: Right.

20 MR. RICHARDSON: -- which is actually an  
21 untimely request, because it came in after the date. And,  
22 obviously, had it come in on a timely basis, I would have  
23 had more of an opportunity to review it, talk to my  
24 client. So, that's why I'd like to defer any ruling on

1 that, until we have an opportunity to respond to it.

2 HEARINGS EXAMINER AMIDON: All right.

3 And, did you also receive the other ones, the one from  
4 Mr. Drouin and Mr. Laflamme? I'm just trying to discern,  
5 because those are not in the Docketbook, and I'm  
6 concerned.

7 MR. RICHARDSON: Yes. I am -- we were  
8 aware of one from Lakemont and Briarcrest.

9 HEARINGS EXAMINER AMIDON: Okay.

10 MR. RICHARDSON: But I believe I heard  
11 that there were three. And, so, there's a third one out  
12 there that I don't recognize and I'm not aware of.

13 MR. LAFLAMME: Excuse me. I have a  
14 signed confirmation of it being delivered, my letter being  
15 delivered on Monday, by like 12:30 or something.

16 HEARINGS EXAMINER AMIDON: It's  
17 certainly not an issue with the timeliness, because I  
18 also, in my file, I had a copy of that. But I'm concerned  
19 that it wasn't -- it didn't get to -- I'm trying to make  
20 sure the Company has an opportunity, if it wants to object  
21 to anything that was filed, that it can.

22 And, what I'm hearing from  
23 Mr. Richardson is perhaps you need some time to review  
24 the -- to review Representative Boutin's filing before --

1 to reserve you're right to make an objection within a  
2 certain period of time, is that fair to say?

3 MR. RICHARDSON: That is correct. And,  
4 since it's an untimely request at this point, we would ask  
5 for the ten days provided by rule.

6 HEARINGS EXAMINER AMIDON: Okay.

7 MR. RICHARDSON: We'll try to submit our  
8 response well before that, so you'll have the benefit of  
9 it.

10 HEARINGS EXAMINER AMIDON: All right.  
11 But you have no objection to the other -- the others that  
12 were mentioned?

13 MR. RICHARDSON: Correct.

14 HEARINGS EXAMINER AMIDON: Yes, sir.

15 MR. BAIRD: Yes. Hugh Baird again.  
16 Senator Hosmer has heard the predicament that's taking  
17 place at this time. Unfortunately, he couldn't be here  
18 this morning. He had another appointment. But he's very  
19 interested in listening to the various arguments, and  
20 seeing that some justice is done by the PUC in this  
21 increase. Thank you.

22 HEARINGS EXAMINER AMIDON: Yes. And, he  
23 has an opportunity to file public comment as any other  
24 party does.

1 MR. BAIRD: Okay.

2 HEARINGS EXAMINER AMIDON: So, he'll  
3 have that opportunity. Okay. So, have I covered  
4 everything with you, Mr. Richardson?

5 MR. RICHARDSON: Yes. Thank you.

6 HEARINGS EXAMINER AMIDON: Thank you.  
7 And, Attorney Chamberlin, do you have any position at this  
8 point on the filing?

9 MS. CHAMBERLIN: Yes. We share the  
10 concerns of the consumers that have been articulated here  
11 this morning. We plan to investigate the rate impact of  
12 any potential consolidation, the size of the proposed  
13 increase. And, we are also aware of the impact of the  
14 regulatory costs on consumer rates, and we'll strive to  
15 keep those down.

16 It's still early in the proceeding. So,  
17 we do not have a specific position, but we share the  
18 concerns raised here.

19 HEARINGS EXAMINER AMIDON: Thank you.  
20 And, would you have any concern with the Commission, if it  
21 should decide to do so, directing the homeowner -- I'm  
22 going to call them "homeowner association representatives"  
23 to work with you, so that they understand the process for  
24 discovery, for example, would that be a problem?

1 MS. CHAMBERLIN: Well, we are -- we do  
2 not have the staff to have a lot of time to dedicate to  
3 that type of education. We are certainly willing to give  
4 people pointers or meet with them as time is available.  
5 But we want to dedicate most of our resources to  
6 investigating the filing.

7 HEARINGS EXAMINER AMIDON: Okay.  
8 Understood. Thank you. Attorney Patterson.

9 MS. PATTERSON: Thank you. The Public  
10 Utilities Commission Staff has no position on the filing  
11 at this point in time.

12 We will work with the members of the --  
13 the parties, to the extent that they are present here  
14 today, to develop a procedural schedule, following this  
15 hearing at the technical session.

16 With respect to the petitions to  
17 intervene, I have 13 of them.

18 HEARINGS EXAMINER AMIDON: Uh-huh.

19 MS. PATTERSON: So, I don't know if  
20 other people have that many, but -- or if there are  
21 others. So, my suggestion would be that people should  
22 make sure that they have the petitions to intervene that  
23 have been filed before taking a position on them.

24 It looks as though most of the -- most,

1 if not -- most of the petitions to intervene are customers  
2 of the Company. And, our position would merely be that,  
3 to the extent that there is the ability for these  
4 individuals to collaborate with each other, and even  
5 amongst the associations, that would certainly assist the  
6 PUC in its proceeding.

7 One moment please.

8 HEARINGS EXAMINER AMIDON: Certainly.

9 (Atty. Patterson conferring with  
10 Director Naylor.)

11 MS. PATTERSON: Okay. I have nothing  
12 further. Thank you.

13 HEARINGS EXAMINER AMIDON: Okay. Are  
14 there any other issues at this time? Anything that anyone  
15 else wants to say? Yes.

16 MS. SALICE: Diane Doner Salice, from  
17 Village Shore Estates. I'm just -- I think what struck  
18 me, when I first read the order, was the statement that  
19 Abenaki proposes to consolidate the water rates for both  
20 Bow and Belmont, and it doesn't quite make sense to me.  
21 That we have one neighborhood of 100 homes, versus another  
22 neighborhood with 40 some odd homes. I don't know if the  
23 age of the systems are comparable, nor the infrastructure.

24 So, I totally understand trying to even

1 out rates for business operations. But, when you have  
2 perhaps repair rates from one neighborhood exceeding  
3 repair rates from the other neighborhood, we end up  
4 subsidizing a neighborhood that we're not even adjacent  
5 to. So, this just, really, the consolidation is an issue  
6 for me.

7 HEARINGS EXAMINER AMIDON: Right. And,  
8 that is something that is part of the whole proceeding  
9 going forward.

10 MS. SALICE: Okay.

11 HEARINGS EXAMINER AMIDON: And, it  
12 sounds like you have a representative who has filed a  
13 petition to intervene. I'm going to give everybody ten  
14 days to respond, if they have any objections, to any of  
15 the motions to intervene, and before I can make a  
16 recommendation to the Commission. Because I want to make  
17 sure everyone does have access to the complete file, and  
18 it doesn't appear from the Docketbook that everything is  
19 in there. So, I will have to work on that following the  
20 conclusion of this hearing.

21 However, I just wanted to let you know  
22 that the statute -- the Administrative Procedures Act  
23 statute on intervention does allow the Commission, even if  
24 it grants motions to intervene, to require parties to work

1 together to avoid repetition of issues. I think everyone  
2 here who I've heard from have a lot of common issues, in  
3 other words, the cost increase. So, I encourage you to  
4 work together. And, I may make that recommendation to the  
5 Commission. I need to think it over, once I get all of  
6 the responses to the petitions.

7 But, again, if you're going to  
8 participate as a full intervenor in this proceeding,  
9 there's a technical session that follows this, where often  
10 the only thing that's accomplished is a procedural  
11 schedule. And, again, I remind you that one of the  
12 obligations as intervenors, if you're a full party  
13 intervenor, you must participate in the docket according  
14 to the procedural schedule, and not -- and not take any  
15 action to unduly delay or complicate the matter or to get  
16 off on something other than the subject matter of this  
17 proceeding, which is the request for a rate increase.

18 And, I'm not suggesting that anyone here  
19 would do that, I'm just, as a hearings examiner, I'm just  
20 mindful of my responsibility to tell you that you need to  
21 focus on the matter at hand.

22 So, if you participate in the procedural  
23 schedule, and there are dates that don't work for you,  
24 don't -- feel free to speak up and address that. But the

1 Commission is under a statutory obligation to conclude  
2 this within a day -- within a year of the notice. So,  
3 there is a time limitation that the Commission will be  
4 working with, and that the attorney for Staff will include  
5 in developing a schedule.

6 Does anyone have any questions for me?  
7 Sir.

8 MR. BLAISDELL: Yes. I have a question  
9 now. We had a surcharge that we just finished paying, I  
10 think it was, I don't know, two years, I think, from when  
11 Lakemont, and it was -- that surcharge went with Abenaki  
12 when they bought it. Was that -- I don't know -- I don't  
13 understand why they got that surcharge, too?

14 HEARINGS EXAMINER AMIDON: And, I am  
15 not -- that's something you can discuss at the technical  
16 session. I am not familiar with that proceeding. So, I  
17 can't help you out. I'm really here to just help with the  
18 process.

19 Any other questions or comments?

20 MR. RICHARDSON: If I may?

21 HEARINGS EXAMINER AMIDON: Sure.

22 MR. RICHARDSON: I'd just like to point  
23 out, having heard that there are, in fact, 13 petitions to  
24 intervene, that, as part of the requirements to

1 participate, there's what's called a "service list". And,  
2 when you go on the Commission's website, you can enter the  
3 docket number under "Service Lists", if you click on  
4 "Regulatory". That will give you a PDF that has  
5 everyone's e-mail address. And, it's actually a  
6 requirement in the rules to state that you send it to  
7 everyone. So, when you do make a request to intervene, I  
8 know the Company would greatly appreciate it, because it's  
9 hard to prepare when comments aren't given to all of the  
10 parties.

11 And, I just mention that so everyone in  
12 the room is aware of that requirement.

13 HEARINGS EXAMINER AMIDON: Well, thank  
14 you, Mr. Richardson. That's very helpful. Yes?

15 MR. LAFLAMME: Given that, I'd like to  
16 state that I sent copies to the PUC, to Abenaki, and to  
17 the Office of the Consumer Advocate, did I get your name  
18 right?

19 HEARINGS EXAMINER AMIDON: You know, and  
20 I think both -- I think that everybody here -- well, the  
21 parties to the docket have received it, in other words,  
22 the OCA, the Staff, and the Company, and the Commission.  
23 So, I don't think there's an issue.

24 And, frankly, I'm not -- I'm not

1 concerned about the ones that were filed. I'm just  
2 concerned about whether people have any objections, and it  
3 sounds like that the Company doesn't have any objection to  
4 your petition to intervene. I just want to make sure that  
5 everyone has had a chance to weigh in on it, if they  
6 haven't seen it. That's all. It's just a process issue.

7 MR. LAFLAMME: And, my second point is,  
8 given the tight schedule, the concerns about scheduling  
9 that I've been hearing. You know, we had a couple weeks  
10 to turn this around. I've brought up issues about the  
11 adequacy of notification. I understand it was legally  
12 adequate. What I'm saying is, in practice, you might want  
13 to take a look at the process here, morally, ethically.  
14 There are some issues here.

15 So, while it may be legally adequate; in  
16 practice, not so much.

17 HEARINGS EXAMINER AMIDON: Well,  
18 appreciate your comments. Does anyone else have anything  
19 they would like to add?

20 MR. H. BEETLE: I'm Harvey Beetle, from  
21 Briarcrest Estates.

22 HEARINGS EXAMINER AMIDON: Uh-huh.

23 MR. H. BEETLE: And, I'm here because  
24 I'm so concerned about the water rate. I still haven't

1 got over the last one, which was 75 percent. And, now,  
2 they're coming out with another one, 50 percent on sewer.  
3 And, my understanding is that Laconia owns all the sewer  
4 lines. And, they apparently, I don't know whether they  
5 rent them or what, they charge a fee to Abenaki. But I've  
6 talked to Laconia, they haven't charged any additional  
7 money to Abenaki for the use of the sewer lines, and yet  
8 they're asking for a 50 percent increase. So, that  
9 surprises me.

10 HEARINGS EXAMINER AMIDON: And, that's  
11 an issue that will be investigated --

12 MR. H. BEETLE: Thank you. And, my --

13 HEARINGS EXAMINER AMIDON: -- in the  
14 course of this proceeding.

15 MR. H. BEETLE: I just wanted to  
16 mention, my water bill, for the month of August, \$108, and  
17 that just can't go on at that rate. And, I hope -- we  
18 have no control over Abenaki. They can do what they want  
19 any time they want to do it. So, all we have is you,  
20 Public Utilities Commission, to try to make them be fair  
21 about everything.

22 HEARINGS EXAMINER AMIDON: That's right.  
23 They are a regulated utility. And, they have to go  
24 through this process to get any kind of rate increase.

1                   And, the consumer comment is important.  
2           And, I really, just on behalf of the Commission, want to  
3           thank you for your participation here today.

4                   And, with that, I will close the  
5           prehearing conference.   And, I look forward getting any  
6           responses on the motions to intervene.   And, I'll make  
7           sure that the docket is complete and has all that  
8           information, so everyone has access to the same  
9           information.   Thank you.

10                   MR. RICHARDSON:   Thank you.

11                   **(Whereupon the prehearing conference**  
12                   **adjourned at 11:02 a.m., and a technical**  
13                   **session was held thereafter.)**

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