

THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

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April 4, 2019

Mr. Donald L Ware, COO  
Pennichuck East Utility, Inc.  
25 Manchester Street  
Merrimack, NH 03054

NHPUC 4APR'19PM2:46

RE: DW 17-128 Pennichuck East Utilities, Inc. Tariff Changes  
NHPUC No. 1 – WATER, Supplements No. 11 & 12

Dear Mr. Ware:

Staff has reviewed the Tariff Pages submitted on March 27, 2019 in the above-captioned proceeding, and determined they do not comply with the Commission's 1603 Rules, specifically, Puc 1603.06(c).

During the review, Staff noted the supporting pages included as part of Tariff Supplement No. 11 do not include the appropriate headers. If the pages are not to be included as part of the Tariff, please omit the pages on resubmission. If the pages are intended to be part of the Tariff, please resubmit Tariff Supplement No. 11 & 12 ensuring the Supplement No. 11 supporting pages contain the following headers starting with Page 2:

NHPUC NO. 1 WATER

Supplement No. 11

PENNICHUCK EAST UTILITY, INC.

Original Page 2 (3,4,5, etc... as needed)

Please correct the aforementioned deficiencies and resubmit to the Commission. If you have any questions, please contact me at (603) 271-4081 or via e-mail at [anthony.leone@puc.nh.gov](mailto:anthony.leone@puc.nh.gov).

Regards,

  
Anthony J. Leone  
Utility Analyst, Gas/Water Division

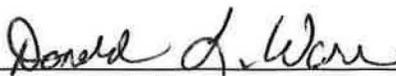
**NHPUC NO. 1 - WATER**

**PENNICHUCK EAST UTILITY, INC.**

**SUPPLEMENT NO. 11**

**TARIFF**  
**for**  
**WATER SERVICE**  
**In**  
**THE STATE OF NEW HAMPSHIRE**

Issued: March 26, 2019

Issued by   
Donald L. Ware

Effective: January 8, 2018

Title: Chief Operating Officer

Authorized by NHPUC Order No. 26,179 dated October 4, 2018 and No. 26,222 dated February 26, 2019 in Docket No. DW 17-128.

**PERMANENT RATE RECOUPMENT**

**General Metered Customers:**

General Metered Customers (GM) will be surcharged based on the customer charge and actual usage. The Company will recoup from General Metered customers a surcharge for bills rendered from January 8, 2018 through bills rendered October 12, 2018 for the incremental difference of rates. The surcharge will be billed in 12 (twelve) equal monthly installments as follows:

| <u>Customer Class</u> | <u>Total Recoupment</u> | <u>No Customers</u> | <u>Avg. Monthly Surcharge</u> |
|-----------------------|-------------------------|---------------------|-------------------------------|
| General Metered       | \$ 517,947              | 7,831               | \$5.51 per mo. for 12 mos.    |

**Private Fire Protection Customers:**

Private Fire Protection (PFP) customers will be surcharged based on pipe size. The Company will recoup PFP customers in 12 (twelve) equal installments for bills rendered from January 1, 2018 through bills rendered October 12, 2018 for the incremental difference of rates as follows:

| <u>Customer Class</u> | <u>Total Recoupment</u> |
|-----------------------|-------------------------|
| Private FP            | \$26,271                |

**Public Fire Protection Customers:**

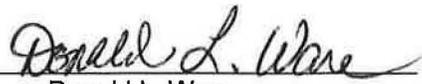
The Public Fire Protection customers will receive a surcharge in (12) twelve equal installments for bills rendered from January 8, 2018 through bills rendered October 12, 2018 for the difference of rates as follows:

| <u>Customer Class</u>     | <u>Total Recoupment</u> |
|---------------------------|-------------------------|
| Municipal Fire Protection | \$75,236                |
| Public Fire Protection    | \$ 5,750                |

**Capital Recovery Surcharge:**

Customers subject to the Capital Recovery Surcharge in Locke Lake and Birch Hill will receive a refund in (12) twelve equal installments for bills rendered from January 8, 2018 through June 7, 2018 bills to reflect the current number of bills in each system. The Total Refund is \$(47,610).

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**DW 17-128**  
**Pennichuck East Utility, Inc. Order No. 26,179**  
**Recoupment Calculations Methodology for PEU Perm Rate Increase**

**All Customer classes to be surcharged individually based on customer charge, actual usage and fire protection in accordance with 18.97% Permanent Rate Increase.**

The company will recoup from customers by a surcharge/refund in twelve equal installments for bills rendered from January 8, 2018 through bills rendered October 12, 2018 for the incremental difference of rates.

**Calculation for bills issued between January 8, 2018 June 7, 2018.**

Recoupment was calculated by taking the actual bill amounts at Original Rate for each account and multiplying by the Permanent Rate Increase percentage of 18.97%.

**Calculation for bills issued between June 8, 2018 and October 12, 2018.**

Recoupment was calculated by taking the actual bill amounts billed at Temporary Rates for each account and multiplying by the percentage difference from Temporary to Permanent of 6%.

The percentage difference from temporary to permanent was calculated as follows:

1.1897 divided by 1.1224 minus 1 equals 6%

**Please note:** recoupment dollars are truncated to 4 decimal positions and then rounded to 2 decimal positions in the total calculation.

**Recoupment Totals by Customer Class**

|                                   |    |                |
|-----------------------------------|----|----------------|
| <b>General Metered</b>            | \$ | 517,947        |
| <b>Private Fire Protection</b>    | \$ | 26,271         |
| <b>Municipal Fire Protection</b>  | \$ | 75,236         |
| <b>Public Fire Protection</b>     | \$ | 5,750          |
| <b>Capital Recovery Surcharge</b> | \$ | (47,610)       |
| <b>Total Recoupment</b>           | \$ | <b>577,594</b> |

**NHPUC NO. 1 – WATER**

**PENNICHUCK EAST UTILITY, INC.**

**SUPPLEMENT NO. 12**

**TARIFF**

**FOR**

**WATER SERVICE**

**In**

**THE STATE OF NEW HAMPSHIRE**

Issued: March 26, 2019

Issued By: 

Donald L. Ware

Effective: March 11, 2019

Title: Chief Operating Officer

Authorized by NHPUC Order No. 26,222 in Docket No. DW 17-128 dated February 26, 2019.

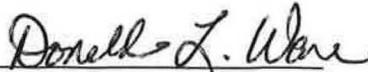
**Recovery of Rate Case Expenses**

Pennichuck East Utility, Inc. will recoup by surcharge its rate case expense from its customers in the amount of \$55,402.32 to be recovered from 8,037 customer accounts or \$0.57 per customer over 12 months as shown below:

Rates:

|                               | <u>No. Customers</u> | <u>Surcharge</u>               |
|-------------------------------|----------------------|--------------------------------|
| Pennichuck East Utility, Inc. | 8,037                | \$0.57 per month for 12 months |

Issued: March 26, 2019

Issued By:   
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Authorized by NHPUC Order No. 26,222 in Docket No. DW 17-128 dated February 26, 2019.

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