

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

I N D E X

PAGE NO.

STATEMENTS OF PRELIMINARY POSITION BY:

Mr. Richardson	4
Mr. Kreis	5
Mr. Speidel	6

P R O C E E D I N G

1
2 CHAIRMAN HONIGBERG: We're here this
3 morning in Docket DW 17-176, which is a
4 Petition to Transfer the Utility Assets and
5 Franchise of Wildwood Water Company to Lakes
6 Region Water Company. It's a prehearing
7 conference. We have a technical session
8 scheduled afterwards.

9 Let's take appearances.

10 MR. RICHARDSON: Good morning, Mr.
11 Chairman. Justin Richardson, of Upton &
12 Hatfield, here on behalf of Lakes Region Water
13 Company. With me here at counsel's table, I
14 have Leah Valladares, who is the Company's
15 Utility Manager. And behind me is Mr. Burnham
16 Quint, who is the current owner of the Wildwood
17 water system.

18 MR. KREIS: Good morning,
19 Commissioners. I'm D. Maurice Kreis, the
20 Consumer Advocate. My job is to represent the
21 interest of residential utility customers,
22 including the customers of both of these
23 utilities.

24 MR. SPEIDEL: Good morning,

1 Commissioners. Alexander Speidel, representing
2 the Staff of the Commission. And I have with
3 me Mark Naylor, the Director of the Water
4 Division; Jayson Laflamme, Utility Analyst; and
5 Robyn Descoteau, Utility Analyst.

6 Thank you.

7 CHAIRMAN HONIGBERG: I have not seen
8 any petitions to intervene. Is anyone aware of
9 any intervenors in this?

10 All right. I see a lot of shaking
11 heads.

12 MR. RICHARDSON: No.

13 CHAIRMAN HONIGBERG: Anything we need
14 to do before we hear initial positions of the
15 parties?

16 *[No verbal response.]*

17 CHAIRMAN HONIGBERG: All right. Mr.
18 Richardson, why don't you start us off.

19 MR. RICHARDSON: Sure. This is a
20 relatively straightforward case. It's a good
21 project, we think. The Company is buying --
22 Lakes Region is buying the assets for \$25,000,
23 which is less than rate base. We've had to
24 incur some transaction costs to get everything

1 up to speed.

2 We have -- I think this is going to
3 be a very positive thing from a customer
4 perspective. Lakes Region has a team of
5 certified operators. Right now, the system is
6 being operated by Mr. Quint and an outside
7 contractor F.X. Lyons.

8 The system's, you know, got -- it's
9 in compliance, it's not in risk of immediate
10 failure, but it has some needs that are on the
11 horizon that we'll discuss with Staff during
12 the technical session.

13 We think, you know, we're expecting
14 to reach a settlement agreement for the
15 transfer, and we don't expect any major issues
16 to occur.

17 CHAIRMAN HONIGBERG: Mr. Kreis.

18 MR. KREIS: Thank you, Mr. Chairman.
19 The OCA entered an appearance in this case, I
20 would say, prophylactically. And I have no
21 reason to suppose that the manner in which Mr.
22 Richardson just characterized the case is
23 incorrect. And I think there's every reason to
24 expect that we would become a signatory to a

1 settlement agreement in relatively short order
2 and allow this transaction to go forward.

3 CHAIRMAN HONIGBERG: Mr. Speidel.

4 MR. SPEIDEL: Thank you, Mr.

5 Chairman. Staff would echo the comments of the
6 other two parties, insofar as we hope that this
7 can be handled relatively expeditiously. We
8 have developed a draft procedural schedule that
9 we will propose to the OCA and to the
10 Petitioner, where this matter will terminate,
11 in all likelihood, by the end of March.

12 Lakes Region is a smaller, perhaps of
13 intermediate size at this point, water company,
14 based largely on the north shore of the Lake
15 Winnepesaukee Region. So, this system, in the
16 southern part of the White Mountains Region, or
17 the northern part of the Lakes Region,
18 depending on how you look at it, in the Town of
19 Albany, it would be a good fit for the Lakes
20 Region system, in terms of the ability to
21 service the customers there, and to provide a
22 little bit more of a consolidated structure for
23 the servicing of their needs than what they
24 might have right now.

1 So, we do look forward to looking --
2 we look forward to working with the OCA and the
3 Petitioner in reviewing this.

4 Thank you.

5 CHAIRMAN HONIGBERG: Yes. Thank you.
6 Mr. Speidel, you actually answered both of the
7 questions that I had. Off the record.

8 *[Brief off-the-record discussion*
9 *ensued.]*

10 CHAIRMAN HONIGBERG: So, we'll go
11 back on the record.

12 All right. If there's nothing else
13 we need to do, we will leave you to your
14 technical session and adjourn the prehearing
15 conference. Thank you.

16 *(Whereupon the prehearing*
17 *conference was adjourned at*
18 *10:11 a.m., and a technical*
19 *session was held immediately*
20 *thereafter.)*