

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

Pennichuck East Utility, Inc.

DW19-

**MOTION FOR TEMPORARY EXTENSION OF ORDER NO. 25,280
GRANTING A SHORT TERM DEBT LIMIT WAIVER**

Pennichuck East Utility, Inc. (“PEU” or “Company”), a corporation duly organized and existing under the laws of the State of New Hampshire and operating therein as a public utility subject to the jurisdiction of the New Hampshire Public Utilities Commission (the “Commission”) files this motion for an extension of the waiver of short term debt previously granted in Order No. 25,820 (DW 15-288). Contemporaneously with this motion PEU has filed a petition for a waiver of the 10% limitation on its short term debt under N.H. Admin. Rule Puc 608.05 that was previously granted in Order No. 25,820. In support of this Motion, PEU respectfully represents as follows:

1. Puc 608.05 states: “No utility shall issue or renew any notes, bonds or other evidence of indebtedness payable less than 12 months after the date thereof if said short term debt exceeds 10% of the utility’s net fixed plant without prior commission approval pursuant to Puc 201.05.”

2. On July 23, 2015, in accordance with Puc 201.05, PEU¹ sought a waiver of Puc 608.05 based on the 2011 acquisition of Pennichuck Corporation by the City of

¹ Docket No. 15-288 and Order No. 25,820 applied to both PEU and Pittsfield Aqueduct Company (“PAC”). This motion is filed on behalf of PEU only, and PAC is not seeking an extension of Order No. 25,280.

Nashua, which included the indirect acquisition of PEU. *See* Order No. 25,292 (November 23, 2011). A critical feature of the acquisition involved the transition to a capital structure composed primarily of debt, as opposed to a traditional capital structure.

3. On October 4, 2018, the Commission granted PEU's request to amend its ratemaking methodology. *See* Docket DW 17-128, Order No. 26,179. The underlying capital structure composed primarily of debt, however, remains in place and is reinforced under the new methodology.

4. By Order No. 25,820 (Docket DW 15-288), the Commission granted PEU's 2015 petition and provided a waiver of Puc 608.05 through June 30, 2019. In its Order, the Commission found "[t]he waiver and increased debt limits are consistent with the waivers and increases that we have approved since Nashua's acquisition of the companies." Order No. 25,820 at 3. The Commission also found reasonable the proposal to report monthly short term debt levels in the annual report and to file written notice with Staff and the OCA in any month that short term debt exceeds 15% of net fixed capital. Order No. 25,820 at 4.

5. In its Order, the Commission limited the time for the waiver. As a result, the current waiver expires on June 30, 2019. The Commission concluded that "[i]f [PEU] want[s] the waiver to continue beyond that date, [it] will need to file an appropriate request." Order No. 25,820 at 4.

6. On June 20, 2019 and contemporaneously with this motion, PEU filed a petition seeking a renewed waiver of Puc 608.05 with the terms and conditions described in the petition. Mr. Goodhue's testimony filed with that petition for waiver is incorporated into this motion in full.

7. Because Order No. 25,280 expires at midnight on June 30, 2019, PEU requests a

temporary extension of Order No. 25,280 until such time as the petition for waiver can be ruled upon. The requested extension would include an extension of all of the terms, conditions and limitations described in Order No. 25,280.

8. If the temporary extension is not granted, PEU would immediately be in violation of Puc 608.05 but would be able to remain in compliance with Order No. 25,280;

9. This request for and extension serves the public interest and will not disrupt the orderly and efficient resolution of matters before the Commission because it would, on a temporary basis only, keep in place an order that has been functioning without issues for four years. Extending the Order would keep PEU in compliance with applicable rules and orders of the Commission. Extending the order will simply leave in place an existing waiver that, at the time Order No. 25,280 was issued, the Commission deemed was in the public interest. It would also allow Staff, The OCA, PEU and the Commission time to evaluate PEU's pending petition for a waiver while allowing PEU to remain in compliance with the Commission's statute, rules and orders. In addition, the reasons described in Mr. Goodhue's testimony filed with the petition for waiver are further incorporated into this motion.

WHEREFORE, by this motion, PEU respectfully requests that the Commission:

A. Grant PEU's request for a temporary extension of Order No. 25,280, to be issued before June 30, 2019 and extend the order until PEU's petition for waiver of Puc 608.05 is ruled upon;

B. Find the proposed extension serves the public interest;

C. Find the extension will not disrupt the orderly and efficient resolution of matters before the Commission;

D. Find the extension is routine; and

E. Grant such other relief that is just and reasonable.

Respectfully submitted,

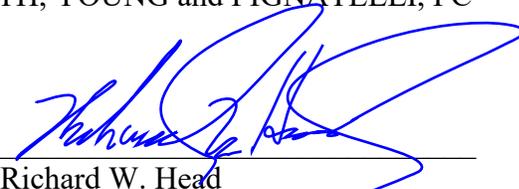
PENNICHUCK EAST UTILITIES, INC.

By Its Attorneys

RATH, YOUNG and PIGNATELLI, PC

Date: June 20, 2019

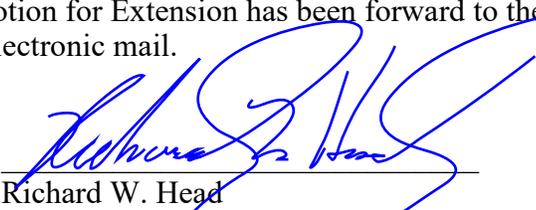
By:


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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Motion for Extension has been forward to the Office of Consumer Advocate via hand delivery and electronic mail.

Date: June 20, 2019


Richard W. Head