

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Martin P. Honigberg

COMMISSIONERS
Kathryn M. Bailey
Michael S. Giaimo

EXECUTIVE DIRECTOR
Debra A. Howland



PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website:
www.puc.nh.gov

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July 2, 2019

Debra A. Howland, Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: DW 19-112 – Pennichuck East Utility, Inc.
Staff Recommendation for Temporary Extension of Order No. 25,820

Dear Ms. Howland:

In this letter, Staff is recommending the approval of a temporary extension of a waiver of short-term debt for Pennichuck East Utility, Inc. (PEU or Company) that was previously approved by the Commission and expired on June 30, 2019. PEU's previous waiver of short-term debt was granted in Commission Order No. 25,820 (September 29, 2015) in DW 15-288.

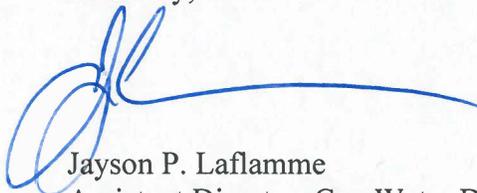
On June 20, 2019, PEU filed a petition for a permanent waiver of the 10 percent limitation on PEU's short-term debt under NH Admin. Rule Puc 608.05. This filing was made contemporaneously with a petition seeking a temporary extension of the waiver of short-term debt previously granted by Commission Order No. 25,820. In that order, the Commission granted an increase in PEU's short-term debt limit up to 18 percent of the Company's net fixed plant, until June 30, 2019. The temporary extension would be in effect until such time that PEU's permanent petition for waiver is ruled upon by the Commission.

PEU states that if its request for a temporary extension is not granted, it will be in immediate violation of Puc 608.05. PEU avers that its request for extension serves the public interest and will not disrupt the orderly and efficient resolution of matters before the Commission because it would temporarily keep in place an order that has been functioning without issue for four years. Further, extending the order would allow the Commission, Staff, and the other parties in this case time to evaluate PEU's pending petition for permanent waiver of Puc 608.05, while allowing PEU to remain in compliance with the Commission's statutes, rules, and orders.

Staff recommends the Commission approve PEU's request for temporary extension of Commission Order No. 25,820. Staff agrees with the Company that PEU has been operating under the previous Commission order without issue for the past four years and that an extension of that order would not disrupt the orderly and efficient resolution of matters before the Commission. Further, approval of the temporary extension would keep PEU in compliance with Commission statutes, rules, and orders while the Company's permanent waiver request is reviewed and evaluated by the parties in this proceeding.

Thank you for your attention and assistance with this matter. If you have any further questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, consisting of a large, stylized initial 'J' followed by a horizontal line extending to the right.

Jayson P. Laflamme
Assistant Director, Gas-Water Division

cc: Service List
(Electronic Only)

Executive.Director@puc.nh.gov
anthony.leone@puc.nh.gov
carolann.howe@pennichuck.com
Christopher.tuomala@puc.nh.gov
donald.ware@pennichuck.com
jay.kerrigan@pennichuck.com
jayson.laflamme@puc.nh.gov
larry.goodhue@pennichuck.com
ocalitigation@oca.nh.gov
robyn.descoteau@puc.nh.gov
rwh@rathlaw.com
steve.frink@puc.nh.gov