

STATE OF NEW HAMPSHIRE

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May 14, 2020

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

Re: DW 20-071 Atkinson Area Wastewater Recycling, Inc.
Request for Waiver of Certain Puc 1604.01 (b) Requirements
Staff Recommendation

Dear Ms. Howland:

On May 11, 2020, Atkinson Area Wastewater Recycling, Inc. (Atkinson or Company) filed a Notice of Intent to File Petition for NHPUC Approval of Rate Schedules indicating that the Company intends to file its rate schedules within 30 to 60 days from the date of filing. Atkinson estimates that it will be seeking a permanent revenue increase of \$54,933, or 92.051%.

With its Notice of Intent, Atkinson filed a Motion requesting a waiver of certain filing requirements, pursuant to N.H. Code Admin. Rules Puc 1604.01(b). The Company, in its Motion, listed each waiver request, along with a brief supporting reason. The following is each waiver requested by Atkinson, along with the Company's supporting reason for the waiver indicated in parentheses:

- a. Puc 1604.01(b)(1) – a detailed list of charitable contributions charged in the test year (the Company made no charitable contributions during the test year);
- b. Puc 1604.01(b)(2) – a detailed list of advertising charges in the test year (the Company incurred no advertising expenses during the test year);
- c. Puc 1604.01(b)(4) – the utility's chart of accounts, if different from the uniform system of accounts (the Company follows the NHPUC Chart of Accounts);
- d. Puc 1604.01(b)(5) – a detailed list of all membership fees, dues, lobbying expenses, and donations charged in the test year (the Company incurred no membership fees, lobbying expenses, or donations during the test year);

- e. Puc 1604.01(b)(6) – copies of depreciation studies (the Company has no depreciation studies);
- f. Puc 1604.01(b)(7) – copies of any management or financial audits (the Company has no management audits);
- g. Puc 1604.01(b)(10) – non-utility operations (the Company has no non-utility operations).

Pursuant to Puc 201.05, the Commission shall waive the provisions of any of its rules when it finds that the waiver serves the public interest and will not disrupt the orderly and efficient resolution of the matters before it. Based on such, Staff recommends the Commission deny Atkinson's Motion. Staff does not object to most of the requested waivers, *per se*, in that Staff recognizes that these filing requirements may truly not apply to Atkinson. Staff, however, argues that the public interest may be better served if the reason for the filing's absence is simply provided for by the Company within its forthcoming rate case filing. *See Pennichuck Water Works, Inc., Rate Case Filing Requirements Pursuant to Puc 1604, July 1, 2019 (Docket No. DW 19-084)* (provided individual documents noting the required Puc 1604.01(a) required filings and the reasons for its absence). Staff contends that indication of the filings absence in the full rate case filing itself will greatly aid future review of the record. Staff believes this is also more efficient as all information necessary will be presented in one, continuous location, mirroring the requirements of Puc 1604.01(b). That mirroring would make it easier for an interested person to review the docket's record, especially in years to come.

Pursuant to Puc 201.05(b)(1), additionally, the Commission determines the public interest by examining if compliance with the rule would be onerous to the affected person. Staff contends that by requiring Atkinson file as suggested would not be onerous to the Company. Merely inserting a slip in the filing stating that the information is not generated, or that the filing does not apply, furthermore, is arguably less onerous than the time it took the Company to compile the instant request for waiver. Denying the instant request also maintains consistency in the Commission's treatment of similar waiver requests. *See Lakes Region Water Company, Inc., Secretarial Letter, November 14, 2019, at 2 (DW 19-177)* (denying request for certain rate case filing waivers and requiring "[t]o the extent [the Company] is unable to comply with a requirement of Puc 1604.01, it shall insert a document in its rate filing stating why the information was not provided and/or why the requirement does not apply").

Further and specifically with regard to the Company's request for waiver of Puc 1604.01(b)(7) regarding the providing of copies of any management or financial audits, Atkinson states as its reason that "the Company has no management audits", but is silent as to the existence of financial audits. As such, Staff recommends that the Commission require Atkinson to specifically address whether unfiled financial audit reports are, in fact, in existence before the granting any waiver of this administrative rule.

In conclusion, Staff recommends the Commission deny Atkinson's Motion. Staff further recommends that the Commission require Atkinson to specifically address the existence of any financial audits concerning the Company before the granting of any waiver regarding Puc 1604.01(b)(7).

May 14, 2020

Thank you for your assistance and attention to this matter. If you have any further questions, please feel free to contact me.

Sincerely,

/s/ Jayson P. Laflamme

Jayson P. Laflamme
Assistant Director, Gas-Water Division

cc: Service List

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