

DW 99-093

**TILTON NORTHFIELD AQUEDUCT COMPANY INC.**

**Special Contract with J. Jill Group, Inc.**

**Order Nisi Approving Special Contract**

**O R D E R    N O.   23,356**

**November 30, 1999**

**I. BACKGROUND**

On June 28, 1999, Tilton Northfield Aqueduct Company, Inc. (Tilton or the Petitioner) filed with this Commission pursuant to RSA 378:18, a Special Contract with J. Jill Group, Inc., (J. Jill) formerly D.M. Management, Inc., effective July 1, 1999, for fire service at conditions other than those fixed by its schedule of general application.

Under the terms of the Contract, Tilton would provide fire service to J. Jill at rates one-half of that currently in effect for Tilton and J. Jill would contribute capital to Tilton in the amount of \$53,575.80 for modifications to Tilton's system. The Petitioner submitted revisions to the Special Contract on July 28, 1999. The revisions included a revised exhibit attached to schedule A to correct a typographical/arithmetic error in the cost to modify Tilton's system and requested a waiver of Puc 1606.03(a)(1) to allow for an effective date of July 1, 1999. The Contract is proposed to be in effect for five years beginning July 1, 1999. At the termination of the Contract J. Jill would be provided fire service and billed in accordance with Tilton's

approved tariff rates for fire service at such time. The total revenue associated with the Contract will amount to \$23,853 per year and the revenues from the contract will be used to reduce rates currently in effect for Tilton's water customers in accordance with the terms of a Stipulation entered into between Tilton and the Commission staff in DF 96-210 (Phase II), page 6, paragraph 6.

"Where revenues associated with special contracts and prospective new customers will be implemented into TNA's water rates at the time such contracts become effective. (Upon Commission approval of the special contract."

The estimated annual revenue reduction from the special contract will amount to approximately 2.9 percent.

## **II. COMMISSION ANALYSIS**

Pursuant to RSA 378:18 a public utility may contract with a customer for service at rates other than those fixed by schedules of general application if special circumstances exist which render such a departure just and consistent with the public interest. Given that J. Jill will contribute a substantial capital contribution to the Petitioner's system in order to acquire fire service, that the reduced rate will be in effect for a period not to exceed five years and the revenues associated with the Contract will reduce rates to Tilton's water customers, we find special circumstances exist rendering the contract just

and consistent with the public interest.

**Based upon the foregoing, it is hereby**

**ORDERED**, that the special contract between Tilton and J. Jill commencing on July 1, 1999 for a period of five years is APPROVED; and it is

**FURTHER ORDERED**, that the Petitioner's request for a waiver of Puc 1606.03(a)(1) filing timelines for an effective date of July 1, 1999 is denied; and it is

**FURTHER ORDERED**, that the Petitioner file a properly annotated tariff reflecting a reduction in rates equal to the revenue to be realized from this special contract with the Commission within 10 days of the date of this order in accordance with N.H. Admin. Rules Puc 1603.06(0); and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules, Puc 1601.05, the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than December 7, 1999 and to be documented by affidavit filed with this office on or before December 14, 1999; and it is

**FURTHER ORDERED**, that all persons interested in responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than December 17, 1999;

and it is

**FURTHER ORDERED,** that any party interested in responding to such comments or request for hearing shall do so no later than December 27, 1999; and it is

**FURTHER ORDERED,** that this Order Nisi shall be effective January 1, 2000 unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of November, 1999.

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Douglas L. Patch  
Chairman

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Susan S. Geiger  
Commissioner

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Nancy Brockway  
Commissioner

Attested by:

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Thomas B. Getz  
Executive Director and Secretary