

DW 04-001

ATKINSON WOODS WATER COMPANY, LLC

Petition for Permanent Rates and Financing Approval

Order Suspending Proposed Tariff and
Scheduling a Prehearing Conference

O R D E R N O. 24,272

January 30, 2004

On January 5, 2004, Atkinson Woods Water Company, LLC (Atkinson Woods) filed with the New Hampshire Public Utilities Commission (Commission) a petition requesting financing approval and establishment of permanent rates.

Atkinson Woods requests approval to borrow \$248,800 over 20 years at 7 percent interest from Hall Farm Realty Trust, the former owner of the water system. Atkinson Woods requests authority to collect annual revenues in the amount of \$38,809. Atkinson Woods proposes to recover the amount through four fixed quarterly bills of \$173.26 to each of the 56 customers in the Atkinson Woods Condominium development. Annually, this would amount to \$693.02 collected from each customer.

The petition includes testimony, supporting financial schedules and agreements. The Purchase and Sale Agreement between Hall Farm Realty Trust and Atkinson Woods identifies the purchased assets as including: pipes, pumps, tanks, wells, connections, switch gear, electrical devices, regulators,

accessories and appurtenances and accounts receivable. The \$248,800 promissory note, dated November 14, 2003, covers these assets.

The petition contains a proposed tariff that identifies December 5, 2003 as the effective date for the permanent rate. The accompanying testimony, however, requests an effective date of January 1, 2004. Atkinson Woods did not file its petition with the Commission until January 5, 2004 and has not provided 30 days notice prior to rate changes as required by RSA 378:3. Atkinson Woods also requests the Commission approve the permanent rate on a bills-rendered basis. In the event the Commission suspends the permanent rate, Atkinson Woods alternately requests an unspecified temporary rate. New Hampshire Admin. Rule Puc 1203.05 requires rate changes be effective on a service rendered basis unless the utility requests a waiver. The filing lacks such a waiver request for the permanent and temporary rates.

The Commission recently granted Atkinson Woods authority to serve the Atkinson Woods Condominium development. See, Order No. 24,244 dated December 5, 2003 in Docket No. DW 03-103. Atkinson Woods does not operate any other water system.

The filing raises issues including, inter alia, RSA 378:28 and whether the proposed rates are just and reasonable;

RSA 378:27 and the nature of temporary rates sought; RSA 378:3 and the effective date of the rates; RSA 369:1 and whether Atkinson Woods' request to acquire long-term debt in the amount of \$248,800 is in the public good; and RSA 378:1 and the completeness of Atkinson Woods' tariff filing.

Based upon the foregoing, it is hereby

ORDERED, That Atkinson Woods Water Company LLC's proposed tariff NHPUC No. 1, GENERAL SERVICE - NON METERED, is hereby suspended; and it is

FURTHER ORDERED, that a Prehearing Conference, pursuant to N.H. Admin. Rule Puc 203.05, be held before the Commission located at 8 Old Suncook Road, Concord, New Hampshire on February 20, 2004 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin Rule Puc 203.05(c) shall be considered; and it is

FURTHER ORDERED, that the Prehearing Conference may be tape recorded unless a party, at least 5 days in advance of the Prehearing Conference, requests a transcript, in which case the Commission shall order a stenographic record, pursuant to N.H. Admin. Rule Puc 203.05(d); and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Atkinson Woods, the Staff of the

Commission and any Intervenors hold a Technical Session to review the petition and allow Atkinson to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rule Puc 203.01, Atkinson Woods shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than February 6, 2004, in a newspaper with statewide circulation or of general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before February 20, 2004; and it is

FURTHER ORDERED, that Atkinson Woods serve an accurate and complete summation of its proposed rate change and a copy of this Order of Notice, in accordance with N.H. Admin. Rule Puc 1604.03(g), on current and known prospective customers of Atkinson Woods and the Atkinson town Clerk, by first class U.S. Mail, postmarked no later than February 11, 2004; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rule Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission an original and eight copies of a Petition to Intervene with copies sent to Atkinson Woods and the Office of the Consumer Advocate on or before February 17, 2004, such Petition stating the facts demonstrating how its rights,

duties, privileges, immunities or other substantial interests may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.02 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before February 20, 2004.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of January, 2004.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Graham J. Morrison
Commissioner

Michelle A. Caraway
Assistant Executive Director