

**DW 07-131**

**ATKINSON AREA WASTE WATER RECYCLING, INC.**

**Petition for Approval of Acquisition of Assets, Financing,  
and  
Establishment of Permanent Rates**

**Order Suspending Proposed Tariffs  
and  
Scheduling Prehearing Conference**

**ORDER N. O. 24,833**

**March 14, 2008**

Atkinson Area Waste Water Recycling Inc. (AAWW) was authorized to offer sewer service in the Town of Atkinson in 1991. *Atkinson Area Waste Water Recycling, Inc.*, 76 NH PUC 681 (1991). However, AAWW owns no assets and it did not exercise its franchise right within the two years required by RSA 374:27. AAWW now renews its request to serve within the original franchise.

On December 17, 2007, AAWW filed a Notice of Intent to file rate schedules along with a request to waive certain filing requirements. On February 20, 2008, AAWW filed its Petition for approval of Acquisition of Assets, Financing, and Establishment of Rates. In support of its petition, AAWW filed financial schedules and pre-filed testimony of Christine Lewis Morse, Vice Pres. of AAWW, and Stephen P. St Cyr, a consultant.

AAWW missed the 60-day time frame for filing its petition as required by N.H. Code Admin. R. Puc 1604.05(c)(1). Consequently, AAWW filed a request on February 26, 2008, and an amended request on March 4, 2008, to waive the 60-day time frame, stating that its filing was shortly after the deadline (i.e., 5 days) and it would be burdensome for AAWW to re-file its petition. As noted in the Company's March 4, 2008 filing, Commission Staff (Staff) concurs

with AAWW's waiver request.

AAWW seeks a franchise for the area bounded by the Town of Salem, Town of Haverhill, North Broadway road and Providence Hill road. AAWW also seeks financing authority to acquire assets necessary to commence operations and to charge rates for service. Atkinson Farm, Inc. (AFI), the parent of AAWW, obtained approval from the Town of Atkinson Planning Board in 2007 to construct 288 condominium units to be known as Atkinson Heights, consisting of 9 mid rise buildings containing 32 units each. An initial phase consisting of 128 residential units is scheduled for construction in the spring of 2008 and it is these customers AAWW intends to serve. AAWW will also serve one existing commercial customer near this development. A related company, Lewis Builders Development Inc., will construct the utility assets and, following transfer to AAWW, these assets will be treated as contributions in aid of construction and will not be put in rate base.

AAWW seeks an overall annual revenue requirement of \$133,637 and permanent rates to recover the proposed revenue from customers as follows:

Residential Service	min. annual charge of \$60 \$13.37 per 100 c.f.
Commercial Service	min. annual charge of \$3,000 \$13.37 per 100 c.f.

AAWW estimates that based on consumption of 43 hundred cubic feet at a similar condominium development, the average residential customer would pay an annual average bill of \$631.02.

The filing raises, inter alia, the issue of franchise approval and whether, pursuant to RSA 374:22, AAWW has the managerial, technical, and financial ability to operate a sewer utility; issues related to the close relationship of the financial entities in the acquisition of and financing

of future plant; RSA 378:7 and RSA 378:28 concerning just and reasonable rates and the establishment of and inclusion in rate base of future plant additions; establishment of a proposed projected test year for rate base and operation and maintenance costs; and notification to prospective customers as to the level of proposed permanent rates.

Having reviewed AAWW's request for waiver of filing requirements, we find it reasonable to grant the request since certain rate case filing requirements do not apply to AAWW. As to the waiver of N.H. Code Admin. R. Puc 1604.05, we find that granting the brief extension of time to file will not hinder a thorough investigation of AAWW's filing. We will, therefore, grant the requested waivers of N.H. Admin. Rules, Puc 1604.01(a) subsections (1), (2), (5), (6), (7), (9), (10) through (13), (17), (19), (20), (23) through (27), as well as Puc 1604.05.

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

**ORDERED**, that AAWW's NHPUC NO.1 SEWER, ORIGINAL PAGE 18, is hereby suspended in order to conduct a thorough investigation prior to rendering a final order in this proceeding; and it is

**FURTHER ORDERED**, that a Prehearing Conference, pursuant to N.H. Admin. Rules Puc 203.05, be held before the New Hampshire Public Utilities Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on April 22, 2008 at 10:00 a.m. at which each party and Staff will provide a preliminary summary of its positions with regard to the Petition; and it is

**FURTHER ORDERED**, that immediately following the Prehearing Conference, AAWW, Staff and Intervenors hold a Technical Session to review the noticed issues and determine a proposed procedural schedule for consideration of the issues raised in the petition;

and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.01, AAWW notify all persons desiring to be heard at the prehearing by publishing a copy of this Order of Notice no later than March 24, 2008, in the *Union Leader* documented by affidavit filed with the Commission on or before April 22, 2008; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to AAWW and the Office of the Consumer Advocate on or before April 18, 2008, 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 (a)(2); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before April 22, 2008; and it is

**FURTHER ORDERED**, that in addition to the legal notice required above for the Prehearing Conference, AAWW shall mail a copy of this order to the town clerk for the Town of Atkinson; and it is

**FURTHER ORDERED**, that the Executive Director is authorized to make adjustments to the procedural schedule as necessary.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of  
March, 2008.

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Thomas B. Getz  
Chairman

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Graham J. Morrison  
Commissioner

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Clifton C. Below  
Commissioner

Attested by:

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Debra A. Howland  
Executive Director and Secretary

Any individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-7319; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Preferably, notification of the need for assistance should be made one week before the scheduled event.