

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 12-254

FOREST EDGE WATER COMPANY

Temporary and Permanent Rate Proceeding

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

ORDER NO. 25,427

October 23, 2012

Forest Edge Water Company (Forest Edge) is a regulated water utility pursuant to RSA 362:2 and 362:4, and provides water service to approximately 42 customers in the Town of North Conway. On August 20, 2012, Forest Edge filed a Notice of Intent to file rate schedules and, on September 25, 2012, filed its rate schedules requesting an increase in its annual revenues of \$8,056 or 41.4%. On October 9, 2012, Forest Edge filed a request for temporary rates pursuant to RSA 378:27. Forest Edge seeks temporary rates designed to increase its revenues by \$3,998 or 20.54%. Forest Edge proposes temporary rates to be effective for service provided on and after October 1, 2012, during the pendency of the permanent rate proceeding. In support of the proposed temporary and permanent increases, Forest Edge provided prefiled direct testimony, schedules, and other supporting documentation. These documents and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2012/12-254.html>.

Forest Edge seeks to increase its annual revenues by \$8,056 in order to earn an overall rate of return of 7.57%. It reported an operating loss for its test year of 2011. It attributes the

loss to increased management and bookkeeping expenses, legal expenses, and mapping expenses required by the Department of Environmental Services in 2012. Additionally, its current approved revenue requirement does not account for certain management expenses it began incurring in 2010. Overall, the proposed revenue requirement, if approved, would result in a quarterly flat rate of \$163.79, a 41.4% increase over its current quarterly flat rate of \$115.84. The temporary rate request would increase the quarterly flat rate to \$139.64, an increase of 20.54%. Forest Edge does not provide metered service.

The filing raises, inter alia, issues related to: RSA 378 and whether the proposed permanent and temporary rates are lawful, just, and reasonable; and whether the proposed effective date afforded the Commission and customers proper notice pursuant to RSA 378:3. Pursuant to N.H. Code Admin. Rules Puc 203.12(a)(5), each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that Forest Edge Water Company's NHPUC No. 1 WATER – Second Revised Page 6 is hereby suspended; and it is

FURTHER ORDERED, that a prehearing conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the New Hampshire Public Utilities Commission located at 21 South Fruit Street, Concord, New Hampshire on November 20, 2012 at 1:30 p.m., at which each party and Commission 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, Forest Edge, Commission Staff, and any Intervenors hold a technical session to review the issues and

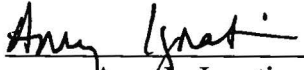
recommend a proposed procedural schedule for consideration of temporary and permanent rates; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12 and Puc 1203.2, Forest Edge shall notify persons desiring to be heard at this hearing by mailing a copy of this order, no later than November 2, 2012, to all current and known prospective customers, as well as to the Town Clerk for the Town of North Conway, and that said mailings be documented by affidavit filed with the Commission on or before November 14, 2012; and it is


FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a petition to intervene with copies sent to Forest Edge and the Office of the Consumer Advocate on or before November 14, 2012, 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 203.17 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 November 20, 2012.

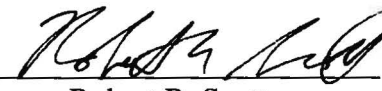
By order of the Public Utilities Commission of New Hampshire this twenty-third day of
October, 2012.



Amy L. Ignatius
Chairman

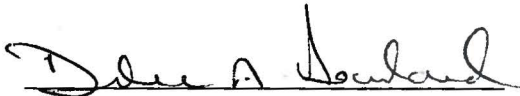


Michael D. Harrington
Commissioner



Robert R. Scott
Commissioner

Attested by:



Debra A. Howland
Executive Director

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 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.