

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 12-355

DOCKHAM SHORES ESTATES WATER COMPANY, INC.

Permanent Rate Proceeding

Order Suspending Proposed Tariff Revisions and Establishing a Prehearing Conference

ORDER NO. 25,470

March 8, 2013

Dockham Shores Estates Water Company, Inc. (Dockham Shores) provides metered water service to 60 customers in a limited area of Gilford, NH. On December 11, 2012, Dockham Shores filed a notice of intent to file rate schedules and, on February 11, 2013, filed its rate schedules along with supporting testimony for an increase in its permanent rates. The petition 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/2012/12-355.html>.

Dockham Shores proposes to increase its annual revenue by \$23,844, or 129%. Dockham Shores states that its currently effective rates do not allow it to meet its anticipated operating expenses and earn its last authorized rate of return. Based upon a capital structure of 100% equity and 0% debt, Dockham Shores requests a return on investment of 9.75%, the same as that granted by the Commission for Lakeland Management Company, Inc. in Docket No. DW 10-306.

Dockham Shores filed a new tariff to supersede its existing tariff, NHPUC No.1 – Water. The rate filing includes a proforma adjustment for Plant Additions placed in service during 2012,

namely a security alarm system and an ultraviolet purification system. Proforma adjustments to expenses are also made for increased water testing and bookkeeping costs.

Dockham Shores states that increased regulation, the increased cost of doing business, and higher taxes, coupled with the cost of increased investment in plant, has resulted in the company losing money for many years. If the proposed revenue levels are approved, Dockham Shores states that the customer charge would increase from \$18.58 to \$42.55 per quarter and the usage charge would increase from \$0.4728 to \$1.0811 per 100 gallons, an average increase of 129%. Dockham Shores requests that its proposed new rates be effective March 13, 2013.

The filing raises, *inter alia*, issues related to RSA 378 and the justness and reasonableness of rates, fares, and charges; issues regarding operating expenses, proforma adjustments, and rate of return; and Dockham Shores' proposed rate base additions and proposed return on equity. A full investigation is necessary to determine whether the proposed increase is in the public good and these and other issues will be addressed in the permanent rate proceeding. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that Dockham Shores' NHPUC No. 2 – Water, Superseding NHPUC No.1 - Water is hereby suspended pending the Commission's investigation prior to rendering a final order in this proceeding; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rule Puc 203.15, a prehearing conference be held before the New Hampshire Public Utilities Commission located at 21 South Fruit Street, Suite 10, Concord, New Hampshire on April 4, 2013 at 10:00 a.m. at which each

party and Commission Staff will provide a preliminary summary of its position with regard to the filing; and it is

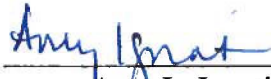
FURTHER ORDERED, that, immediately following the prehearing conference, Dockham Shores, Staff, and any intervenors hold a technical session to review the filing and allow Dockham Shores to provide any updates or amendments to its filing; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rule Puc 203.12, Dockham Shores shall notify all persons desiring to be heard at this hearing by mailing, by first class mail, a copy of this order no later than March 21, 2013 to all customers, known prospective customers, and the town clerk for the town of Gilford, such mailing documented by affidavit filed with the Commission on or before April 1, 2013; and it is

FURTHER ORDERED, that pursuant to Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a petition to intervene with copies sent to Dockham Shores and the Office of the Consumer Advocate on or before April 1, 2013, 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 Puc 203.17 and RSA 541-A:32, I(b); and it is

FURTHER ORDERED, that, pursuant to 203.12(a)(5), each party has the right to have an attorney represent them at their own expense.

By order of the Public Utilities Commission of New Hampshire this eighth day of March,
2013.



Amy L. Ignatius
Chairman

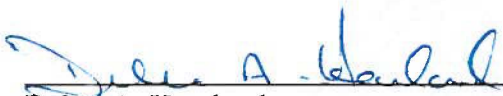


Michael D. Harrington
Commissioner



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.