

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 13-323

HAMPSTEAD AREA WATER COMPANY, INC.

Request for Franchise, Rates, and Financing Approval for Little River Village, Plaistow

Summary of Order No. 25,636 Granting Petition

March 14, 2014

Hampstead Area Water Company, Inc. (HAWC) is a regulated public utility pursuant to RSA 362:2 and RSA 362:4 and provides water service to over 3,120 customers in 11 towns in southern New Hampshire, including the Town of Plaistow. On November 13, 2013, HAWC filed a petition to expand its franchise in Plaistow to include a proposed residential development known as Little River Village. HAWC also seeks approval to acquire assets associated with the Little River Village water system, to charge its currently authorized tariff rates in this new franchise area, and for approval to finance the purchase.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, is posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2013/13-323.html> .

HAWC seeks to expand its franchise to include the Little River Village development consisting of twenty-five single family homes expected to be built over the next four years. The water system has the necessary permits from the Department of Environmental Services. The development is located within Tax Map 29, Lot 28, off of Main Street, Route 121A and the remaining proposed franchise is within Tax Map 43, Lot 43; Tax Map 43, Lot 44; and Tax Map 29, Lot 23, for a total of 94 acres. The purchase price is \$25,000 and the developer has granted

HAWC a Water Rights Deed and Easement to secure access to the water system. Because the cost of construction is higher than the purchase price, HAWC will book \$226,500 as Contribution in Aid of Construction. The \$226,500 will not be collected from customers through rates. HAWC proposes to charge its existing consolidated metered rates in the proposed franchise. The rate is a \$10.00 base charge per month with a consumption charge of \$5.02 per 100 cubic feet of water consumed. On February 19, 2014, Staff filed a letter stating that it had reviewed the filing, had conducted discovery, and that it recommended the Commission approve HAWC's petition.

Based on HAWC's filings and Staff's recommendation, the Commission approves HAWC's petition. The Commission authorizes HAWC to expand its franchise in Plaistow, to purchase the assets necessary to operate the Little River Village water system, to finance the \$25,000 purchase price over 20 years at 0% interest, and to charge the existing consolidated rates described above within its franchise. In order to ensure that all interested parties receive notice of this docket and have an opportunity to request a hearing, the Commission delays the effectiveness of its approval until April 14, 2014. All persons interested in responding to the Commission's decision to approve HAWC's petition may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than April 2, 2014. Any party interested in responding to such comments or request for hearing shall do so no later than April 9, 2014. Following consideration of any comments and request for hearing received, the Commission may further extend the effective date of its approval. The Commission's approval of HAWC's request shall become final and effective on April 14, 2014, unless the Commission orders otherwise.