

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 13-213

WEST SWANZEY WATER COMPANY, INC.

Petition for Collection of Unbilled Revenue

Order Approving Collection of Unbilled Revenue

ORDER NO. 25,875

March 23, 2016

In this Order the Commission grants the request of the petitioner, West Swanzey Water Company, Inc. (West Swanzey), to collect unbilled revenue. To ensure all customers have notice of the surcharge to be collected over the next two billing quarters, the company is directed to mail a copy of this order to each customer. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2013/13-213.html>.

West Swanzey provides water service to approximately 70 customers in the Town of West Swanzey. On March 2, 2016, the company asked the Commission to authorize the recovery of unbilled revenue associated with a rate increase approved in late 2013. Order 25,606 (December 19, 2013) approved a \$3,240, or 4.83%, increase to the company's annual revenue requirement effective January 17, 2014. A Commission audit recently revealed the unbilled revenue, which the company attributes to inadvertently failing to change its billing system to collect the rate increase. West Swanzey intends to begin prospective collection of the revenue increase on April 1, 2016. The company also proposes to collect the unbilled revenues

associated with the period January 17, 2014, to March 30, 2016, through a surcharge on two quarterly bills, starting with the April 1 bills. The amount of the surcharge would be calculated based on each customer's usage, but the Company estimated an average surcharge of \$13.76 based on the actual consumption during the quarter in 2014 with the highest usage. After review, Staff recommended the Commission approve West Swanzey's request.

N.H. Code of Admin. Rules Puc 1203.05 sets forth the requirements for the collection of unbilled revenues:

(d) In the event of unbilled revenues, a utility may collect the unbilled, unpaid balance only after:

- (1) Providing the commission with the information listed in (e) below; and
- (2) Petitioning in writing for and obtaining commission authorization.

(e) A utility seeking approval to collect unbilled revenues shall provide to the commission in writing, the following:

- (1) A description of the failure to bill;
- (2) An explanation of why the failure occurred;
- (3) The proposed time period over which the utility proposes to recover the unbilled, unpaid balance and the utility's rationale for such action;
- (4) The impact on the monthly bills of customers; and
- (5) The number and percentage of customers included in the approved rate change who are affected by the error.

(f) The commission shall not authorize collection of unbilled revenues unless it determines that:

- (1) The utility's error was inadvertent;
- (2) The time period for collection of the unbilled revenues does not impose undue hardship on ratepayers; and
- (3) The proposed collection meets the standards contained in RSA 378:7.

West Swanzey has provided the necessary information and has proposed a reasonable period over which to collect the unbilled revenues. We find that the company's error was


inadvertent, and the proposed surcharge will not cause undue hardship on its customers. West Swanzey's recovery of the unbilled revenues related to Order 25,606 is consistent with that order and with RSA 378:7, requiring rates to be just and reasonable.

Based upon the foregoing, it is hereby

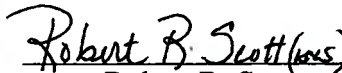
ORDERED that West Swanzey shall collect from each of its customers the unbilled revenues based on the customer's usage between January 17, 2014, and March 30, 2016; and it is

FURTHER ORDERED, that the Petitioner shall mail a copy this Order to each customer by first class mail within 5 days of the date of this order and to be documented by affidavit filed with this office on or before April 20, 2016.

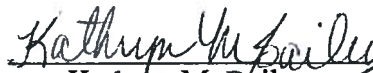
By order of the Public Utilities Commission of New Hampshire this twenty-third day of March, 2016.



Martin P. Donigberg
Chairman




Robert R. Scott
Commissioner



Kathryn M. Bailey
Commissioner

Attested by:



Lori A. Davis
Assistant Secretary