

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 17-154

AQUARION WATER COMPANY OF NEW HAMPSHIRE, INC.

**Water Infrastructure and Conservation Adjustments
2018 Surcharge and Project Approvals**

Order Denying Motion for Rehearing

ORDER NO. 26,102

February 9, 2018

In this Order, the Commission denies the Motion for Rehearing of Order No. 26,094 filed by the Town of Hampton. The Commission finds that Hampton did not offer any new evidence or identify any misunderstanding or error of law by the Commission in its initial decision.

I. PROCEDURAL HISTORY

In Order No. 26,094 (December 29, 2017), the Commission granted a petition filed by Aquarion Water Company of New Hampshire, Inc. (Aquarion). The Order: (1) approved a 2018 Water Infrastructure and Conservation Adjustments (WICA) surcharge of 7.08 percent; (2) approved Aquarion's planned 2018 WICA projects; and (3) preliminarily approved Aquarion's planned 2019 WICA projects, subject to the further recommendations of Commission Staff (Staff) in the fall of 2018. The Order was issued on a *nisi* basis to allow public notice and an opportunity to object before the approvals took effect.

The Town of Hampton filed a timely Motion for Rehearing of Order No. 26,094, to which Aquarion objected. Additional procedural history is described in Order No. 26,094. 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 the following link: <http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-154.html>.

II. POSITIONS OF THE PARTIES

A. Hampton

In its Motion for Rehearing, Hampton makes three arguments. First, Hampton argues that Aquarion wrongfully refused to accept the town's approach to depreciation schedules for WICA capital projects, and that the Commission erroneously adopted Aquarion's approach. Motion at 1-2. Hampton's position is that the Commission should not defer to Aquarion's next rate case questions related to the design of the WICA program and Aquarion's earning position, due to the potentially long lag time before the next rate case. *Id.* at 2.

Second, Hampton asserts that there is a potential for a 2019 WICA surcharge of 8.69 percent, based on one of the schedules presented by Aquarion in its WICA filing. Hampton argues the Commission erred in approving Aquarion's 2018 projects because the resulting surcharge would exceed the WICA surcharge cap of 7.5 percent. *Id.* at 2-3.

Finally, Hampton asserts that Aquarion is earning a rate of return in excess of its authorized return approved by the Commission in its last rate case, and that the Commission was wrong to rely on Staff to report an over-earning condition within the terms of Order No. 26,094. *Id.* at 3-4.

B. Aquarion

Aquarion claims that Hampton did not cite new facts or errors of law and that there is nothing in the Commission's ruling that requires reconsideration. According to Aquarion, Hampton has simply repeated its arguments from prior filings. Objection at 2-3. Aquarion also

characterized Hampton's theories related to depreciation as "contrary to established ratemaking principles," and based on a faulty understanding of the evidence. *Id.* at 3.

III. COMMISSION ANALYSIS


Pursuant to RSA 541:3, the Commission may grant rehearing or reconsideration when a party states good reason for such relief. Good reason may be shown by identifying new evidence that could not have been presented in the underlying proceeding, *see O'Loughlin v. N.H. Personnel Comm'n* 117 N.H. 999, 1004 (1977), or by identifying specific matters that were "overlooked or mistakenly conceived" by the Commission, *Dumais v. State*, 118 N.H. 309, 311 (1978). A successful Motion for Rehearing does not merely reassert prior arguments and request a different outcome. *Public Service Company of New Hampshire*, Order No. 25,239 at 8 (June 23, 2011).

We find that Hampton's Motion for Rehearing does not meet the requisite standard. Hampton essentially repeats the same arguments it made prior to the issuance of Order No. 26,094. In that Order, we approved the proposed depreciation schedules for Aquarion's WICA projects, reiterated that the WICA surcharge cap prevented Aquarion from charging more than a 7.5 percent surcharge, and continued our reporting requirements for Aquarion's annual earnings. We understand that Hampton disagrees with our conclusions regarding those issues, but that alone is not grounds to support a Motion for Rehearing. Hampton did not offer any new evidence that was not available at the time of the initial decision, nor did Hampton cite any misunderstanding or error in the Commission's decision. On that basis, we deny the Motion for Rehearing.

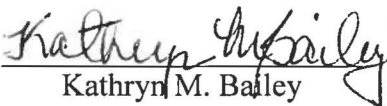
Based upon the foregoing, it is hereby

ORDERED, that the Motion for Rehearing by the Town of Hampton is hereby DENIED.

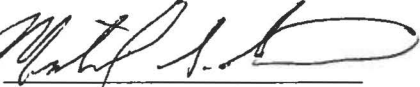
By order of the Public Utilities Commission of New Hampshire this ninth day of
February, 2018.



Martin P. Honigberg
Chairman

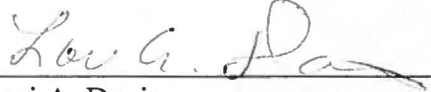


Kathryn M. Bailey
Commissioner



Michael S. Giaimo
Commissioner

Attested by:



Lori A. Davis
Assistant Secretary