

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 18-076

PENNICHUCK WATER WORKS, INC.

Small Diameter Private Fire Protection Non-Metered Service

Order Suspending Proposed Tariff

ORDER NO. 26,137

May 31, 2018

In this order, the Commission suspends a proposed set of Pennichuck Water Works, Inc., tariff provisions for small diameter private fire protection non-metered service, and related tariff adjustments.

On April 30, 2018, Pennichuck Water Works, Inc. (PWW or the Company), filed tariff changes to accommodate non-metered private fire protection service to customers using smaller diameter connections than are currently in use, and to provide more specificity in pricing for such smaller connections. In support of its petition, the Company filed the testimony of Donald L. Ware, its Chief Operating Officer. Mr. Ware indicated that new building codes in PWW's service area were leading developers to include "life safety" sprinkler systems in their newly-constructed homes, which require non-metered private fire protection service connections. According to the Company, its current tariff does not have an appropriate rate for that service. As a result, customers either install a single, larger service line to their house and pay a higher monthly rate, or install one standard metered service line with standard charges and an additional non-metered line with an additional charge for "4 inch and smaller" private fire protection service of \$62.03 per month.

PWW is proposing new rates for non-metered private fire protection service with varying service diameter connections. The proposal includes monthly flat rates of \$6.51 for a 1 1/2-inch connection, \$15.50 for a 2-inch connection, \$26.02 for a 3-inch connection, and \$62.03 for a 4-inch connection. Under the proposal, customers with smaller fire-protection connections would no longer be required to pay \$62.03 for the “4 inches and smaller” class in the existing PWW tariff.

As part of its petition, PWW is also proposing tariff provisions to mandate that single-family residential customers with fire protection service be required to have two services, both with outside shut-off valves, and to “grandfather” existing PWW customers with a single service and a 1-inch meter to accommodate a combined fire protection/domestic use water system. PWW estimates that fewer than 30 of its customers will need to be grandfathered. PWW proposes to charge those grandfathered customers the approved monthly charge for a 5/8-inch meter (\$22.58 per month) plus the charge for a 1 1/2-inch fire protection rate under the proposed tariff (or \$6.51 per month, for \$29.09 per month total). This grandfathered rate would only apply to those customers with this type of service and for meters installed and placed into service on or before December 31, 2018.

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/2018/18-076.html>.

This filing raises, *inter alia*, issues related to whether the proposed tariff provisions are just and reasonable under RSA Chapter 378; RSA 374:1, and RSA 374:2; whether the affected classes of PWW customers are being treated consistently under the terms of the proposed tariff;


and whether the proposed tariff will ensure consistent quality of service, fair terms of service, and fair and accurate billing for PWW customers.

Here, PWW's proposed tariff provisions warrant further investigation, and so we suspend the proposed tariff pages filed by PWW pending our investigation for a period of three months, or until August 30, 2018, pursuant to RSA 378:6, I(b).

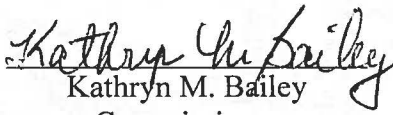
Based upon the foregoing, it is hereby

ORDERED, that the proposed tariff pages regarding the non-metered private fire protection service by PWW are hereby **SUSPENDED** pursuant to RSA 378:6, I(b), through August 30, 2018, pending investigation and further order of the Commission.

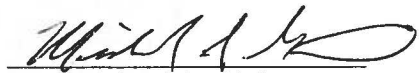
By order of the Public Utilities Commission of New Hampshire this thirty-first day of May, 2018.



Martin P. Honigberg
Chairman



Kathryn M. Bailey
Commissioner



Michael S. Giaimo
Commissioner

Attested by:



Debra A. Howland
Executive Director