

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DW 17-103

WEST SWANZEY WATER COMPANY, INC.

Petition for Change in Rates

Order Authorizing Recovery of Rate Case Expenses

ORDER NO. 26,146

June 14, 2018

In this order, the Commission approves West Swanzey Water Company, Inc.'s, request to recover \$10,061 in rate case expenses through a \$15.53 per quarter surcharge on customers' bills for two years.

I. PROCEDURAL HISTORY

On February 23, 2018, the Commission approved a settlement agreement authorizing a 30.4 percent revenue increase for West Swanzey Water Company, Inc. (West Swanzey Water or the Company). *West Swanzey Water Company, Inc.*, Order No. 26,105 at 7 (February 23, 2018). West Swanzey Water subsequently filed a request for recovery of rate case expenses pursuant to N.H. Code Admin. Rules Puc part 1900. The Commission Staff (Staff) recommended approval with some modifications. The docket filings in this matter, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-103.html>.

II. POSITIONS

A. West Swanzey Water

West Swanzey Water requested a surcharge of \$30.89 per customer per quarter to be collected over four quarters to recover rate case expenses totaling \$10,007, specifically for

accounting services. In support, West Swanzey Water filed invoices detailing the expenses and computations supporting the proposed surcharge.

B. Staff

After reviewing the record, Staff recommended approval of the recovery, but in the slightly higher amount of \$10,061, to be recovered over eight billing quarters via a surcharge of \$15.53 per customer per quarter. Staff made two adjustments to the original amount requested, resulting in a net increase of \$54. The first adjustment removed charges associated with the Company's request for financing approval in Docket No. 17-194, reducing the amount requested by \$189. *See West Swanzey Water Company, Inc.*, Order No. 26,133 (May 10, 2018). The second adjustment increased the requested amount by \$243, the result of reconciling estimated consulting charges supported by invoices.

According to Staff, West Swanzey Water agreed to both adjustments and to the change in the billing recovery period from four to eight quarters.

III. COMMISSION ANALYSIS

The Commission has historically treated prudently-incurred rate case expenses as a legitimate cost of service appropriate for recovery through rates. *See, e.g., Lorden Commons Sewer Co.*, Order No. 25,713 at 2 (September 3, 2014). Consistent with that policy, and based on West Swanzey Water's filing and Staff's recommendation, we find the expenditure of \$10,061 reasonable and necessary for the Company's rate case. We also find that recovery of that amount over eight quarters (*i.e.*, two years) is appropriate and will not be unduly burdensome to customers. Therefore, we find the surcharge over eight quarterly billing periods will result in just and reasonable rates pursuant to RSA 378:7. Accordingly, we approve a per

customer surcharge of \$15.53 per quarter over eight quarterly billing periods, or until the full amount is collected.

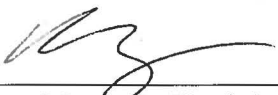
Based upon the foregoing, it is hereby

ORDERED, that West Swanzey Water Company, Inc., is authorized to recover \$10,061 from its customers representing its just and reasonable rate case expenses; and it is

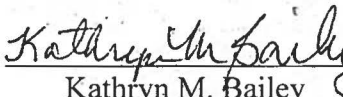
FURTHER ORDERED, that West Swanzey Water Company, Inc., is authorized to collect a surcharge in the amount of \$15.53 per customer per quarter for eight quarterly billing periods, or until the full amount is collected; and it is

FURTHER ORDERED, that West Swanzey Water Company, Inc., shall file compliance tariffs within 14 calendar days of the date of this order reflecting the rate case expense surcharge approved herein.

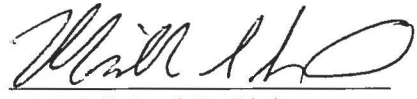
By Order of the Public Utilities Commission of New Hampshire this fourteenth day of June, 2018.



Martin P. Honigberg
Chairman

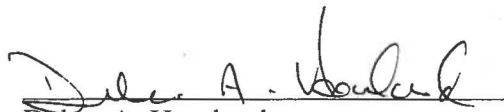


Kathryn M. Bailey
Commissioner



Michael S. Gaimo
Commissioner

Attested by:



Debra A. Howland
Executive Director