

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 23-042

MILL BROOK WATER SYSTEM

Request for Change in Rates

Order *Nisi* Approving Revised Tariff Rates

O R D E R N O. 26,831

May 31, 2023

Mill Brook Village Water System (Mill Brook) filed a request for approval of a revised tariff page (Petition) to reflect a lower customer rate effective July 1, 2022, due to an increased number of customers served by its system.

I. BACKGROUND

Mill Brook filed its Petition on March 31, 2023, requesting Commission approval of a revised tariff page reflecting a lower rate, effective July 1, 2022, for its customers in Thornton, New Hampshire. On April 10, 2023, the NH Department of Energy (DOE) filed a report and recommendation regarding the Petition. No other parties participated in the docket.

Mill Brook's Petition and subsequent docket filings are posted on the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2023/23-042.html.

II. POSITIONS OF THE PARTIES

A. Mill Brook

Mill Brook's system currently serves a total of 43 customers in the subdivisions of 'Mill Brook Village,' 'Brookside Hollow,' and 'The Falls at Mill Brook' in Thornton,

New Hampshire.¹ Mill Brook filed its Petition pursuant to a Stipulation Agreement (Agreement) approved by Commission Order No. 25,754 on January 14, 2015, in Docket No. DW 14-176.

Section II.E. of the Agreement states at page 3:

“in the event any new customers connect to the system and begin taking service, Millbrook Village agrees to file a revised tariff rate page within 15 days of any customer being connected. A new water service rate shall be calculated and filed using the revenue requirement recommended in [the Stipulation Agreement], \$23,568, divided by the new number of customers, and then divided by four for the new quarterly rate. This new rate is to be effective for service rendered on and after the first day of the quarter within which one or more new customer are connected.”

Mill Brook noted in its filing that the parties to the Agreement had stipulated that the revenue requirement for the Mill Brook water system would not change due to an increase in the number of customers connected to its system. Mill Brook further stated that no real estate has been sold in its proposed franchise area since 2008, and therefore it has revised its tariff rate page to reflect the current number of 43 customers, rather than the 37 end-users with which its current rates were calculated in its prior tariff filed pursuant to the Agreement reached in Docket No. DW 14-176. The resulting rate is \$548.08 per year per customer, billed at \$137.02 per quarter. The revised tariff page provides an effective date of July 1, 2022, which was confirmed by Mill Brook through a record request response filed on May 26, 2023. Mill Brook stated in its letter that all customers were notified of the new, reduced rate through a note included in their 3rd quarter 2022 invoice on September 30, 2022.

¹ See Mill Brook Village Water System LLC Annual Report for the year ended December 31, 2022 at www.energy.nh.gov/sites/g/files/ehbemt551/files/inline-documents/sonh/2022-water-annual-report-mill-brook-village-water-system-final.pdf.

B. Department of Energy

DOE confirmed Mill Brook's current customer count of 43 and its calculation of the proposed quarterly rate of \$137.02 as presented in the revised tariff filing. Based on its review of Mill Brook's filing and the Settlement approved in Docket No. DW 14-176, DOE recommended that the Commission approve the proposed Third Revised Page 6 of Mill Brook's tariff and close this docket.

III. COMMISSION ANALYSIS

The Commission is authorized to fix rates after a hearing if it determines that rates, fares, and charges are just and reasonable. RSA 378:7. The utility bears the burden of proving that its revenue requirement recovers its costs of service to customers, including a just and reasonable return on prudent, used, and useful plant, equipment, or capital improvements. RSA 378:8; RSA 378:28. In determining whether rates are just and reasonable, the Commission must balance the customers' interest in paying no higher rates than are required against the investors' interest in obtaining a reasonable return on their investments. *Eastman Sewer Company, Inc.*, 138 N.H. 221, 225 (1994). Thus, the Commission serves as arbiter between the interests of customers and the utility. See RSA 363:17-a.

Based on the record before us, including Mill Brook's filing and DOE's analysis and recommendation, we find the revised tariff rate proposed by Mill Brook to be just and reasonable, as required by RSA 378:7. Mill Brook revised its customer rate to reflect the increased number of customers served by the system, while maintaining the revenue requirement agreed upon and approved in Docket No. DW 14-176. As a result, the revised rate is lower for all customers. Based on our review of the record and the Agreement approved in Docket No. DW 14-176 on January 14, 2015, we approve Mill Brook's revised tariff.

Based upon the foregoing, it is hereby

ORDERED NISI, that subject to the effective date below, Mill Brook Village Water System's Third Revised Tariff Page 6, which reflects the revised number of current customers served and maintains the revenue requirement approved in Docket No. DW 14-176, is APPROVED; and it is

FURTHER ORDERED, that Mill Brook shall inform each of its customers of this order through written notice, such notice to be made no later than June 2, 2023, and to be documented by affidavit filed with the Commission on or before June 9, 2023; and it is

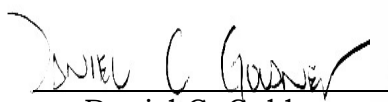
FURTHER ORDERED, that all persons interested in responding to this order be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than June 9, 2023, for the Commission's consideration; and it is

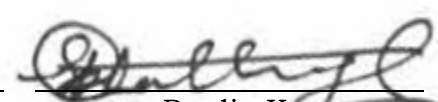
FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than June 14, 2023; and it is

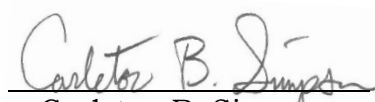
FURTHER ORDERED, that this order shall be effective July 1, 2022, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that, if no comments or responses to this order are filed by June 14, 2023, this docket will be CLOSED.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of May, 2023.


Daniel C. Goldner
Chairman


Pradip K.
Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 23-042

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