

STEPHEN P. ST. CYR & ASSOC.

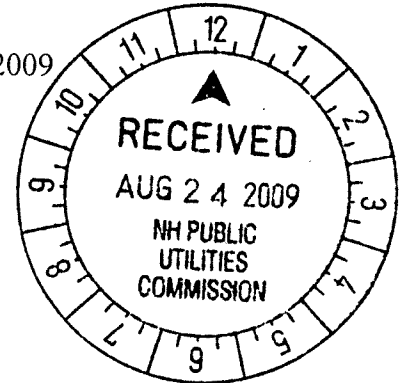
17 Sky Oaks Drive, Biddeford, ME 04005

PHONE: (207) 282-5222

FAX: (207) 282-5225

Accounting & Finance
Budgeting & Forecasting
Financial Statement Preparation
Regulatory Affairs
Tax Preparation & Planning
Management Services

August 21, 2009



Mark Naylor, Director
Gas and Water Division
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, N. H. 03301-2429

Re: DW 08-086 Eastman Sewer Company
Temporary Rate Recoupment and Rate Case Expenditures Surcharge

Dear Mr. Naylor:

In PUC Order #24,989 dated July 24, 2009 approving permanent rates, the Commission ordered that the Company "is authorized to recover from all customers the difference between its temporary and permanent rates, subject to the submission of documentation on recoupment ... and ... shall file its accounting of rate case expenses for the temporary and permanent rate phases of this proceeding..."

Attached are a temporary rate recoupment, rate case expenditures and proposed surcharge schedules. The temporary rate recoupment schedule shows the temporary rates, permanent rates and the difference. The temporary rates were utilized for three quarters. The quarterly difference times the three quarters amount to the total difference. The total difference times the number of customers represents the total temporary / permanent amount. The total temporary / permanent amount is \$4,755.09.

The rate case expenditure schedule shows the date of invoice, period, vendor/supplier and the amount. In those instances where only a portion of the invoice pertains to the rate case, the hour, rate/hour and amount are shown. The total rate case expenditures are \$18,331.50.

The proposed surcharge ... schedule shows the total temp/perm rate recoupment, the total rate case expenditures and the total subject to the proposed surcharge. The Company has 535 customers. The total proposed surcharge per customer is \$43.15. The Company proposes to recover the proposed surcharge over four quarters at a rate of \$10.79.

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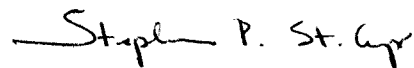
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The Company respectfully requests that the Staff review the schedules, the supporting documentation and the proposed surcharge. Please note that the supporting documentation, i.e., invoices, is being mailed separately. Once reviewed, please offer Staff's recommendation for review and consideration by the Company. **The Company respectfully requests that the Staff review and make its recommendation in such time as to allow the PUC to issue an order by mid September 2009 so that the Company can add the surcharge to customer bills at the next schedule billing, September 15, 2009.**

If you, the Staff and/or the Commissioners have any questions or comments, please contact me at 207-282-5222 or email me at stephenpstcyr@yahoo.com.

Sincerely,



Stephen P. St. Cyr

cc: Brian Harding

Eastman Sewer Company

Temporary Rate Recoupment

	<u>TempRates</u>	<u>PermRates</u>	<u>Difference</u>	<u># of qtrs.</u>	<u>Total Difference</u>	<u># of Customers</u>	<u>Total Temp/Perm Amount</u>
Residential Customers	\$65.42	\$68.32	\$2.90	3	\$8.70	533	\$4,637.10
Coldwell Banker	225.18	235.65	10.47	3	31.41	1	31.41
Eastman Community Association	609.68	638.54	28.86	3	86.58	1	<u>86.58</u>
Total							<u>\$4,755.09</u>

SPSt. Cyr
8/20/2009

Eastman Sewer Company

Rate Case Expenditures

<u>Date of Invoice</u>	<u>Period</u>	<u>Vendor / Supplier</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Amount</u>
9/4/2007	8/07	St. Cyr & Associates			\$603.75
10/2/2007	9/07	St. Cyr & Associates			892.50
11/6/2007	10/07	St. Cyr & Associates			131.25
5/5/2008	1-4/08	St. Cyr & Associates	0.75	105.00	78.75
6/7/2008	5/08	St. Cyr & Associates			393.75
7/7/2008	6/08	St. Cyr & Associates			561.23
8/2/2008	7/08	St. Cyr & Associates			1,076.25
9/5/2008	8/08	St. Cyr & Associates			3,180.25
10/10/2008	9/08	St. Cyr & Associates	3.25	105.00	341.25
11/5/2008	10/08	St. Cyr & Associates			1,786.11
12/6/2008	11/08	St. Cyr & Associates			1,321.46
12/9/2008		Steven E. Patnaude, LCR			170.00
1/2/2009	12/08	St. Cyr & Associates			1,128.75
1/9/2009		Steven E. Patnaude, LCR			223.80
2/2/2009	1/09	St. Cyr & Associates			1,128.75
3/8/2009	2/09	St. Cyr & Associates	5.75	105.00	603.75
4/10/2009	3/09	St. Cyr & Associates	8.25	105.00	866.25
5/11/2009	4/09	St. Cyr & Associates	9.25	105.00	971.25
5/27/2009		Steven E. Patnaude, LCR			219.20
6/9/2009	5/09	St. Cyr & Associates	8.25	105.00	866.25
7/8/2009	6/09	St. Cyr & Associates	5.25	105.00	551.25
7/31/2009		Steven E. Patnaude, LCR			238.20
8/14/2009	7/09	St. Cyr & Associates	1.50	105.00	157.50
Estimated	8/09	St. Cyr & Associates	8.00	105.00	<u>840.00</u>
Total					<u>\$18,331.50</u>

SPSt. Cyr
8/20/2009

Eastman Sewer Company

Proposed Surcharge for Recovery of Temp/Perm Rate Recoupment and Rate Case Expenditures

Total Temp/Perm Rate Recoupment	\$4,755.09
Total Rate Case Expenditures	<u>18,331.50</u>
Total subject to Proposed Surcharge	\$23,086.59
Number of Customers	<u>535</u>
Total Proposed Surcharge per Customer	<u>\$43.15</u>
Total Proposed Surcharge per Customer per Quarter	<u>\$10.79</u>

SPSt. Cyr
8/20/2009

Laflamme, Jayson

From: Steve St Cyr [stephenpstcy@yahoo.com]
Sent: Tuesday, September 15, 2009 11:57 AM
To: brian@eastmannh.org; Carmody, Jody; Cunningham, Jim; Laflamme, Jayson; Lenihan, Jim; Naylor, Mark; Thunberg, Marcia; Brogan, Doug; Cleveland, Lisa
Cc: Gayle Burns
Subject: Re: DW 08-086 - Eastman Sewer - Staff DR - Set 5 - Company responses

Attached are the Company's responses to Staff data requests - set 5. Please review. The Company looks forward to working with Staff on its recommendation.

Thanks,
Steve

--- On Mon, 8/31/09, Cleveland, Lisa <Lisa.M.Cleveland@puc.nh.gov> wrote:

From: Cleveland, Lisa <Lisa.M.Cleveland@puc.nh.gov>
Subject: DW 08-086 - Eastman Sewer - Staff DR - Set 5
To: brian@eastmannh.org, "Carmody, Jody" <Jody.Carmody@puc.nh.gov>, "Cunningham, Jim" <Jim.Cunningham@puc.nh.gov>, "Laflamme, Jayson" <Jayson.Laflamme@puc.nh.gov>, "Lenihan, Jim" <Jim.Lenihan@puc.nh.gov>, "Naylor, Mark" <Mark.Naylor@puc.nh.gov>, "Thunberg, Marcia" <Marcia.Thunberg@puc.nh.gov>, stephenpstcy@yahoo.com, "Brogan, Doug" <Doug.Brogan@puc.nh.gov>
Date: Monday, August 31, 2009, 9:56 AM

Attached please find Staff DR's – Set 5 – for the above referenced docket in both Word and .pdf formats.

Thanks!

Lisa M. Cleveland

Program Assistant II

Public Utilities Commission

21 S. Fruit St., Ste. 10

Concord, NH 03301

603-271-6053

9/16/2009

**DW 08-086
EASTMAN SEWER COMPANY, INC.
STAFF DATA REQUESTS – SET 5**

**Data Request Received 8/31/09
Staff 5-1**

**Date of Response: 9/14/09
Witness: Stephen P. St. Cyr**

Requests: Given that a substantial portion of the DW 08-086 proceeding was devoted towards obtaining approval of a request for financing by the Company, should not a portion of the \$18,331.50 in rate case expenses be re-classified as financing costs. Thereby, making them ineligible for surcharge recovery from customers? If please explain. If yes, please indicate the portion of these expenses that should be re-classified as financing.

Response: Some portion of the DW 08-086 proceeding was devoted towards obtaining approval of the request for financing. Unfortunately, no financing costs were added to the cost of capital in order to allow the Company recovery of such costs. As such, the Company is respectfully requests that such costs be recovered as part of the rate case expenditures.

DW 08-086
EASTMAN SEWER COMPANY, INC.
STAFF DATA REQUESTS – SET 5

Data Request Received **8/31/09**
Staff 5-2

Date of Response: **9/14/09**
Witness: **Stephen P. St. Cyr**

Requests: Should not the residential portion of the temporary/permanent rate recovery amount of \$4,637.10 be recovered from residential customers only; and should not the commercial temporary/permanent recovery amounts of \$31.41 and \$86.58 be recovered from the appropriate commercial customers and not be apportioned to the residential customers?

Response: Yes.

BRIAN HARDING
EASTMAN SEWER COMPANY INC
PO BOX 470
GRANDTHAM NH 03753

STEPHEN P ST CYR
STEPHEN P ST CYR & ASSOC
17 SKY OAKS DR
BIDDEFORD ME 04005

Docket #: 08-086 Printed: September 29, 2009

FILING INSTRUCTIONS: PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),
WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:
DEBRA A HOWLAND
EXEC DIRECTOR & SECRETARY
NHPUC
21 SOUTH FRUIT STREET, SUITE 10
CONCORD NH 03301-2429

PURSUANT TO N.H. ADMIN RULE 203.09 (d), FILE DISCOVERY

DIRECTLY WITH THE FOLLOWING STAFF

RATHER THAN WITH THE EXECUTIVE DIRECTOR

LIBRARIAN
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

BULK MATERIALS:

Upon request, Staff may waive receipt of some of its multiple copies of bulk materials filed as data responses. Staff cannot waive other parties' right to receive bulk materials.

JIM CUNNINGHAM
NHPUC
21 SOUTH FRUIT ST, SUITE 10
CONCORD NH 03301-2429

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