

NH.PUC*01/02/75*[77425]*60 NH PUC 342*New England Telephone and Telegraph Company

[Go to End of 77425]

Re New England Telephone and Telegraph Company

DE 74-233, Order No. 11,685

60 NH PUC 342

New Hampshire Public Utilities Commission

January 2, 1975

PETITION for authority to construct an underwater telephone cable; granted.

TELEPHONES, § 2 — Construction and equipment — Underwater cable.

[N.H.] The commission allowed a telephone company to place an underwater cable in public waters where it found the cable to be in the public interest and for the company's future growth.

BY THE COMMISSION:

Order

WHEREAS, by petition filed December 18, 1974, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17-20 to place and maintain an underwater cable crossing Lake Winnepesaukee in the Town of Meredith; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately five hundred (500) feet of the Lake from Pole No. 160BG/3 on Bear Island to private property of Edward Funkhouser on Shepard Island; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public; and in particular to provide telephone service to Edward Funkhouser and for future growth in the New England Telephone and Telegraph Company's Meredith Exchange, and that the License sought may be issued and exercised by the

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petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain an underwater cable crossing Lake Winnepesaukee in

the Town of Meredith, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this second day of January, 1975.

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NH.PUC*01/02/75*[77426]*60 NH PUC 343*New England Telephone and Telegraph Company

[Go to End of 77426]

Re New England Telephone and Telegraph Company

DE 74-234, Order No. 11,686

60 NH PUC 343

New Hampshire Public Utilities Commission

January 2, 1975

PETITION for authority to install an underwater telephone cable; granted.

TELEPHONES, § 2 — Construction and equipment — Underwater cable.

[N.H.] A telephone company was permitted to place an underwater cable in public waters where the commission found it was in the public interest and did not affect the public's access to the water.

BY THE COMMISSION:

Order

WHEREAS, by petition filed December 18, 1974, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17-20 to place and maintain an underwater cable crossing Dodge Pond in the Town of Lyman, New Hampshire; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately five hundred twenty (520) feet of the Pond from Pole No. 76/10 on Dodge Pond Road to private property of Cary Williams on the east side of Dodge Pond; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public; and in particular to provide telephone service to Cary Williams and for future growth in New England Telephone and Telegraph Company's Lisbon Exchange, and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain an underwater cable crossing Dodge Pond in the Town of Lyman, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this second day of January, 1975.

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NH.PUC*01/03/75*[77427]*60 NH PUC 344*Pittsfield Aqueduct Company

[Go to End of 77427]

Re Pittsfield Aqueduct Company

I-E14,256, Order No. 11,689

60 NH PUC 344

New Hampshire Public Utilities Commission

January 3, 1975

APPLICATION for authority to issue short-term notes; granted.

SECURITY ISSUES, § 107 — Short-term notes — Water utility — Interest rate.

[N.H.] A water utility was authorized to issue short-term notes to bear interest of no more than 10.5 per cent.

BY THE COMMISSION:

Order

WHEREAS, Pittsfield Aqueduct Company, a New Hampshire corporation operating as a water utility under the jurisdiction of this Commission, seeks authority, pursuant to RSA 369, to issue and renew short-term notes not in excess of forty thousand dollars (\$40,000), to bear interest at the rate of ten and one-half percent (10 1/2%) per annum, which will produce an amount in excess of the terms of Order No. 7446 of this Commission; and

WHEREAS, following conference with the Commission Staff, and upon investigation and due consideration of supporting data filed with said petition, this Commission finds that the proposed financing, upon the terms proposed is in the public interest; it is

ORDERED, that Pittsfield Aqueduct Company be, and hereby is, authorized to issue and sell for cash, its Note, or Notes, in an aggregate principal amount not exceeding forty thousand dollars (\$40,000), said Notes to bear interest at a rate not in excess of ten and one half percent (10 1/2%) per annum; and it is

FURTHER ORDERED, that on January first and July first in each year said Pittsfield Aqueduct Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said proceeds have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this third day of January, 1975.

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NH.PUC*01/03/75*[77428]*60 NH PUC 344*Gas Service, Inc.

[Go to End of 77428]

Re Gas Service, Inc.

DR 74-209, Supplemental Order No. 11,690

60 NH PUC 344

New Hampshire Public Utilities Commission

January 3, 1975

PETITION for authority to apply a fuel cost adjustment charge; granted.

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RATES, § 303 — Fuel cost adjustments — Recovery.

[N.H.] A gas company was permitted to implement a fuel cost adjustment to cover higher-priced propane deliveries necessary for winter heating.

BY THIS COMMISSION:

Supplemental Order

WHEREAS, this Commission by Order No. 11,656 authorized supplemental gas adjustments to cover the cost above base of peak shaving gas (including propane); and

WHEREAS, further curtailment of natural gas deliveries by Tennessee Gas Pipeline Company has created a need for increased propane purchases; and

WHEREAS, additional supplies of propane are now available only at higher prices than reflected in Order No. 11,656 ([1974] 59 NHPUC 317); and

WHEREAS, it is in the public interest that necessary supplies of gas be available during the winter heating season; it is

ORDERED, that first Revised Page No. 2 of Supplement No. 18 (Nashua) and First Revised

Page 2 of Supplement No. 19 (Laconia)-MHPUC No. 4, providing for a gas surcharge of \$.0278 per therm (Nashua) and \$.0543 per therm (Laconia) be, and hereby are, permitted to become affective on January 2, 1975 upon less than the thirty days statutory filing period, superseding so much of NHPUC Order No. 11,656 with respect to prices as reads \$.0073 per therm (Nashua) and \$.0012 per therm (Laconia); and it is

FURTHER ORDERED, that public notice be given of these tariff changes by publication of this order once in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this third day of January, 1975.

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NH.PUC*01/03/75*[77429]*60 NH PUC 345*Public Service Company of New Hampshire

[Go to End of 77429]

Re Public Service Company of New Hampshire

DE 74-224, Order No. 11,691

60 NH PUC 345

New Hampshire Public Utilities Commission

January 3, 1975

APPLICATION for license to place an electric transmission line across two waterways; granted.

ELECTRICITY, § 7 — Authorization for transmission lines.

[N.H.] A company was permitted to place an electric transmission line across two rivers where it would be in the same location as an existing line and was necessary as a backup source.

BY THE COMMISSION:

Order

WHEREAS, by petition filed November 29, 1974, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to construct and maintain electric transmission lines over and across the Nashua River in the City of Nashua and over and

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across the Merrimack River in the City of Nashua and the Town of Hudson; and

WHEREAS, the petition represents that the proposed construction will be constructed in the same location as Public Service Company of New Hampshire existing 115 KV transmission line

and necessary to supply a backup 115 KV source for the Company's Bridge Street Substation in Nashua; and

WHEREAS, the petition further represents that the proposed construction will cross approximately one hundred forty-two (142) feet of the Nashua River and four hundred seventy-five (475) feet of the Merrimack River; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric transmission lines over and across the Nashua River in the City of Nashua and over and across the Merrimack River in the City of Nashua and the Town of Hudson, in accordance with the specifications as to location, type of construction and clearance as set forth in Exhibits 1, 2 and 3 on file with this Commission.

By order of the Public Utilities Commission of New Hampshire this third day of January, 1975.

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NH.PUC*01/07/75*[77430]*60 NH PUC 346*Woodsville Water Department

[Go to End of 77430]

Re Woodsville Water Department

DR 74-180, Supplemental Order No. 11,694

60 NH PUC 346

New Hampshire Public Utilities Commission

January 7, 1975

ORDER authorizing a previously suspended rate increase to become effective.

BY THE COMMISSION:

Supplemental Order

WHEREAS, this Commission, by Order No. 11,565, suspended Tariff No. 2 of Woodsville Water Department which provided for a 36% increase in water rates, pending further investigation: and

WHEREAS, a study of the financial condition of the Department has indicated the need for such an increase; and

WHEREAS, no party has filed objections, following due notice, it is

ORDERED, that Tariff, NHPUC No. 2, suspended September 23, 1974, be, and hereby is, permitted to become effective as it relates to customers under the jurisdiction of this Commission, will all current bills rendered on or after February 1, 1975; and it is

FURTHER ORDERED, that public notice of this change in rates be made by publication of this order in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this seventh day of January, 1975.

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NH.PUC*01/15/75*[77431]*60 NH PUC 347*Kearsarge Telephone Company

[Go to End of 77431]

Re Kearsarge Telephone Company

DF 74-299, Order No. 11,705

60 NH PUC 347

New Hampshire Public Utilities Commission

January 15, 1975

PETITION for authority to issue long-term notes; granted.

SECURITY ISSUES, § 58 — Capitalization — Long-term notes — Additions and betterments.

[N.H.] A telephone company was permitted to issue long-term notes where they would be used to finance improved and expanded service.

APPEARANCES: Richard H. Upton for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed December 6, 1974, Kearsarge Telephone Company, a telephone public utility operating under the jurisdiction of this Commission, seeks authority pursuant to the provisions of RSA 369, and any amendments thereto, to issue and sell its mortgage notes in an aggregate amount of \$2,709,000 to the Rural Telephone Bank.

The petitioner alleges in its petition and represented at the public hearing in Concord on January 9, 1975 that its presently authorized long term debt consists of authorized borrowing of which the amount presently outstanding as of June 30, 1974 is \$955,800. Its presently authorized common stock (par \$25) consists of \$325,000 of which \$264,421 is presently outstanding. Its presently authorized preferred stock (par \$50) consists of \$50,000 Class A and \$125,000 Class

B, all of which is outstanding.

As of December 31, 1974 it will have short term notes outstanding in the sum of \$51,200.

Petitioner has entered into an agreement with the Rural Telephone Bank to issue to it \$2,700,000 in mortgage notes payable in quarterly payments over a thirty five (35) year period, with interest at 7 1/2% per annum, included in the payments. Petitioner proposes to use the proceeds of this loan for the necessary improvement of service including construction of new telephone facilities, buildings, central office equipment, outside plant and station equipment, purchase of Class B stock of the lender and refinancing of certain existing long term debt as set forth in detail on Exhibit 1 submitted.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

EXHIBIT 1

Buildings
 Central Office Equipment
 Outside Plant and Station Equip.
 Contingencies
 Vehicles and Work Equipment
 Pre Loan Engineering
 Post Loan Engineering

TOTAL CONSTRUCTION
 Cost of Removals
 Class B Stock
 Refinancing

TOTAL LOAN

The petitioner filed the requisite resolution of the stockholders as well as the minutes of a special meeting of board of directors authorizing the proposed financing. Also filed as exhibits at the hearing were the Company's contemplated construction and use of loan funds; estimated cost of financing, a Balance Sheet as of June 30, 1974 pro-formed to reflect the financing through 1976; Income Statement, detail of expenses and income projection proforma through 1976; depreciation schedule; statement of cost of capital rate base and capitalization ratios. Also filed were specimen copies of the mortgage note, loan contract agreement and mortgage and security agreement.

Upon consideration and investigation of the evidence and exhibits submitted, this Commission finds that the authorization sought herein will result in an improvement of the quality of telephone service in the area served by the Company. The Commission is further of the opinion that the proposed issuance of these Notes, upon the terms and for the purpose outlined at the hearing, is consistent with the public good since the projected expenditures will serve to satisfy anticipated demands for the Company's services. We find tht the improvement of the quality of telephone service and the requisite planning for anticipated customer demands are contingent upon the proposed financing. Our order will issue accordingly.

Order

Upon consideration of the foregoing report which is made a part hereof; it is

ORDERED, that Kearsarge Telephone Company be, and hereby is, authorized to issue and sell from time to time its Secured Promissory Notes in the aggregate principal amount of two million seven hundred and nine thousand dollars (\$2,709,000), said notes to bear interest at the rate of seven and one-half percent (7 1/2%) per annum, payable quarterly, and notes to be payable over a period of 35 years, and to be secured by a mortgage of and security agreement applicable to all the petitioner's property, presently owned or after acquired, including its franchises, and said borrowing to be subject to the provisions of the proposed telephone loan contract, the provisions of which proposed telephone loan contract, proposed secured promissory notes, and proposed mortgage and security agreement are as set forth in the exhibits attached to the petition and on file with the Commission; and it is

FURTHER ORDERED, that the said Secured Promissory Notes will be issued from time to time up to and including December 31, 1977, for addition to and improvement of plant facilities, refinancing of certain existing long term debt, purchase of certain other assets and for other lawful corporate purposes, as set forth in the petition and attached exhibits; and it is

FURTHER ORDERED, that on January first and July first of each year, said Kearsarge Telephone Company shall file with this Commission

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a detailed statement sworn to by its Treasurer, showing the disposition of the proceeds of said notes until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of January, 1975.

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NH.PUC*01/15/75*[77432]*60 NH PUC 349*Concord Electric Company

[Go to End of 77432]

Re Concord Electric Company

DR 74-1, Second Supplemental Order No. 11,706

60 NH PUC 349

New Hampshire Public Utilities Commission

January 15, 1975

PETITION by an electric company for a general rate increase; granted.

1. RATES, § 120.1 — Test period — Forecasts.

[N.H.] While rejecting the use of a forecasted test period, the commission accepted a company's adjusted projections of growth and income. p. 350.

2. VALUATION, § 296 — Working capital — Expense factor — Uncovered fuel costs.

[N.H.] Unrecovered fuel costs were allowed as part of working capital. p. 350.

3. SECURITY ISSUES, § 98 — Short-term notes — Total capitalization.

[N.H.] Short-term debt is properly includible in total capitalization. p. 350.

4. RETURN, § 26.4 — Cost of common equity — Attrition factor.

[N.H.] In determining the cost of common equity, the commission added an attrition factor to the cost of capital figure. p. 351.

5. RATES, § 260 — Surcharges — Past unrecovered revenues.

[N.H.] A company was allowed to amortize and collect additional revenues to account for the difference between amounts recovered under temporary rates and amounts that would have been recovered had the rates authorized in the current proceeding been in effect during the temporary rate period. p. 351.

APPEARANCES: Franklin Hollis and Joseph S. Ransmeier for the petitioner; Warren E. Waters, special counsel to the commission for the public utilities commission.

BY THE COMMISSION:

Report

The Concord Electric Company (sometimes hereinafter referred to as the 'Company') a public utility engaged in the business of supplying electrical service in limited areas of this state instituted these proceedings on January 2, 1974 by filing with the Commission Tariff, N.H.P.U.C. No. 5 — Electricity, providing for an increase in annual gross revenues of approximately \$512,000 to be effective February 1, 1974. The filing sought, in addition, a substantial revision of the Company's rate structure, Prior to the effective date, on January 23, 1974 the Commission suspended the entire filing by Order No. 11,263.

On May 29, 1974 the Company filed a Petition for Temporary Rates seeking to make Tariff No. 5 effective as temporary rates during pendency of the proceedings and until the Commission's final decision on permanent rates. Duly noticed hearings were held on June 26 and 27 and on July 2, 1974 which culminated in the issuance of Supplemental Order No. 11,493 dated July 10, 1974 (59 NHPUC 236) granting temporary rates of nine percent (9%) based on rates and charges currently in effect under the Company's Tariff, N.H.P.U.C. No. 4 — Electricity.

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The proposed new rates filed by the Company as part of Tariff No. 5 provided for an increase in the residential customers rates of approximately 22% and a reduction for commercial customers of approximately 7%. This proposal was based on a 1971 cost of service study which in the opinion of the Commission staff was not sufficiently current upon which to base any change in the rate structure. Since it is imperative that prompt action be taken on this rate

request, there is insufficient time for a complete and accurate updating of cost of service data. Accordingly, the rate structure was not altered in the Commission's decision dated July 10, 1974.

Hearings on the permanent rate request were commenced on December 10, 1974 when the Company submitted new data showing a further decline in earnings thereby increasing the request for annual revenue in a range of \$796,000 to \$886,000. At these hearings the Company withdrew the new proposed rate structure leaving the remainder of the Tariff No. 5 to become effective with any new rates to be approved by the Commission, and with any such modification the Commission may require.

These proceedings have extended over a period of time exceeding one year. A substantial portion of staff time in analyzing this case and cross-examination of Company witnesses by staff involved the rate structure as submitted by the Company in its original tariff filing.

In the original filings and in updated filings for the earlier hearings many points of controversy arose between the Company and the staff. These issues were brought out on cross-examination by the staff. Substantially all of these issues have been resolved in the manner urged by the staff to the advantage of the consumer or conceded by the Company for this case in its updated testimony and other evidence submitted at the December 10, 1974 hearing.

[1] The Company's original filing was based on the financial results for the year ended June 30, 1973. At the earlier hearings the test year was updated to the calendar year, 1973. At the December 10, 1974 hearing the Company submitted financial data for the year ended September 30, 1974. We are of the opinion that consideration of current actual results is necessary to reach a just and reasonable rate decision and we have used the actual results for the year ended September 30, 1974, adjusted for known changes.

The Company submitted projected income statements for the twelve months ending June 30, 1975, with KWH growth projected at 5% and, alternatively, with KWH volume projected to be flat. This Commission has not accepted the use of an estimated future test period and we will not do so in this case. However, while we disagree with some of the projections, we are of the opinion that the Company has made every effort and attempt to present realistic estimates. In considering the overall aspects of this case, we have used these projections, with adjustments, to test and measure the effects of this decision.

Rate Base

[2] The Company submitted computations showing a year-end rate base and an average rate base. We have had a long-standing policy of using average rate base related to the results of the test year; except where particular exigencies require some modification, we propose to continue this policy and shall do so in this case.

We have adjusted the submitted figures to exclude "Unamortized Promotional Allowances". The reasons for this exclusion were dealt with at length on cross-examination by the staff and in direct testimony by the staff.

In order to approximate actual working capital requirements we have allowed unrecovered fuel costs as an item of working capital.

Based upon all of the evidence we find the rate base upon which the Company's revenue requirements are to be based to be in an amount of \$8,679,000.

Fair Rate Of Return

[3] At various points in this proceeding the Company submitted testimony attempting to show that short-term debt was not properly included in total capitalization and, contradictory to such testimony, submitted data on cost of capital including short-term debt in total capitalization. This point has been at issue before this Commission in other rate cases in recent years and we agree with testimony of the staff that the inclusion of short-term debt was correct and, indeed,

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necessary to reach a proper decision. Staff testified as to the reasons for inclusion of short-term debt in this case and we adopt this position, consistent with our conclusion reached in other recent cases. Our findings as the cost of the debt element will take into account the cost of short-term debt.

[4] The Company testified to various costs of common equity. Staff witness Loconto concluded with a recommended overall rate of return of 9.62%, the midpoint of his range of cost of capital, 9.47% to 9.76%. Under the circumstances existing in the current capital markets and with the Company's need for continued new financing we adopt the high end of this range and we find the cost of capital to the Company to be 9.8%. We do not apply this figure directly to the rate base. To do so would be to disregard attrition in the Company's earned rate of return. We add a factor of .2% the minimum which, in our best judgment will adjust for continuing attrition, and we conclude that the fair rate of return which we shall apply to the rate base is 10.0%.

Revenue Requirements

The Company submitted the actual results of operations for the year ended September 30, 1974. We have adjusted these actual results for known changes. We have disallowed as an expense chargeable to the consumer the Company's amortization of past promotional allowances.

Other items of contention in early portions of this proceeding have been conceded by the Company for this case, to the benefit of the consumer.

By application of the fair rate of return which we have found to the rate base heretofore discussed, we find that the Company is entitled to an increase in its gross revenues of \$674,000 on an annual basis.

We point out that the revenues we allow do not guarantee a profit to the Company or to its stockholders at levels we found to be just and reasonable. We have exercised our best judgement and believe that we are correct; but, if due to future circumstances beyond our control and beyond the control of the Company, the goals which our order is intended to achieve are not met, there will be no restoration to the Company or its stockholders for earnings which were not realized.

Surcharge and Recoupment

[5] Under our statutes where temporary rates are prescribed, RSA 378:27, and a final rate decision is determined with rates in excess of those prescribed in such temporary order then the utility is permitted to amortize and recover by means of temporary increase over and above the rates finally determined, such sum as shall represent the difference between the gross income

obtained from the rates prescribed in such temporary order and the gross income which would have been obtained under the rates finally determined if applied during the period such temporary order was in effect, RSA 378:29.

We ordered that Tariff No. 4 plus \$512,000 on an annual basis (97%) be prescribed as temporary rates, effective July 10, 1974 (Order No. 11,493). Following the statutory provisions applicable to this case, we authorize the Company to amortize and recover additional revenues equal to the difference between the amounts actually collected under temporary rates and the amount that would have been collected had the rates authorized by this finding been in effect during the period of temporary rates, July 10, 1974 to February 1, 1975 and rate case expenses not included in the test year. Our order will issue accordingly.

Second Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Concord Electric Company be, and hereby is, permitted to increase its rates annually over and above those produced by tariff, N.H.P.U.C. No. 4 by the amount of \$674,000; and it is

FURTHER ORDERED, that this increase of \$674,000, which represents an increase of 111/2% in annual basic rates, be spread proportionately, within reasonable limits, among the various service classes and within the service classes; and it is

FURTHER ORDERED, that a surcharge to recoup the difference between rates authorized by this order and tariff no. 4 plus 9% for the period July 10, 1974 to February 1,

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1975, and rate case expense not included in the test year, both approximating \$100,000 (subject to final determination), be, and hereby is, permitted to be collected by a surcharge of 3% on basic rate billings until finally determined amount is collected; and it is

FURTHER ORDERED, that a revised tariff, N.H.P.U.C. No. 5, be submitted reflecting the changes specified in this order, to become effective with all current bills rendered on and after February 1, 1975; and it is

FURTHER ORDERED, that public notice be given of these new rates by publication of this order in a newspaper having general circulation in the territory served by the Company.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of January, 1975.

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NH.PUC*01/24/75*[77433]*60 NH PUC 352*Tyrol Chalet Water System

[Go to End of 77433]

Re Tyrol Chalet Water System

I-E14,216, Order No. 11,722

60 NH PUC 352

New Hampshire Public Utilities Commission

January 24, 1975

EXEMPTION of a water company from public utility statutes.

PUBLIC UTILITIES, § 39 — Status — Limited class — Exemption from statutes.

[N.H.] A water company was exempted from public utility statutes since it served less than ten customers.

BY THE COMMISSION:

Order

WHEREAS, Tyrol Chalet Water System, a central water system furnishing water service in a limited area in the town of Jackson, New Hampshire, by a petition filed January 17, 1975 seeks exemption from the provisions of RSA 362:4, as amended; and

WHEREAS, the petitioner states that he is now furnishing water to four (4) customers, and has no immediate plans for expansion of his system to serve ten or more customers; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

ORDERED, that exemption from public utility statutes be, and hereby is, granted to Tyrol Chalet Water System; and it is

FURTHER ORDERED, that Tyrol Chalet Water System shall notify this Commission if at some future time it shall expand its water system to serve ten or more customers.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of January, 1975.
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NH.PUC*01/24/75*[77434]*60 NH PUC 353*New Hampshire Electric Cooperative, Inc.

[Go to End of 77434]

Re New Hampshire Electric Cooperative, Inc.

I-R14,332, Order No. 11,723

60 NH PUC 353

New Hampshire Public Utilities Commission

January 24, 1975

APPROVAL of a special rate contract between an electric cooperative and a private citizen.

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 43 with Kenneth E. Bascom, effective on the date service first made available for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of January, 1975.

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NH.PUC*01/30/75*[77435]*60 NH PUC 353*New England Power Company

[Go to End of 77435]

Re New England Power Company

DF 75-7, Order No. 11,733

60 NH PUC 353

New Hampshire Public Utilities Commission

January 30, 1975

AUTHORIZATION for a foreign electric company to issue first mortgage bonds.

1. SECURITY ISSUES, § 95 — Mortgage bonds — Foreign corporation — Purposes.

[N.H.] An electric company, incorporated in another state, was authorized to issue first mortgage bonds through public bidding in order to pay off debts incurred for additions and betterments. p. 354

2. SECURITY ISSUES, § 106 — Bonds — Early redemption — Interest rate.

[N.H.] A foreign electric company was allowed to make special provisions for the redemption of its mortgage bonds in less than five years at a lesser effective interest cost. p. 354

APPEARANCES: Robert King Wulff and Kirk L. Ransauer for the petitioner.

BY THE COMMISSION:

Report

[1,2] By this unopposed petition, filed January 9, 1975, New England Power Company (the "Company") seeks authority to issue additional First Mortgage Bonds, Series U. At the hearing on the petition, held in Concord on January 29, 1975, the Company represented that it is a corporation, organized under the Laws of Massachusetts, owning and operating properties in Massachusetts, New Hampshire and Vermont, including hydroelectric developments and storage reservoirs on the Connecticut River and transmission lines therefrom. It is qualified as a foreign corporation to do business in New Hampshire but does not engage in local distribution therein. In the future the Company will be conducting activities in the states of Maine and Connecticut.

The Company now has outstanding 5,824,896 shares of Common Stock of a par value of \$20 per share; 860,280 shares of Preferred Stock of a par value of \$100 per share; and First Mortgage Bonds, issued under an Indenture of Trust and First Mortgage, dated as of November 15, 1936, consisting of:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | <i>Principal Amount</i> |
|----------------------------|-----------------------------|
| Series B, 3%, due 1978 | \$ 11,000,000 |
| Series C, 2-3/4%, due 1979 | 5,000,000 |
| Series D, 2-7/8%, due 1981 | 12,000,000 |
| Series E, 3-1/4%, due 1982 | 5,000,000 |
| Series F, 3-1/4%, due 1985 | 25,000,000 |
| Series G, 4-3/8%, due 1987 | 10,000,000 |
| Series H, 4%, due 1988 | 10,000,000 |
| Series I, 4-5/8%, due 1991 | 20,000,000 |
| Series J, 4-3/8%, due 1992 | 12,000,000 |
| Series K, 4-1/2%, due 1993 | 10,000,000 |
| Series L, 6-3/8%, due 1996 | 10,000,000 |
| Series M, 6-7/8%, due 1997 | 15,000,000 |
| Series N, 7-1/8%, due 1998 | 20,000,000 |
| Series O, 7-3/8%, due 1998 | 20,000,000 |
| Series P, 8-3/8%, due 1999 | 15,000,000 |
| Series Q, 7%, due 1976 | 20,000,000 |
| Series R, 7-5/8%, due 2002 | 25,000,000 |
| Series S, 8-5/8%, due 2003 | 40,000,000 |
| Series T, 8-3/8%, due 2003 | 40,000,000 |
| | \$325,000,000 |

At October 31, 1974, the Company also had outstanding short-term notes payable in the aggregate principal amount of \$124,000,000.

The Company proposes to issue \$80,000,000 principal amount of First Mortgage Bonds, Series U, under, and pursuant to, the terms of its Indenture of Trust and First Mortgage, dated as of November 15, 1936, and supplements thereto, securing its presently outstanding Series B through T Bonds. The proposed bonds will mature in not more than thirty years from the date thereof, will bear such interest rate, and will be disposed of at such price not less than the principal amount thereof as will be determined after publication of an invitation for bids for

purchase thereof and the receipt of bids. The Company may determine that the bonds will not be redeemable during a period of not more than five years in connection with a refunding at a lesser effective interest cost. The Company also desires to execute an indenture supplemental to said Indenture of Trust and First Mortgage, as previously supplemented, mortgaging, or confirming the mortgage under said Indenture of, all its property, assets, and franchises (Except property of the character specifically reserved to the Company in said Indenture), as security for all bonds issued, or to be issued, under and pursuant to the terms of said Mortgage Indenture.

The Company proposes to apply the proceeds from the sale of said additional Series U Bonds to the payment of indebtedness

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incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncanceled additions and improvements to the plant and property of the Company and for other uncanceled expenditures.

The Company submitted in evidence its Balance Sheet as of October 31, 1974, as per books and pro forma to reflect the sale of the First Mortgage Bonds, Series U, and the application of the proceeds therefrom.

The record in this proceeding shows that the total uncanceled expenditures of the Company at October 31, 1974, amounted to \$273,704,191. Part of this reduced amount would be capitalized through the proposed issues of the securities under consideration. A portion of the uncanceled Fixed Capital Expenditures relates to expenditures in New Hampshire.

Certified copies of the necessary corporate authorizations were attached to the petition or submitted in evidence at the hearing.

Based on the Balance Sheet of the Company, adjusted for the issuance of \$80,000,000 principal amount of Series U Bonds, the pro forma ratio of Bonds to the total capitalization of the Company is 55.2%, Preferred Stock 11.7%, and Common Equity 33.1%.

Upon investigation and consideration of the evidence submitted, this Commission is of the opinion that the granting of the several authorizations sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, its First Mortgage Bonds, Series U, in an aggregate principal amount of eighty million dollars (\$80,000,000), maturing in not more than thirty (30) years from the date thereof; and to bear such interest rate as will be determined by competitive bidding; and it is

FURTHER ORDERED, that New England Power Company shall submit to this Commission an account of the bids of responsible bidders for the purchase of said Bonds, which bids shall be on a comparable basis, following which a Supplemental Order will issue, establishing the amount of bonds to be sold and the price and terms upon which said bonds shall be sold; and it is

FURTHER ORDERED, that the proceeds from the sale of said Series U Bonds be applied to

the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncapitalized additions and improvements to the plant and property of the Company, and for other uncapitalized expenditures; and it is

FURTHER ORDERED, that New England Power Company be, and hereby is, authorized to mortgage its present and future property, intangible and tangible, including franchises, in New Hampshire, or to confirm the present mortgage thereof, as security for its outstanding Series B through T Bonds, and the proposed Series U Bonds, and bonds thereafter issued under the provisions of the Mortgage Indenture; and it is

FURTHER ORDERED, that this authorization to issue Series U Bonds contained herein shall be exercised on or before July 31, 1975, and not thereafter, unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on or before January first and July first, in each year, said New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said securities, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of January, 1975.

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NH.PUC*01/30/75*[77436]*60 NH PUC 356*Concord Natural Gas Corporation

[Go to End of 77436]

Re Concord Natural Gas Corporation

D-R6388, Supplemental Order No. 11,734

60 NH PUC 356

New Hampshire Public Utilities Commission

January 30, 1975

LIFTING of suspension of a purchased gas adjustment.

RATES, § 303 — Purchased gas adjustment — Necessity — Lifting of suspension.

[N.H.] Finding a temporary purchased gas adjustment to be necessary for a company's collection of its increased costs, the commission revoked the suspension of the adjustment.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Concord Natural Gas Corporation, a public utility engaged in the business of supplying gas service in the state of New Hampshire, on January 13, 1975, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 13 — Gas, providing for an increase in the present surcharge from \$.0247 per therm to \$.0277 per therm to reflect the increase by Tennessee Gas Pipeline Company authorized by the Federal Power Commission as of January 1, 1975; and

WHEREAS, said tariff filings were suspended by N.H.P.U.C. Order No. 11,713 pending publication and further investigation by the Commission; and

WHEREAS, the Commission is now satisfied that the implementation of these filings is necessary to allow the petitioner to collect increases in the cost of gas purchases which are in addition to those provided for in the basic rates and no comments or objections by the public were received; it is

ORDERED, that N.H.P.U.C. Order No. 11,713 be, and hereby is, revoked; and it is

FURTHER ORDERED, that Original Page 2A and Fifth Revised Page 2 of Supplement No. 2 to tariff, N.H.P.U.C. No. 13 — Gas, of Concord Natural Gas Corporation be, and hereby are, permitted to become effective with all current bills rendered on or after February 1, 1975; and it is

FURTHER ORDERED, that public notice of this provision be given publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of January, 1975.

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NH.PUC*01/30/75*[77437]*60 NH PUC 356*Gas Service, Inc.

[Go to End of 77437]

Re Gas Service, Inc.

Dr 75-11, Supplemental Order No. 11,735

60 NH PUC 356

New Hampshire Public Utilities Commission

January 30, 1975

REVOCATION of suspension of a purchased gas adjustment.

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RATES, § 303 — Purchased gas adjustment — Necessity — Lifting of suspension.

[N.H.] Since a gas company could not collect its increased costs through its basic rates, the commission lifted its suspension of the company's temporary purchased gas adjustment.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Gas Service, Inc. a public utility engaged in the business of supplying gas service in the state of New Hampshire, on December 2, 1974, filed with this Commission certain revision of its tariff, N.H.P.U.C. No. 4 — Gas, providing for an additional surcharge for gas in its Nashua Division (\$.0027/therm) and Laconia Division (\$.0029/therm), effective February 1, 1975; and

WHEREAS, said tariff filings were suspended by N.H.P.U.C. Order No. 11,703 pending publication and further investigation by the Commission; and

WHEREAS, the Commission is now satisfied that the implementation of these filings is necessary to allow the petitioner to collect increases in the cost of gas purchases which are in addition to those provided for in the basic rates and no comments or objections by the public were received; it is

ORDERED, that N.H.P.U.C. Order No. 11,703 be, and hereby is, revoked; and it is

FURTHER ORDERED, that Supplement No. 22 (Nashua Division) and Supplement No. 23 (Laconia Division) of tariff, N.H.P.U.C. No. 4 — Gas of Gas service, Inc. be and hereby are, permitted to become effective with all current bills rendered on or after February 1, 1975; and it is

FURTHER ORDERED, that public notice of this provision be given publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of January, 1975.

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NH.PUC*02/26/75*[77438]*60 NH PUC 357*Northern Utilities, Inc.

[Go to End of 77438]

Re Northern Utilities, Inc.

Dr 75-25, Supplemental Order No. 11,752

60 NH PUC 357

New Hampshire Public Utilities Commission

February 26, 1975

REVOCATION of suspension of a purchased gas adjustment.

RATES, § 303 — Purchased gas adjustment — Necessity — Lifting of suspension.

[N.H.] The commission lifted its suspension of a gas company's temporary gas price adjustment since it was necessary for allowing the company to meet its increased costs and there was no public objection.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Northern Utilities, Inc., Allied Gas Division, a public utility engaged in the business of supplying gas service in the State of New Hampshire, on January 28, 1975, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 6 — Gas, providing for

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an additional surcharge for gas of \$.0042 per therm, effective March 1, 1975; and

WHEREAS, said tariff filings were suspended by Order No. 11,744 dated February 6, 1975 pending publication and further investigation by the Commission; and

WHEREAS, the Commission is now satisfied that the implementation of these filings is necessary to allow the petitioner to collect increases in the cost of gas purchased, which are in addition to those provided for in the basic rates and no comments or objections by the public were received; it is

ORDERED, that Order No. 11,744 issued February 6, 1975 be, and hereby is, revoked; and it is

FURTHER ORDERED, that Supplement No. 9 of Tariff, N.H.P.U.C. No. 6 — Gas of Northern Utilities, Inc., Allied Gas Division be, and hereby is, permitted to become effective with all current bills rendered on or after March 1, 1975; and it is

FURTHER ORDERED, that public notice of this provision be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of February, 1975.

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NH.PUC*02/28/75*[77439]*60 NH PUC 358*New Hampshire Electric Cooperative, Inc.

[Go to End of 77439]

Re New Hampshire Electric Cooperative, Inc.

DE 75-30, Order No. 11,753

60 NH PUC 358

New Hampshire Public Utilities Commission

February 28, 1975

LICENSE granted and electric cooperative to construct submarine cables in public waters.

ELECTRICITY, § 6 — Cables — Underwater.

[N.H.] In order to meet the requirements for serving the public, an electric cooperative was permitted to install submarine cable in public waters between private properties where said cable would not affect the public rights in the water.

BY THE COMMISSION:

Order

WHEREAS, by petition filed February 3, 1975, New Hampshire Electric Cooperative, Inc. seeks a license pursuant to RSA 371:17-20 to install and maintain an underwater cable across Lake Winnepesaukee in the Town of Tuftonboro; and

WHEREAS, the petition represents that the proposed construction will cross approximately 1,600 feet of the Lake from private property of Lene Allen on Haley Point in the Town of Tuftonboro to private property of Benjamin Hart on Twin Island and provide service to the said Hart; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

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ORDERED, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc. to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Tuftonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of February, 1975.

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NH.PUC*03/04/75*[77440]*60 NH PUC 359*Granite State Electric Company

[Go to End of 77440]

Re Granite State Electric Company

DF 74-22, 24th Supplemental Order No. 11,754

60 NH PUC 359

New Hampshire Public Utilities Commission

March 4, 1975

EXTENSION of an electric company's authority to issue and renew certain short-term notes without prior commission approval.

BY THE COMMISSION:

Twenty-Fourth Supplemental Order

WHEREAS, by Twenty-Third Supplemental Order No. 11,330 of this Commission dated March 6, 1974, (59 NH PUC 191) Granite State Electric Company was granted an exemption from Commission Regulations permitting it to issue and renew, from time to time, its Bonds, Notes, or other evidences of indebtedness payable less than twelve (12) months after the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal) not in excess of nine million dollars (\$9,000,000), which exemption expires March 31, 1975 unless such period is extended by order of this Commission; and

WHEREAS, Granite State Electric Company, on February 10, 1975, sought authority to continue the exemption in said Order No. 11,330 to March 31, 1976 to issue its short-term notes in an amount not to exceed nine million dollars (\$9,000,000); and

WHEREAS, this Commission, after investigation and consideration, finds that said request is consistent with the public good; it is

ORDERED, that Granite State Electric Company, without first obtaining the approval of this Commission be, and hereby is, authorized from time to time to issue and renew its Notes, Bonds and other evidences of indebtedness payable less than twelve (12) months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal) not in excess of nine million dollars (\$9,000,000); and it is

FURTHER ORDERED, that the exemption contained herein shall expire March 31, 1976, unless extended by order of this Commission; and it is

FURTHER ORDERED, that on January first and July first in each year, said Granite State Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Notes, Bonds or other evidences of indebtedness.

By order of the Public Utilities Commission of New Hampshire this fourth day of March, 1975.

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NH.PUC*03/05/75*[77441]*60 NH PUC 360*New England Power Company

[Go to End of 77441]

Re New England Power Company

DF 74-23, Sixth Supplemental Order No. 11,758

60 NH PUC 360

New Hampshire Public Utilities Commission

March 5, 1975

CONTINUATION of an electric company's authority to issue and renew certain bonds and notes without prior commission approval.

BY THE COMMISSION:

Sixth Supplemental Order

WHEREAS, by Fifth Supplemental Order No. 11,501 of this Commission, dated July 17, 1974, New England Power Company was granted an exemption from Commission regulations to issue and renew, from time to time, its Bonds, Notes, or other evidence of indebtedness, payable less than twelve (12) months after the date thereof, in an aggregate amount outstanding at any one time (not including and such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of one hundred thirty million dollars (\$130,000,000) which exemption expires March 31, 1975 unless such period is extended by order of this Commission; and

WHEREAS, New England Power Company on February 10, 1975 sought authority to continue the exemption in said Order No. 11,501 (59 NH PUC 240) to March 31, 1976 to issue its short-term notes in an amount not to exceed one hundred thirty million dollars (\$130,000,000); and

WHEREAS, this Commission, after investigation and consideration, finds that said request is consistent with the public good; it is

ORDERED, that New England Power Company, without first obtaining the approval of this Commission be, and hereby is, authorized, from time to time, to issue and renew its Notes, Bonds or other evidences of indebtedness payable less than twelve (12) months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of one hundred thirty million dollars (\$130,000,000); and it is

FURTHER ORDERED, that the exemption contained herein shall expire March 31, 1976 unless extended by order of this Commission; and it is

FURTHER ORDERED, that on January first and July first in each year said New England

Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of proceeds of said Notes, Bonds or other evidences of indebtedness until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1975.

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NH.PUC*03/05/75*[77442]*60 NH PUC 361*New England Telephone and Telegraph Company

[Go to End of 77442]

Re New England Telephone and Telegraph Company

DF 75-27, Order No. 11,760

60 NH PUC 361

New Hampshire Public Utilities Commission

March 5, 1975

GRANT of authority to a telephone company to issue additional shares of common stock.

SECURITY ISSUES, § 96 — Common stock — Additional shares — Shareholders of record.

[N.H.] A telephone company, incorporated in another state, was allowed to issue additional common stock to its shareholders of record at one share per each six shares already held with the proceeds to be used for paying off short-term debt.

APPEARANCES: Kenneth F. Graf for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed February 10, 1975, New England Telephone & Telegraph Company seeks authority, pursuant to RSA 369, insofar as the proceeds of same pertain to property or expenditures of said Company in this state, to issue and sell 7,614,180 shares of its common capital stock to its stockholders, pro rata, in accordance with their respective holdings of record, on the basis of one share for each six (6) shares of capital stock held on the record date, at a price to be determined by its Board of Directors or its Executive Committee on or about April 3, 1975.

At the hearing on the petition held, following due notice, in Concord on March 4, 1975, the petitioner submitted that it is a corporation duly organized under the laws of the State of New York, engaged in the telephone and telegraph business in and between the States of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, and by means of interconnection

with the facilities of other telephone companies, furnishing telephone service between said states, and other places outside thereof. It has been operating as a telephone public utility throughout New Hampshire prior to, on, and since June 1, 1911. Petitioner is duly qualified under the statutes of this state; is presently authorized to do business therein; and in respect to such operations is subject to the jurisdiction of this Commission.

Pursuant to Resolutions of its Board of Directors, certified copies of which were filed herein, the Company proposes to issue the securities referred to above.

The outstanding securities of the petitioner, as of December 31, 1974 were as follows:

1. Amount and kind of stock outstanding:

Common — 45,685,080 Preferred — None

2. Terms of preference of Preferred Stock — None (see above)

3. Amount of funded debt outstanding and data pertaining thereto.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | <i>Amount in Thousands</i> | <i>Date of Issue</i> | <i>Date of Maturity</i> | <i>Callable</i> |
|--|--------------------------------|--------------------------|-----------------------------|--|
| First Mortgage 2 3/4% Bonds, Series D | \$ 20,000* | 2-1-45 | 2-1-75 | Any interest date on 60 days notice |
| Thirty-five year 3% Debentures | 40,000 | 10-1-47 | 10-1-82 | 30 days notice |
| Twenty-five year 3 1/4% debentures | 20,000 | 12-15-52 | 12-15-77 | 30 days notice |
| Thirty-four year 3 1/8% Debentures | 30,000 | 12-15-54 | 12-15-88 | 30 days notice |
| Thirty-six year 3 1/4% Debentures | 30,000 | 11-15-55 | 11-15-91 | 30 days notice |
| Thirty-five year 4% Debentures | 45,000 | 4-1-58 | 4-1-93 | 30 days notice |
| Thirty-eight year 4 5/8% Debentures | 45,000 | 4-1-61 | 4-1-99 | 30 days notice |
| Forty year 4 1/2% Debentures | 50,000 | 7-1-62 | 7-1-02 | 30 days notice |
| Forty year 4 5/8% Debentures | 60,000 | 7-1-65 | 7-1-05 | 30 days notice |
| Thirty-nine year 6 1/8% Debentures | 100,000 | 10-1-67 | 10-1-06 | 30 days notice |
| Forty year 6 3/8% Debentures | 125,000 | 9-1-68 | 9-1-08 | 30 days notice |
| Thirty-nine year 8 5/8% Debentures | 175,000 | 9-1-70 | 9-1-09 | On or after 9/1/95 on 30 days notice |

| | | | | |
|--|---------|----------|----------|--|
| Thirty-three year 8.2% Debentures | 200,000 | 6-1-71 | 6-1-04 | On or after 6/1/76 on 30 days notice |
| Seven year 6 1/2% Notes | 100,000 | 3-15-72 | 3-15-79 | On or after 3/15/77 on 30 days notice |
| Thirty-five year 7 3/8% Debentures | 200,000 | 10-15-72 | 10-15-07 | On or after 10/15/77 on 30 days notice |
| Thirty-year 8% Debentures | 170,000 | 11-15-73 | 11-15-03 | On or after 11/15/78 on 30 days notice |
| Seven year 7% Direct reduction Notes | 2,186 | various | 7 years | After one year upon 90 days notice |

TOTAL FUNDED DEBT \$1,412,186

These bonds have been refunded through the issuance of temporary obligations and the mortgage discharge on February 1, 1975.

In addition to the above, the petitioner, as of December 31, 1974, had outstanding unsecured short term obligations aggregating the sum of \$271,880,000 which obligations are held by the petitioner's affiliate, American

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Telephone & Telegraph Company, various banks and other investors.

Under its restated Certificate of Incorporation, as amended, the petitioner's authorized Capital Stock is \$1,200,000, consisting of 60,000,000 shares of the par value of \$20 per share, of which there are issued and presently outstanding 45,685,080 shares of the aggregate par value of \$913,701,600. The Company proposes to offer to its stockholders for subscription for cash, at a price to be determined by the Board of Directors, or the Executive Committee, on or about April 3, 1975, pro rata, in accordance with their respective holdings of record, on the basis of one share for each six shares hold on the record date, 7,614,180 shares of common capital stock.

The following pro forma balance sheet, before and after the completion of the financing proposed herein, was submitted to be as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

April 30, 1975 (Estimated)
(Thousands of Dollars)

| | |
|-----------------|-----------------------------------|
| | <i>Pro forma Assuming</i> |
| | <i>Changes onCom-</i> |
| <i>Before</i> | <i>Account of pletion of pro-</i> |
| <i>Proposed</i> | <i>Proposed posed Financ-</i> |

PURbase

| | <i>Financing</i> | <i>Financing</i> | <i>ing</i> |
|--|------------------|------------------|-------------|
| ASSETS: | | | |
| Telephone plant in service | \$4,269,400 | | \$4,269,400 |
| Telephone plant under construction | 116,900 | | 116,900 |
| Property held for future telephone Use | 1,000 | | 1,000 |
| | <hr/> | | <hr/> |
| TOTAL TELEPHONE PLANT | 4,387,300 | | 4,387,300 |
| Less: Depreciation and Amortization Reserves | 943,100 | | 943,100 |
| | <hr/> | | <hr/> |
| TOTAL TELEPHONE PLANT | | | |
| | <hr/> | | <hr/> |
| LESS RESERVES | 3,444,200 | | 3,444,200 |
| Miscellaneous Physical Property | 2,300 | | 2,300 |
| Current Assets | 223,000 | | 223,000 |
| Pre-paid Accounts and Deferred Charges | 60,000 | | 60,000 |
| | <hr/> | | <hr/> |
| TOTAL ASSETS | 3,729,500 | | 3,729,500 |
| LIABILITIES: | | | |
| Current and Accrued Liabilities | \$ 168,933 | | \$ 168,933 |
| Deferred Credits | 303,000 | | 303,000 |
| | <hr/> | | <hr/> |
| TOTAL CURRENT AND ACCRUED LIABILITIES AND DEFERRED CREDITS | 471,933 | | 471,933 |
| | <hr/> | | <hr/> |
| Capital Stock | 913,702 | 152,284 | 1,065,986 |
| Premium on Capital Stock | 376,054 | * | * |
| Funded Debt | 1,390,000 | | 1,390,000 |
| Temporary Obligations | 343,180 | * | * |
| Other Long-term Debt | 1,831 | | 1,831 |
| | <hr/> | | <hr/> |
| TOTAL CAPITAL OBLIGATIONS & PREMIUM | 3,024,767 | | * |
| Retained Earnings | 232,800 | | 232,800 |
| | <hr/> | | <hr/> |
| TOTAL LIABILITIES | 3,729,567 | | * |
| | <hr/> | | <hr/> |
| NET INVESTMENT | 3,257,567 | | 3,257,567 |
| | <hr/> | | <hr/> |
| TOTAL CAPITAL OBLIG., PREM. & RETAINED EARNINGS | 3,257,567 | | * |
| | <hr/> | | <hr/> |

Figures will be filled in on a Revised Exhibit 5 to be filed at a later date.

It is to be noted that the items in the pro forma balance sheet, which depend upon the price at which the stock is to be issued, are blank. The Company plans to submit an

amended balance sheet on or about April 3, 1975, which will reflect the price at which the new shares will be sold.

The Company submits that the proceeds from the sale of the capital stock will be applied toward the discharge of the outstanding short term obligations of the Company incurred for general corporate purposes, including payment at maturity of \$20,000,000 of the Company's first mortgage bonds, extensions, additions and improvements to its telephone plant, and to reimburse the Company's treasury for monies expended for such corporate purposes; the balance, if any, of such proceeds to be used for other lawful corporate purposes. It is estimated that, except to the extent that they are reduced by repayment from the proceeds of the capital stock, the amount of outstanding short term obligations will be increased to approximately \$343,000,000 by April 30, 1975.

Upon consideration of the evidence submitted, this Commission is satisfied that the issuance and sale of the securities proposed herein will be consistent with the public good. Our order granting the authorization herein sought will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Telephone and Telegraph Company be, and hereby is, authorized, insofar as the same pertains to property or expenditures in the state of New Hampshire, to issue and offer to its stockholders for subscription for cash, at a price to be determined by the Board of Directors, or the Executive Committee thereof, on or about April 3, 1975, pro rata, on the basis of one (1) share for each six (6) shares held on the record date, in accordance with their respective holdings of record, Seven Million, Six Hundred Fourteen Thousand, One Hundred Eighty (7,614,180) shares of its common capital stock, said shares of stock to be issued and offered as aforesaid in accordance with the resolutions of the Board of Directors adopted January 21, 1975, as set out in Exhibit 2 of the Company's petition; and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company shall submit to this Commission the price at which the stock will be issued, as determined by the Company's Board of Directors, or its Executive Committee, on or about April 3, 1975, following which submission a Supplemental Order will issue; and it is

FURTHER ORDERED, that the proceeds of the sale of said common capital stock will be applied toward the discharge of the outstanding short term obligations of the Company incurred for general purposes, including extensions, additions, and improvements to its telephone plant, and to reimburse the Company's treasury for monies expended for such corporate purposes; the balance, if any, of such proceeds to be used for other lawful corporate purposes; and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company shall file with this Commission, as soon as reasonably practicable after the conclusion of the issue of the common stock herein authorized, a detailed statement, duly verified by an officer, showing the disposition of the proceeds of the stock authorized herein, and thereafter a similar statement as of January first and July first in each year, until the disposition of the whole of the proceeds thereof shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fifth day of March, 1975.

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NH.PUC*03/06/75*[77443]*60 NH PUC 365*New England Telephone and Telegraph Company

[Go to End of 77443]

Re New England Telephone and Telegraph Company

DF 75-28 Order No. 11,761

60 NH PUC 365

New Hampshire Public Utilities Commission

March 6, 1975

PERMISSION granted a telephone company to issue debt securities.

SECURITY ISSUES, § 94 — Debt securities — Telephone — Purposes.

[N.H.] The commission authorized a telephone company to issue debt securities at either competitive bidding or at a negotiated sale in order to meet its unsecured short-term obligations.

APPEARANCES: Kenneth F. Graf for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed February 10, 1975, New England Telephone & Telegraph Company seeks authority, pursuant to RSA 369, insofar as the proceeds of same pertain to property or expenditures of said Company in this state, to issue and sell its debt securities, up to an aggregate principal amount of \$200,000,000.

At the hearing on the petition held, following due notice, in Concord on March 4, 1975, the petitioner submitted that it is a corporation duly organized under the laws of the state of New York, engaged in the telephone and telegraph business in and between the states of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, and, by means of interconnection with the facilities of other telephone companies, furnishing telephone service between said states and other places outside thereof. It has been operating as a telephone public utility throughout New Hampshire prior to, on, and since June 1, 1911. Petitioner is duly qualified under the statutes of this state; and is presently authorized to do business therein, and in respect to such operations, is subject to the jurisdiction of this Commission.

The authorization sought herein was filed pursuant to proper Resolutions of the Board of Directors, certified copies of which have been filed herein.

The petitioner proposes to issue and sell, either at competitive bidding or at a negotiated sale, up to an aggregate principal amount of \$200,000,000 of debt securities, the maturity dates of which will be fixed by the Board of Directors in March or April, 1975. These will be sold either at competitive bidding, in which case the sale price thereof, and interest rate thereon, will be specified in the purchase bid accepted by the Company, or they will be sold on negotiated terms of sale to a responsible buyer. The debt securities will be issued pursuant to the terms of an indenture between New England Telephone & Telegraph Company and a trustee to be selected and reported to this Commission. The form of indenture under which the proposed debt securities are to be issued will be in substantially the form of the indenture submitted as Exhibit 2 in these proceedings.

The outstanding securities of the petitioner, as of December 31, 1974; were as follows:

1. Amount and kind of stock outstanding

Common — 45,685,080 Preferred — None

Terms of preference of Preferred Stock — None (see above)

Amount of funded debt outstanding and data pertaining thereto.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | <i>Amount in Thousands</i> | <i>Date of Issue</i> | <i>Date of Maturity</i> | <i>Date of Callable</i> | |
|--|--------------------------------|--------------------------|-----------------------------|-----------------------------|---|
| First Mortgage 2 3/4% Bonds, Series D | \$ 20,000* | 2-1-45 | 2-1-75 | | Any interest date on 60 days notice |
| Thirty-five year 3% Debentures | 40,000 | 10-1-47 | 10-1-82 | | 30 days notice |
| Twenty-five year 3 1/4% Debentures | 20,000 | 12-15-52 | 12-15-77 | | 30 days notice |
| Thirty-four year 3 1/8% Debentures | 30,000 | 12-15-54 | 12-15-88 | | 30 days notice |
| Thirty-six year 3 1/4% Debentures | 30,000 | 11-15-55 | 11-15-91 | | 30 days notice |
| Thirty-five year 4% Debentures | 45,000 | 4-1-58 | 4-1-93 | | 30 days notice |
| Thirty-eight year 4 5/8% Debentures | 45,000 | 4-1-61 | 4-1-99 | | 30 days notice |
| Forty year 4 1/2% Debentures | 50,000 | 7-1-62 | 7-1-02 | | 30 days notice |
| Forty year 4 5/8% Debentures | 60,000 | 7-1-65 | 7-1-05 | | 30 days notice |
| Thirty-nine year 6 1/8% Debentures | 100,000 | 10-1-67 | 10-1-06 | | 30 days notice |
| Forty year 6 3/8% Debentures | 125,000 | 9-1-68 | 9-1-08 | | 30 days notice |

| | | | | |
|---|---------------|----------|-----------|--|
| Thirty-nine year 8 5/8% Debentures | 175,000 | 9-1-70 | 9-1-09 | On or after 9/1/75 on 30 days notice |
| Thirty-three year 8.2% Debentures | 200,000 | 6-1-71 | 6-1-04 | On or after 6/1/76 on 30 days notice |
| Seven year 6 1/2% Notes | 100,000 | 3-15-72 | 3-15-79 | On or after 3/15/77 on 30 days notice |
| Thirty-five year, 7 3/8% Debentures | 200,000 | 10-15-72 | 10-15-07 | On or after 10/15/77 on 30 days notice |
| Thirty-year 8% Debentures | 170,000 | 11-15-73 | 11-15-03 | On or after 11/15/78 on 30 days notice |
| Seven year 7% direct reduction notes | 2,186 various | 7 years | After one | year, upon 90 days notice |
| TOTAL FUNDED DEBT | \$1,412,186 | | | |

These bonds have been refunded through the issuance of temporary obligations and the mortgage discharged on February 1, 1975.

As of December 31, 1974, the petitioner has outstanding unsecured short term obligations in the aggregate amount of \$271,880,000, the proceeds of which have been used for corporate purposes in the five states in which it operates.

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It is estimated, unless refunded or repaid from the proceeds of the present issue of debt securities, or other permanent securities, the amount of such outstanding short term obligations would be increased to approximately \$380,000,000, by May 31, 1975.

The following pro forma balance sheet, before and after the completion of the financing proposed herein was submitted to be as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | | | |
|-------------------------------|----------------------------------|-------------------|-------------------|
| | <i>June 30, 1975 (Estimated)</i> | | |
| <i>(Thousands of Dollars)</i> | | | <i>Pro</i> |
| <i>forma</i> | | | |
| <i>onAssuming</i> | | <i>Changes</i> | |
| | <i>Before</i> | <i>Account of</i> | <i>Completion</i> |
| | <i>Proposed</i> | <i>Proposed</i> | <i>of</i> |
| <i>Proposed</i> | | | |
| <i>ASSETS:</i> | <i>Financing</i> | <i>Financing</i> | <i>Financing</i> |

PURbase

| | | | |
|--|-------------|-----------|-------|
| Telephone plant in service | \$4,336,400 | | |
| \$4,336,400 | | | |
| Telephone plant under construction | 117,600 | | |
| 117,600 | | | |
| Property held for future telephone use | 900 | | 900 |
| | | | |
| TOTAL TELEPHONE PLANT | 4,454,900 | | |
| 4,454,900 | | | |
| Less: depreciation and amortization reserves | 958,100 | | |
| 958,100 | | | |
| | | | |
| TOTAL TELEPHONE PLANT LESS RE-SERVES | 3,496,800 | | |
| 3,496,800 | | | |
| Miscellaneous physical property | 2,300 | | 2,300 |
| | | | |
| Current assets | 226,000 | | |
| 226,000 | | | |
| Prepaid accounts & deferred charges | 67,000 | | |
| 67,000 | | | |
| | | | |
| TOTAL ASSETS | 3,792,100 | | |
| 3,792,100 | | | |
| LIABILITIES: | | | |
| Current and accrued liabilities | 183,054 | | |
| 183,054 | | | |
| Deferred credits | 317,000 | | |
| 317,000 | | | |
| | | | |
| TOTAL CURRENT AND ACCRUED LIABILITIES AND DEFERRED CREDITS | 500,054 | | |
| 500,054 | | | |
| Capital stock | 1,065,986 | | |
| 1,065,986 | | | |
| Premium on capital stock | * | | * |
| Funded debt | 1,390,000 | 200,000 | |
| 1,590,000 | | | |
| Temporary obligations | * | (200,000) | * |
| Other long-term debt | 1,697 | | 1,697 |
| | | | |
| TOTAL CAPITAL OBLIGATIONS & PREMIUM | * | | * |
| Retained earnings | 232,700 | | |
| 232,700 | | | |
| | | | |
| TOTAL LIABILITIES | * | | * |
| NET INVESTMENT | 3,292,046 | | |
| 3,292,046 | | | |
| TOTAL CAPITAL OBLIGATIONS, PREMIUMS & RETAINED EARNINGS | * | * | |

Figures will be filled on a Revised Exhibit 5 to be filed at a later date

The Company represents that from time to time it has made expenditure in the state of

Maine, Massachusetts, New Hampshire, Rhode Island and Vermont for the acquisition of property, the construction, completion, extension and improvement of its facilities in said states, and for the improvement and maintenance of telephone service, all of which expenditures have been necessary and requisite for present or future use in the conduct of its business. In order to meet these continuing expenditures, the Company has obtained new monies temporarily by means of unsecured short-term obligations, or has expended from its Treasury, monies other than monies obtained from the issuance of securities.

The Company submits that the proceeds of the sale of the debt securities proposed herein will be used to repay unsecured short-term obligation outstanding at the time said proceeds are available, the balance, if any, of such proceeds to be used for lawful corporate purposes as need therefor arises.

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Upon consideration of the evidence submitted, this Commission is satisfied that the issuance and sale of the debt securities proposed herein will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Telephone and Telegraph Company be, and hereby is, authorized, insofar as said issue pertains to property or expenditures in the state of New Hampshire, to issue and sell for cash, its debt securities, the maturity dates of which will be fixed by the Board of Director in March or April, 1975, in the aggregate principal amount of up to two hundred million dollars (\$200,000,000.); and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company shall submit to this Commission the offerings of responsible competitive bidders for the purchase price and rate of interest of said debt securities, which bids shall be on a comparable basis, or the purchase price and rate of interest of said debt securities offered by a responsible buyer in the event New England Telephone and Telegraph Company elects to negotiate the sale of said debt securities rather than offer them to competitive bidders. Following the required submission, a Supplemental Order will issue establishing the price and interest rate at which said debt securities shall be sold; and it is

FURTHER ORDERED, that the proceeds from the sale of said debt securities shall be used for the purpose of discharging and repaying outstanding short-term obligations of the Company, and the balance, if any, for other lawful corporate purposes; it is

FURTHER ORDERED, that New England Telephone and Telegraph Company shall file with the Commission, as soon as reasonably practicable after the conclusion of the issue of the debt securities herein authorized, a detailed statement, duly verified by an officer, showing the disposition of the proceeds of the securities authorized herein, and thereafter a similar statement as of January first and July first in each year, until the disposition of the whole of the proceeds thereof shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this sixth day of March,

1975.

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NH.PUC*03/10/75*[77444]*60 NH PUC 368*Concord Electric Company

[Go to End of 77444]

Re Concord Electric Company

DF 75-35, Supplemental Order No. 11,765

60 NH PUC 368

New Hampshire Public Utilities Commission

March 10, 1975

APPLICATION for authority to issue additional common stock and first mortgage bonds; granted.

SECURITY ISSUES, § 95 — Stocks and bonds — Additional shares — Purposes.

[N.H.] Finding it to be in the public interest, the commission allowed an electric company to issue additional common stock to shareholders of record and to issue mortgage bonds in order to redeem and retire the company's outstanding short-term debts.

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APPEARANCES: Joseph S. Ransmeier for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed February 13, 1975, Concord Electric Company (the "Company"), a corporation duly organized and existing under the laws of the state of New Hampshire and engaged in the business of supplying electrical power and energy for public and private use in the City of Concord and various neighboring municipalities all in said state, seeks authority, pursuant to the provisions of RSA 369, as follows:

1. To issue and sell for cash at par one million five hundred thousand (\$1,500,000) dollars principal amount of its first mortgage bonds, Series E, (the "Bonds"), such bonds to be issued under the Company's existing indenture of mortgage to Old Colony Trust Company, Trustee (of which First National Bank of Boston is successor trustee) dated as of December 1, 1952, as heretofore supplemented by existing first and second supplemental indentures as well as by a further proposed third supplemental indenture to be given incident to the issue of the bonds; and

2. To issue and sell thirty-three thousand three hundred and thirty four (33,334) shares of its

common capital stock (the "Stock"), which it plans to offer for subscription on a *pro rata* basis to the holders of its presently outstanding common stock (or at a rate of one new share for each three shares now held) at a price of approximately \$12.50 per share, and with an over-subscription privilege in such shareholders as to any shares not subscribed for by others. The Company may also enter into arrangements with security dealers whereby they will agree to use their best efforts to sell any unsubscribed shares.

The petitioner further represented that the proceeds of the Series E bonds and the 33,334 shares of common stock would be used solely for one or more of the following purposes: (a) to pay off short-term indebtedness outstanding at the time of the said sales, the proceeds of which will have been expended in the purchase and construction of property and facilities reasonably requisite for present and future use in the conduct of the Company's business, but may be applied in part (b) to reimburse the Company Treasury for expenditures made from it for the said purposes, (c) to finance the future purchase and construction of such property and facilities and (d) to defray the costs and expenses of the financing contemplated by this petition or for other proper corporate purposes.

The Company submitted in evidence its Balance Sheet as at December 31, 1974 as per books and pro forma, to reflect the sale of the additional common stock and bonds, and the application of the proceeds therefrom. Copies of the purchase and sale agreement for the bonds and the proposed Third Supplemental Indenture to the Indenture of Mortgage under which the bonds are to be issued and sold.

Upon consideration of the evidence submitted this Commission is satisfied that the proceeds of the First Mortgage Bonds, Series E and common stock proposed herein will be used to redeem and retire the Company's outstanding short-term notes in the aggregate amount of \$1,925,000, the proceeds of which have been expended to pay for plant additions already made, such additions and improvements being of a kind reasonably requisite to the conduct of the petitioner's public utility business, or the balance of the proceeds will be expended to pay for further such plant additions; to reimburse the Treasury for other such plant additions, or for other lawful corporate business.

The Commission finds that the issue of the bonds and common stock upon the terms proposed is consistent with the public good. Our order, authorizing the issue and sale of the bonds and the mortgaging of the petitioner's present and future properties, including franchises, and the issue and sale of the Company's common stock, will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is ORDERED, that Concord Electric Company be, and hereby is, authorized to issue and

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sell for cash at par, one million five hundred thousand dollars (\$1,500,000) principal amount of First Mortgage Bonds, Series E, bearing interest at a rate to be determined prior to the sale of the bonds; and it is

FURTHER ORDERED, that Concord Electric Company shall submit to this Commission the

interest rate at which the bonds will be issued, following which a supplemental order will issue; and it is

FURTHER ORDERED, that Concord Electric Company be, and hereby is, authorized to mortgage its present and future properties, tangible and intangible, including franchises, as security for said bonds; and it is

FURTHER ORDERED, that Concord Electric Company be, and hereby is, authorized to issue and sell for cash thirty three thousand three hundred thirty-four (33,334) shares of its common capital stock at a price to be determined prior to sale, such shares to be offered initially to the existing shareholders of the Company on the basis of one (1) share for each three (3) shares now held, with an over-subscription privilege, and the Company may sell any shares not subscribed for directly to other investors at the same price; and it is

FURTHER ORDERED, that Concord Electric Company shall submit to this Commission the price at which the stock will be issued, following which submission a supplemental order will issue; and it is

FURTHER ORDERED, that the proceeds from the sale of said First Mortgage Bonds and Common stock be used solely for one or more of the following purposes: to pay off its outstanding short-term loans, to finance present and future additions, extensions and improvements to its plant, equipment and for other lawful corporate purposes; and it is

FURTHER ORDERED, that on January first and July first in each year Concord Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of such First Mortgage Bonds and common stock until the whole of such proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this tenth day of March, 1975.

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NH.PUC*03/12/75*[77445]*60 NH PUC 370*Concord Electric Company

[Go to End of 77445]

Re Concord Electric Company

DF 75-35, Supplemental Order No. 11,774

60 NH PUC 370

New Hampshire Public Utilities Commission

March 12, 1975

ACCEPTANCE of an electric company's proposed price for new shares of its common stock.

BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 11,765 dated March 10, 1975 authorized Concord Electric Company to issue and sell for cash thirty-three thousand three hundred thirty-four (33,334) shares of its common capital stock to be initially offered to its existing common shareholders subject to further order of this Commission as to the price; and

WHEREAS, in compliance with said Order No. 11,765 (60 NH PUC 368) the Company has submitted to this Commission a certified copy of a resolution of its Board of Directors adopted at a meeting held on March 12, 1975, establishing twelve dollars and fifty cents (\$12.50) per share as the price for such offering to the common shareholders; and

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WHEREAS, after due consideration it appears that the proposed issue and sale of said shares at the price of twelve dollars and fifty cents (\$ 12.50) per share is consistent with the public good; it is

ORDERED, that Concord Electric Company be, and hereby is, authorized to issue and sell for cash at twelve dollars and fifty cents (\$12.50) per share, thirty-three thousand three hundred thirty-four (33,334) shares of its common stock pursuant to Warrants to subscribe to such shares in the form submitted to the Commission to be issued to the existing common shareholders of the Company; and it is

FURTHER ORDERED, that all other provisions of said Order No. 11,765 of this Commission are incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this twelfth day of March, 1975.

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NH.PUC*03/19/75*[77446]*60 NH PUC 371*Public Service Company of New Hampshire

[Go to End of 77446]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 11,781

60 NH PUC 371

New Hampshire Public Utilities Commission

March 19, 1975

PETITION by an electric company for condemnation of land; granted as to privately held land but denied as to state held land.

1. ELECTRICITY, § 3 — Nuclear power plants — Reasonableness.

[N.H.] In the interests of establishing energy independence and serving a growing

population, the commission found an electric company's proposed nuclear generating unit to be reasonable, necessary, and beneficial. p. 372.

2. EMINENT DOMAIN, § 7 — What property may be taken — State held land.

[N.H.] Because there is a specific statute governing a public utility's use or taking of state-owned land, the commission ruled that eminent domain is unavailable to a utility trying to acquire public land. p. 373.

3. EMINENT DOMAIN, § 5 — Necessity for appropriation — Private property — Fee simple.

[N.H.] In the taking of land by a public utility for a nuclear plant site, the investment, duration and nature of the project mandate a permanent property right in the land and not a mere terminable easement, and the commission therefore authorized a utility to take required privately held land in fee simple absolute. p. 374.

APPEARANCES: Lawrence E. Spellman, Russell Winslow, E. Paul Kelley, Guardian Ad Litem for unknown parties, George Findell, Jr., Guardian Ad Litem, for the petitioners. Warren B. Rudman and the N.H. Department of Fish & Game, Assistant Attorney General Donald W. Stever, Jr., for Attorney General; Robert A. Backus, for the Audubon Society and the Society for the Protection of New Hampshire Forests; Daniel Jones for Frank E. and Olga Gowan; Kimon S. Zachos, for Paul Dichter; John Emery for Muriel Lunt; David Driscoll for Strafford-Rockingham Realty Trust.

BY THE COMMISSION:

Report

The Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the State of New Hampshire, pursuant to RSA

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371, petitioned the Public Utilities Commission for a determination of whether or not it should acquire land in a particular area of Seabrook, New Hampshire for the purpose of constructing a nuclear power plant. The petition, filed on April 9, 1974, seeks a determination from the Commission as to the necessity of taking certain land described in said petition for the power plant and the compensation to be paid therefor. The Commission convened on May 14, 1974 to hear evidence from all interested parties limited to the question of whether or not a taking is necessary. These proceedings do not address the issue of damages for the taking of land. If the Commission finds necessity, then the issue of damages will be considered for each contested parcel at subsequent hearings.

Necessity of Taking

[1] Several years ago, to Public Service Company of New Hampshire anticipated that in order to meet the reasonable requirements of electric service to present and future customers, they would need increased generating capacity. The Company embarked upon a study in which they charted historical and projected load growth patterns (Exhibits E through H). The Company

determined that a great need exists and determined that a nuclear power plant would meet these needs. Because of New Hampshire's fast burgeoning population (the fastest growing state in the northeast), the burden to supply the needs of electricity to ever increasing numbers has been placed squarely upon New Hampshire's only major generating company.

The site proposed to be taken is undeveloped. The choice of particular site at Seabrook, New Hampshire was governed by accessibility to railroad lines, abundant water supplies for cooling, a reliable road system and other services. Also, the Seabrook site is close to New England's load center and transmission losses would be minimized, thereby reducing the cost of transmission and the total cost of serving users of that electric power.

The Company having established the need to have land in Seabrook, entered upon the land pursuant to RSA 371-2: a for the purposes of survey work to determine exact locations of boundaries. The results of the survey work are reflected in filed exhibits (A through D) and show a circle called an exclusion area with about a 3,000 foot radius and containing about 717 acres by estimation (323 of high ground and 394 of marshland).

The 3,000 foot exclusion radius area is required by the Atomic Energy Commission. The area encompassed by the circle on the filed exhibits is an area in which the applicant has to have the "authority to determine all activities, including exclusion or removal of personnel and property from the area" (10 CFR § 100.3). The Company argues that in order to have complete control it must have ownership of the land in fee and that no lesser interest in land would accomplish the purposes required by the Atomic Energy Commission. Pursuant to their determination they have begun to acquire fee title to individual parcels within the exclusion area. To the date of the hearing, approximately ninety (90) parcels have been purchased. The remaining parcels within the exclusion area, the access road area and the tunnel area which have not been purchased are the subject of this hearing on necessity.

The Seabrook plant has been designed in conjunction with the land proposed to be taken and as shown on the filed exhibits. The present exclusion area as shown on filed exhibits has determined to a great extent what design features and safety related features are incorporated into the Seabrook nuclear units. Substantial engineering work has been done and any modification in the location of the exclusion area will affect the present design of the system and would require a complete redesign. The power generating units have been located at a point within the exclusion area relative to the minimization of radiation releases at the edge of the exclusion area. Based upon this fact, it is a fair statement that the safety, structural design and engineering of the plant are tied directly to the present location of the exclusion area.

In addition to the actual needs of its customers, both present and future, the Company is obligated to provide its share of reserve capacity with respect to total New England Power Pool (NEPOOL) reserves. Public Service Company, a contractual member

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of NEPOOL participates with other northeast utilities in cooperative ventures such as the building of nuclear power plants. In return for financial assistance, the participating companies derive the benefits of cooperation in times of need. For example, during plant shutdowns, both planned and unplanned, the Public Service Company under the NEPOOL arrangements can

import power from NEPOOL participants to supply all of its customers uninterruptedly. Without the projected capability from the Seabrook units the contract with NEPOOL would have to be renegotiated. If the Public Service Company of New Hampshire decreased its export of electricity to the pool supply, imports would be likewise affected. The plan of interdependence among northeast utilities was established for good reason, and such interdependence has become a way of life for NEPOOL participants. To alter or modify this interdependent relationship would be costly and unduly disturbing.

Although we cannot predict the level of efficiency at which the proposed Seabrook Nuclear Power units will operate, it is a fair statement based upon the evidence submitted at this hearing relative to the historical load growth, projected demand and projected population figures that the Seabrook units will properly fit into the system operations of NEPOOL of which Public Service Company of New Hampshire is a member. The cost of generating electricity by nuclear power (based upon current figures) will be approximately one half the cost of generating electricity by fossil fuels. The benefits of this lower cost electricity will inure to the benefit of the Company's retail customers and to the retail customers of other companies in New Hampshire that purchase power from the Public Service Company. All of these customers will, therefore, be relieved in an indirect way from dependence upon that finite and exorbitantly expensive resource — oil, and upon the whims of the Arab oil barons, their embargoes and their extortionately high prices for oil. The use of nuclear power will eliminate the enormous fuel surcharges that have become a way of life today because of the tremendously increased prices of oil and coal.

Seabrook, therefore, is necessary for New Hampshire and nuclear power will be a most beneficial addition to the economic picture of our state. Building the plant and associated facilities will create employment for professional, skilled and unskilled workers, especially at a time, incidentally, when such jobs are needed and will offer a beneficial stimulation to the state economy.

Seabrook is also necessary because it should be our goal to be self-sufficient from foreign energy supplies. The technology for the production of electricity by nuclear power is available now and, therefore, it makes good sense to use this technology now. While other new forms of electricity generation are being studied, nuclear power is our best alternative to generating large amounts of electricity at lower costs.

Type of Taking Necessary

[2] Donald Stever, Assistant Attorney General appeared to represent the New Hampshire Department of Fish and Game and Warren B. Rudman, Attorney General and filed a Motion to Dismiss the proceedings. The Motion sets forth the following grounds:

1. That eminent domain is unavailable to a public utility where state lands are involved;
2. There is no necessity for the acquisition of fee title to the lands in question; and
3. The utility does not need fee title to any of the lands it seeks to condemn.

Robert A. Backus who appeared on behalf of the Audubon Society and the Society for the Protection of New Hampshire Forests joins in the Motion to Dismiss filed by Mr. Stever insofar as that Motion relates to privately held lands held by his clients for conservation purposes. Under RSA 371:1 the Public Utilities Commission is empowered to determine the type and character of

the real property rights that may be taken by a particular petitioning public utility for a particular project. The statute does not set forth a requirement that fee simple absolute title be taken by a public utility for the projects it considers necessary to meet the reasonable requirements of service to the public. The statute makes no such requirement because

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each situation that is dealt with is different and must be analyzed upon its own facts.

RSA 371:1 states in part that " ... public utility may petition the Public Utilities Commission for such rights and easements or for permission to take such lands or rights, *as may be needed* ... " (emphasis added).

Insofar as Mr. Stever's Motion to Dismiss addressed itself to the matter of eminent domain over state lands, it is granted and the petitioning utility must, therefore, pursue other procedures to secure rights in those lands. By legislative action a specific statutory method has been provided to permit a public utility to use state lands. RSA 371: 17-20 (Supp.) provides that a public utility may obtain a license to construct or maintain facilities over, under or across state-owned waters and lands. This is the vehicle by which the petitioning utility should attempt to secure rights in the state lands shown as parcels 33 and 123 on Exhibit C. The balance of Mr. Stever's Motion to Dismiss is denied. This denial applies to the arguments made by both Mr. Stever and Mr. Backus under the Motion to Dismiss.

[3] On this issue of what type of property right should be granted for this public purpose, the petitioning utility offered testimony through Harrison E. Smith, a New Hampshire attorney in good standing and an experienced practitioner of twenty-five (25) years in the area of New Hampshire property law. Mr. Smith gave as his opinion that a fee simple absolute property right was necessary to satisfy the plain meaning of the regulations of the United States Atomic Energy Commission (see Exhibit K). He states further that although we are dealing with a regulation of the Atomic Energy Commission that ultimately the determination of the type of property right to be granted must be based on local New Hampshire property law and that considering the various estates which New Hampshire courts recognize it is his opinion that a fee title would be necessary. In order for the petitioning utility to comply with the Atomic Energy Commission regulations relating to an exclusion area, the utility would have to look to local law to enforce its rights. This, then, is an issue of local property law. Neither of the protestants offered any contrary opinion from any other seasoned expert in New Hampshire property law.

The regulations referred to above define the exclusion area and go on to indicate that activities unrelated to operations of the reactor may be permitted in an exclusion area. Mr. Smith opines that the intent of this section is to permit the operating company to issue revocable licenses to others who desire to use land within the exclusion area. In this manner the company could permit unrelated activities on its land and at the same time have the complete and uncontroverted power, right and "authority to determine all activities including exclusion or removal of personnel and property from the area".

The Commission recognizes that an easement is an incorporeal right in land, i.e. not of a material nature, by which one person or entity may enter upon the land of another and make a limited use thereof but without any right to take the soil or any part thereof. Hence, an easement

is a mere right which cannot be physically possessed.

The Commission further recognizes that easements are terminable and extinguishable in many ways. Termination or extinguishment is not capable of precise current projection. Certain events may occur in the future which may adversely affect the right of an easement. Factors unknown at the present time may alter, modify, terminate or extinguish an easement that is granted in the present. In view of the long term nature of the proposed nuclear power plant project in Seabrook, it would be unwise to allow the Public Service Company of New Hampshire an easement rather than the full ownership of the land. Their plan is to make the fullest possible use of the land and the granting of a limited property right may some day interfere with this complete use.

Due to the nature of the easement right, and duration and nature of the project, the Commission feels that the Public Service Company needs the most paramount and exclusive property rights. The investment for this proposed project is enormous and it is too large an investment to be predicated on a limited property right. The only property right which will fully and safely support and protect an investment of this magnitude is ownership in fee simple absolute. This right

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would be of the fullest scope and be of the most enduring nature and the Commission feels it should be granted.

Attorney E. Paul Kelley was appointed by the Commission as guardian ad litem for persons unknown. Attorney George Findell, Jr. was appointed by the Commission as guardian ad litem for persons who may be under a disability and where no guardian has been appointed. Both guardians ad litem took part in the full extent of these proceedings.

Attorney Kimon Zachos appeared representing Paul Dichter, a landowner abutting the access road. Mr. Zachos did not contest the necessity of taking land in the exclusion area but objected to the taking of a certain forty (40) feet of land on the proposed access road to which Paul Dichter has options for the expansion of his business.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the parcels of land described in the April 9, 1974 Petition for Condemnation, and in the title summaries, and on Exhibit B (access area), Exhibit C (exclusion area) and Exhibit D (tunnel area) be, and hereby are, authorized to be taken in fee by the Public Service Company of New Hampshire pursuant to the powers of Eminent Domain (RSA 371), EXCEPTING AND RESERVING from the the effect of this order certain State lands described on Exhibit C as Parcel Nos. 33 and 123 owned by the Department of Fish & Game of the State of New Hampshire; and it is

FURTHER ORDERED, that this order be recorded in the Rockingham County Registry of Deeds to reflect the authorization for the taking of land in fee and thereby giving notice of the new ownership of the land by Public Service Company of New Hampshire; and it is

FURTHER ORDERED, that Exhibit B (access area), Exhibit C (exclusion area) and Exhibit D (tunnel area) be recorded in the Rockingham County Registry of Deeds to accompany the Petition for Condemnation and Title Summaries heretofore recorded in said Registry on May 13, 1974 in Book 2220, Pages 1659-1771; and it is

FURTHER ORDERED, that a copy of this report and order be mailed to all parties having any real property interest in the land authorized to be taken.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of March, 1975.

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NH.PUC*03/20/75*[77447]*60 NH PUC 375*New England Power Company

[Go to End of 77447]

Re New England Power Company

DF 75-7, Supplemental Order No. 11,782

60 NH PUC 375

New Hampshire Public Utilities Commission

March 20, 1975

ACCEPTANCE of an electric company's proposal for the purchase of its mortgage bonds, with the proposed price secured through competitive bidding.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 11,733 of this Commission, dated January 30, 1975, issued in the above entitled proceeding, New England Power Company was authorized to issue and sell for cash its First Mortgage Bonds, Series U, maturing in not more than thirty (30) years from the date thereof, and to bear such interest rate as will be determined by competitive bidding, in the amount of eighty million dollars (\$80,000,000) principal amount; and

WHEREAS, New England Power Company has determined that the Bonds shall mature in 2005; and

WHEREAS, in compliance with said Order, New England Power Company has secured proposals for the purchase of said Series U Bonds in a manner satisfactory to the Commission, the most favorable offer being one hundred and three hundred twenty-nine thousandths percent (100.329%) and accrued interest for eighty million dollars (\$80,000,000) principal amount of First Mortgage Bonds, Series U, bearing interest at the rate of ten and seven-eighths percent (10 7/8%) per annum, thus establishing a cost of money to the Company of ten and eight thousand

three hundred seventy-seven ten thousandths percent (10.8377%) per annum to maturity; upon consideration, it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash its First Mortgage Bonds, Series U in the amount of eighty million dollars (\$80,000,000) at a price of one hundred and three hundred twenty-nine thousandths percent (100.329%) of the principal amount, plus accrued interest from March 1, 1975, said Bonds to bear interest at the rate of ten and seven-eighths percent (10 7/8%) per annum; and it is

FURTHER ORDERED, that the authorization contained herein be subject to all the terms and conditions stipulated in our original order in this proceeding.

By order of the Public Utilities Commission of New Hampshire this twentieth day of March, 1975.

=====

NH.PUC*03/20/75*[77448]*60 NH PUC 376*New Hampshire Electric Cooperative, Inc.

[Go to End of 77448]

Re New Hampshire Electric Cooperative, Inc.

DE 75-41, Order NO. 11,784

60 NH PUC 376

New Hampshire Public Utilities Commission

March 20, 1975

LICENSE granted an electric cooperative to install an underwater cable.

ELECTRICITY, § 6 — Cables — Underwater — Necessity.

[N.H.] Where it was necessary for adequate service and would not affect the public's use of the waters, an electric cooperative was permitted to construct a submarine cable in public waters between private properties.

BY THE COMMISSION:

Order

WHEREAS, by petition filed February 24, 1975, New Hampshire Electric Cooperative, Inc., seeks a license pursuant to RSA 371:17-20 to install and maintain an underwater

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_____ cable across Lake Winnepesaukee in the Town of Meredith and

WHEREAS, the petition represents that the proposed construction will cross approximately 1,943 feet of the Lake from Pole No. 45/153A on private property of John T. Kehoe on Spindle Point to Pole No.45/153Pl on private properties of Judith Hounsell and Spafford Martindale on Pitchwood Island; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc., to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Meredith, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this twentieth day of March, 1975.

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NH.PUC*03/21/75*[77449]*60 NH PUC 377*Rogers Boatel, Inc.

[Go to End of 77449]

Re Rogers Boatel, Inc.

DR 75-56, Supplemental Order No. 11,785

60 NH PUC 377

New Hampshire Public Utilities Commission

March 21, 1975

ORDER permitting a suspended water rate increase to go into effect.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Rogers Boatel, Inc., Waterworks Department, a public utility engaged in the business of supplying water service in the state of New Hampshire, on February 28, 1975, filed with this Commission Third Revised Page 5 of its tariff, NHPUC No. 4 — Water, providing for an increase in rates of 28.8% to become effective May 1, 1975; and

WHEREAS, said tariff filing was suspended by Order No. 11,767 dated March 11, 1975 pending investigation and publication by the Commission; and

WHEREAS, this Commission, after investigation and consideration, finds that the increase in rates is necessary and consistent with the public good; and no comments or objections by the public were received; it is

ORDERED, that Order No. 11,767 issued March 11, 1975 be, and hereby is, revoked; and it is

FURTHER ORDERED, that Third Revised Page 5 of Rogers Boatel, Inc., Waterworks Department, tariff, NHPUC No. 4 — Water, be, and hereby is, permitted to become effective with all current bills rendered on or after May 1, 1975; and it

FURTHER ORDERED, that public notice of this provision be given by publication of this Order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of March, 1975.

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NH.PUC*03/24/75*[77450]*60 NH PUC 378*Chester Telephone Company

[Go to End of 77450]

Re Chester Telephone Company

I-R14,342, Order No. 11,786

60 NH PUC 378

New Hampshire Public Utilities Commission

March 24, 1975

REVISION and reduction of telephone rates.

RATES, § 649 — Procedure — Statutory notice — Rate decrease.

[N.H.] Finding a reduction in local telephone service rates to be in the public interest, the commission allowed the revised rates to become effective in less than the statutory notice period.

BY THE COMMISSION:

Order

At a session of the New Hampshire Public Utilities Commission held at its office on March 24, 1975.

WHEREAS, on March 18, 1975, Chester Telephone Company, d/b/a Granite State Telephone, filed revised tariff pages for effect April 1, 1975, establishing revised and reduced rates for local services, which are represented to result in reductions in charges to customers of approximately thirty-six thousand four hundred dollars (\$36,400) for the ensuing twelve months, approximately thirteen thousand nine hundred dollars (\$13,900) on a continuing basis annually through elimination of local exchange service mileage; and

WHEREAS, this Commission after investigation and consideration finds the authorization of said tariff changes upon less than the statutory period of notice is in the public interest; it is

ORDERED, that Supplement No., 2; Section 2, Ninth Revised Sheet 1 and Second Revised Sheet 1-A; Section 3, Third Revised Sheet 4; and Section 6, Seventh Revised Sheet 2 and Second Revised Sheet 3 of Chester Telephone Company, d/b/a Granite State Telephone, tariff, NHPUC No. 6 — Telephone, shall become effective as of April 1, 1975; and it is

FURTHER ORDERED, that public notice of this change in rates be given by publication of this order in a newspaper having general circulation in the territory affected.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of March, 1975.

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NH.PUC*03/25/75*[77451]*60 NH PUC 379*New Hampshire Electric Cooperative, Inc.

[Go to End of 77451]

Re New Hampshire Electric Cooperative, Inc.

I-R14,344 Order No. 11,792

60 NH PUC 379

New Hampshire Public Utilities Commission

March 25, 1975

APPROVAL of a special rate contract between an electric cooperative and a private citizen.

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 42 with Donald Mercier, effective on the date service first made available for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of March, 1975.

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NH.PUC*03/26/75*[77452]*60 NH PUC 379*Connecticut Valley Electric Company, Inc.

[Go to End of 77452]

Re Connecticut Valley Electric Company, Inc.

DR 74-238, Order No. 11,793

60 NH PUC 379

New Hampshire Public Utilities Commission

March 26, 1975

PETITION by an electric company for an increase in rates, purchased power adjustments and line extension charges; granted.

1. RATES, § 303 — Fuel clauses — Folded into basic rates.

[N.H.] An electric company was allowed to fold a permanent purchased power adjustment into its basic rates where it would have no future dollar effect on existing customers' bills. p. 380.

2. RATES, § 303 — Fuel clauses — Purchased power adjustment factor.

[N.H.] The commission approved a new purchased power adjustment factor in order to reflect a wholesale rate increase permitted by the Federal Power Commission. p. 380.

3. RATES, § 303 — Fuel clauses — Effect on revenues.

[N.H.] An electric company gas allowed to implement a fuel adjustment clause where it was found to be

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necessary and of negligible effect on revenues. p. 380.

4. RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Where all electric utilities were updating their line extension terms and charges, the commission approved an electric company's proposed increase in line extension charges for construction on private property, finding that construction costs had risen dramatically since the last rate was established. p. 381.

APPEARANCES: Robert E. Schill for the petitioner.

BY THE COMMISSION:

Report

[1] On December 24, 1974, Connecticut Valley Electric Company, Inc., a public utility engaged in the business of supplying electric service in the state of New Hampshire, filed with this Commission a new tariff, NHPUC No. 2 Electricity, providing for (1) new basic rates into

which has been folded a permanent purchased power adjustment factor of 9.087% (2) a new purchased power adjustment factor of 28.267% in connection with Federal Power Commission Docket E-9040 (3) the introduction of a fuel adjustment clause and (4) an increase in line extension charges and construction on private property, to become effective January 24, 1975. On January 23, 1975 the Commission suspended the Company's filing pending investigation.

The proposed tariff changes were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission office in Concord on March 11, 1975.

The incorporation into the basic rates of purchased power adjustment (9.087%) in existence will have no future dollar effect on billings to any existing customer and the Commission finds that this change is in the public interest.

[2] Central Vermont Public Service Corporation (the Company's power supplier) placed into effect a rate increase to the Company, allowed by the Federal Power Commission subject to hearings, to become effective on December 6, 1974. The Company seeks permission to pass through this increase in its power costs to its retail customers subject to jurisdiction. The Company submitted testimony and other evidence to show that its earned rate of return, before this increase in its purchased power costs, was not excessive and that this increase in its costs could not be absorbed by the Company. The allowance of this proposed power cost adjustment will not result in any increase in the Company's earnings, but will only serve to maintain the same level of earnings on retail sales. We find that the allowance of this proposed increase is in the public interest. The Company must submit a revised filing to specify that any refunds received applicable to increases billed its retail customers shall be refunded to its customers in an equitable manner and that any decrease in its purchased power rates below that now proposed shall be affected in its power cost adjustment. The Company proposed that the purchased power adjustment become effective January 24, 1975. Due to our suspension of the filing and the time elapsed for hearing and investigation the Company has incurred increased purchased power costs which have not been billed to customers. We find that the Company shall collect these costs through a temporary surcharge. The Company shall file with us a calculation of the amount to be collected for increase costs from January 24, 1975 to the effective date of this order over such a period which will result in a temporary surcharge not to exceed 5% of its customer's bills.

[3] Central Vermont Public Service Corporation introduced a fuel adjustment clause in its wholesale rate to the Company, allowed to be placed in effect by the Federal Power Commission subject to hearings. The Company introduced testimony and other evidence to show the need for allowance of such a clause in its billings to its retail customers and to show that the clause is expected to have negligible revenue effect initially. The proposed fuel adjustment clause is patterned after existing clauses now in effect for other New Hampshire utilities. This Commission finds that the allowance of the proposed fuel adjustment clause is in the public interest.

We find that at this time the proposed Section 16, Promotional Allowances, shall be dropped

from the proposed tariff provisions.

[4] With respect to the line extension terms and charges, the petitioner represented that the changes were necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities' line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extensions on private property. For extensions on private property, as opposed to extensions constructed within the limits of the public roads, the customers would pay the minimum guarantee for the first 2,000 feet of construction, one-half of the cost of initial tree trimming and clearing; for distances in excess of 2,000 feet up to 5,280 feet per customer an outright contribution of the cost of the extension is to be paid by the customer. The Company agreed to modify its filing to also provide for the Company to share on an equal basis with the customer the cost of initial tree trimming and clearing for the first 2,000 feet of construction.

The Company testified that line construction costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property.

No one appeared in opposition to this filing. On the basis of the evidence the Commission finds that the requested changes, modified in accordance with this report, are necessary to assure continuance of service to existing customers and the extension of service to new customers, and thus are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that tariff, NHPUC No. 2 — Electricity of Connecticut Valley Electric Company, Inc., modified in accordance with this report, providing for (1) new basic rates into which has been folded a permanent purchased power adjustment factor of 9.087% (2) a new purchased power adjustment factor of 28.267% in connection with Federal Power Commission Docket E-9040 (3) the introduction of a fuel adjustment clause and (4) an increase in line extension charges and construction on private property, suspended by Order No. 11,716, be, and hereby is, now permitted to become effective on and after April 1, 1975: and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of March, 1975.

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NH.PUC*03/26/75*[77453]*60 NH PUC 382*Granite State Electric Company

[Go to End of 77453]

Re Granite State Electric Company

I-R14,343, Order No. 11,795

60 NH PUC 382

New Hampshire Public Utilities Commission

March 26, 1975

ACCEPTANCE of a special rate contract between an electric company and the state public works and highways department.

BY THE COMMISSION:

Order

WHEREAS, Granite State Electric Company, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 6 with State of New Hampshire, Department of Public Works and Highways, effective April 1, 1975 for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of March, 1975.

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NH.PUC*03/27/75*[77454]*60 NH PUC 382*New Hampshire Electric Cooperative, Inc.

[Go to End of 77454]

Re New Hampshire Electric Cooperative, Inc.

DR 74-240, Order No. 11,796

60 NH PUC 382

New Hampshire Public Utilities Commission

March 27, 1975

LIFTING of suspension of an electric cooperative's line extension rate increase.

RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Where all electric utilities were increasing their line extension charges for construction on private property, the commission approved an electric cooperative's proposed line extension increases in order to assure uniformity and reflect substantially increasing construction costs.

APPEARANCES: Maurice H. Muzzey for the petitioner.

BY THE COMMISSION:

Report

On December 26, 1974 New Hampshire Electric Cooperative, Inc., a public utility

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engaged in the business of supplying electric service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for changes in the present line extension terms and rates, to become effective January 31, 1975. On January 10, 1975 the Commission suspended the Company's filing pending investigation.

The proposed changes in terms and rates were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission office in Concord on March 11, 1975 coincident with hearings on similar tariff filings by the five other major electric public utilities providing service in New Hampshire.

The petitioner represented that the change in terms and charges were necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities' line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extension on private property. For extensions on private property, as opposed to extensions constructed within the limits of the public roads, the customer would pay the minimum guarantee for the first 2,000 feet of construction, and for distances in excess of 2,000 feet up to 5,000 feet per customer an outright contribution of the cost of the extension is to be paid by the customer. The Company agreed to modify its filing to also provide for the Company to share on an equal basis with the customer the cost of initial tree trimming and clearing for the first 2,000 feet of construction.

Evidence was submitted showing line costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property. No one appeared in opposition to this filing.

On the basis of the evidence the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and thus is in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Original Page 11-A and First Revised Pages 9, 10 (as modified in accordance with this report), and 11 of new Hampshire Electric Cooperative, Inc. tariff, NHPUC No. 6 — Electricity, providing for an increase in line extension charges and construction on private property, suspended by Order No. 11,698, be, and hereby are, now permitted to become effective on and after April 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of March, 1975.

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NH.PUC*03/28/75*[77455]*60 NH PUC 384*Gas Service, Inc.

[Go to End of 77455]

Re Gas Service, Inc.

DR 74-17

60 NH PUC 384

New Hampshire Public Utilities Commission

March 28, 1975

DENIAL of a gas company's proposal to restrict acceptance of new customers.

CONSERVATION, § 1 — Gas — Reduced supplies — Customer restrictions.

[N.H.] Although a gas company gas experiencing shortages in supply and investment capital, the commission found its proposal to restrict the acceptance of new domestic heating customers to be unreasonable in light of a pending rate case that could grant the company temporary relief.

APPEARANCES: Charles R. Prichard, President, for the petitioner.

BY THE COMMISSION:

Report

Gas Service, Inc., a public utility engaged in the business of supplying gas service in the State of New Hampshire, on December 19, 1973 filed with this Commission Supplement No. 9 to its tariff, N.H.P.U.C. No. 4 — Gas, providing for temporary restrictions on the acceptance of new customers. The Commission suspended the effective date of the tariff by issuing Order No. 11,249 dated January 15, 1974. Subsequently, on February 20, 1974 a hearing was held on this matter at the office of the Commission in Concord.

This proposed Supplement No. 9 is intended to cancel and supersede Supplement No. 5 which was authorized by Order No. 11,021 dated July 24, 1973 (58 NHPUC xxx). Supplement No. 9 is broader in scope than Supplement No. 5 and is intended to affect the Keene Division of the Company as well as the Laconia and Nashua Divisions of the Company.

In support of its tariff filing the Company gave the following reasons for restricting any acceptance of new domestic heating customers: 1. "We are not sure of sufficient natural gas and supplemental gas supply to meet any extremely cold winter for our present customers"; and 2. "We are not sure of refunding or continuing our short term debt of \$1,300,000 as of February 28, 1974. Therefore, the money for additional investments to take care of added residential customers is not sure."

Since the date of the hearing on this matter, the supply situation has changed somewhat and Gas Service, Inc. is presently involved in a pending rate case before this Commission in which they have been granted temporary rates.

For the afore stated reasons, the Commission finds that the information submitted at the hearing on February 20, 1974 in the form of verbal testimony and written financial exhibits is not timely for a decision on the temporary restriction on the acceptance of new customers as of the date of this report. Therefore, the tariff filing here and above referred to is dismissed without prejudice.

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NH.PUC*03/28/75*[77456]*60 NH PUC 385*Concord Electric Company

[Go to End of 77456]

Re Concord Electric Company

DR 75-13, Order No. 11,798

60 NH PUC 385

New Hampshire Public Utilities Commission

March 28, 1975

REVISION of an electric company's line extension charges.

RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Because of increasing construction costs, the commission found it necessary to allow an electric company to increase its charges for line extensions on private property.

APPEARANCES: Franklin Hollis for the petitioner.

BY THE COMMISSION:

Report

On January 14, 1975, Concord Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 4 — Electricity, providing for changes in the present line extension terms and rates, to become effective February 15, 1975. On January 23, 1975 the Commission suspended the Company's filing pending investigation.

The proposed changes in terms and rates were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission office in Concord on March 11, 1975 coincident with hearings on similar tariff filings by the five other major electric public utilities providing service in New Hampshire.

The petitioner represented that the change in terms and charges were necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extensions on private property. For extensions on private property, as opposed to extensions constructed within the limits of the public roads, the customer would pay, in addition to the minimum guarantee for the first 2,000 feet of construction, one-half of the cost of initial tree trimming and clearing; for distances in excess of 2,000 feet up to 5,280 feet per customer, an outright contribution of the cost of the extension is to be paid by the customer.

Evidence was submitted showing line construction costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property. No one appeared in opposition to this filing.

On the basis of the evidence the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and thus is in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Pages 10 and 11 and Seventh Revised Page 1 of Concord Electric Company tariff, NHPUC No. 4

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— Electricity, providing for an increase in line extension charges and construction on private property, suspended by Order No. 11,712, be, and hereby are, now permitted to become effective on and after April 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of March, 1975.

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NH.PUC*03/28/75*[77457]*60 NH PUC 386*Public Service Company of New Hampshire

[Go to End of 77457]

Re Public Service Company of New Hampshire

DR 75-17, Order No. 11,799

60 NH PUC 386

New Hampshire Public Utilities Commission

March 28, 1975

INCREASE of an electric company's line extension charges.

RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Where all electric utilities were making similar changes, the commission granted an electric company an increase in its line extension charges for construction on private property.

APPEARANCES: Ralph H. Wood for the petitioner.

BY THE COMMISSION:

Report

On January 16, 1975, Public Service Company of New Hampshire, a public utility engaged in the business of supplying electric service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 20 — Electricity, providing for changes in the present line extension terms and rates, to become effective February 15, 1975. On January 23, 1975 the Commission suspended the Company's filing pending investigation.

The proposed changes in terms and rates were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission office in Concord on March 11, 1975, coincident with hearings on similar tariff filings by the five other major electric public utilities providing service in the state of New Hampshire.

The petitioner represented that the change in terms and charges here necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extensions on private property. For extensions on private property, as opposed to extensions constructed within

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the limits of the public roads, the customer would pay, in addition to the minimum guarantee for the first 2,000 feet of construction, one-half of the cost of initial tree trimming and clearing; for distances in excess of 2,000 feet up to 5,280 feet per customer an outright contribution of the cost of the extension is to be paid by the customer.

Evidence was submitted showing line construction costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property. No one appeared in opposition to this filing.

On the basis of the evidence the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and thus is in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Original Pages 12-A and 12-B and First Revised Pages 10-12 of Public Service Company of New Hampshire tariff, NHPUC No. 20 — Electricity, providing for an increase in line extension charges and construction on private property, suspended by Order No. 11,716, be, and hereby are, now permitted to become effective on and after April 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in all the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of March, 1975.

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NH.PUC*03/28/75*[77458]*60 NH PUC 387*Exeter and Hampton Electric Company

[Go to End of 77458]

Re Exeter and Hampton Electric Company

DR 75-14 Order No. 11,800

60 NH PUC 387

New Hampshire Public Utilities Commission

March 28, 1975

AUTHORIZATION for an electric company to increase its line extension charges.

RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Due to industrywide rising construction costs, an electric company was permitted to increase its line extension charges for construction on private property.

APPEARANCES: Franklin Hollis, president, for the petitioner.

BY THE COMMISSION:

Report

On January 14, 1975, Exeter & Hampton Electric Company, a public utility engaged in the business of supplying electric service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 9 — Electricity, providing for changes in the present line extension terms and rates, to become effective February 15, 1975. On January 23, 1975 the Commission

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suspended the Company's filing pending investigation.

The proposed changes in terms and rates were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on March 11, 1975 coincident with hearings on similar tariff filings by the five other major electric public utilities providing service in New Hampshire.

The petitioner represented that the change in terms and charges were necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities' line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum

monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extensions on private property. For extensions on private property, as opposed to extensions constructed within the limits of the public roads, the customer would pay, in addition to the minimum guarantee for the first 2,000 feet of construction, one-half of the cost of initial tree trimming and clearing; for distances in excess of 2,000 feet up to 5,280 feet per customer an outright contribution of the cost of the extension is to be paid by the customer.

Evidence was submitted showing line construction costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property.

No one appeared in opposition to this filing.

On the basis of the evidence the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and thus is in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Pages 11 and 12 and Fifth Revised Page 1 of Exeter & Hampton Electric Company tariff, N.H.P.U.C. No. 9 — Electricity, providing for an increase in line extension charges and construction on private property, suspended by Order No. 11,714 be, and hereby are, new permitted to become effective on and after April 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this Order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of March, 1975.

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NH.PUC*03/28/75*[77459]*60 NH PUC 388*Granite State Electric Company

[Go to End of 77459]

Re Granite State Electric Company

DR 75-15, Order No. 11,801

60 NH PUC 388

New Hampshire Public Utilities Commission

March 28, 1975

PERMISSION granted an electric company to increase its line extension rates.

Page 388

RATES, § 332 — Electric — Special charges — Line extensions on private property.

[N.H.] Where all electric utilities were facing escalating construction costs, the commission authorized an electric company to increase its charges for installing line extensions on private property.

APPEARANCES: William S. McDade for the petitioner.

BY THE COMMISSION:

Report

On January 15, 1975, Granite State Electric Company, a public utility engaged in the business of supplying electric service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 8 — Electricity, providing for changes in the present line extension terms and rates, to become effective February 15, 1975. On January 23, 1975 the Commission suspended the Company's filing pending investigation.

The proposed changes in terms and rates were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission office in Concord on March 11, 1975 coincident with hearings on similar tariff filings by the five other major electric public utilities providing service in New Hampshire.

The petitioner represented that the change in terms and charges were necessary to update the present line extension terms and charges, which were last revised in 1954, and that similar changes were being made by all electric utilities, acting in harmony, following earlier informal meetings with the Commission staff for the purpose of coordinating actions by the various utilities designed to maintain the uniformity presently existing in the various utilities line extension plans.

The significant changes in the line extension terms and charges are to raise the minimum monthly guarantee of revenue from 0.75¢ per foot to 3.0¢ per foot, and to provide for handling extension on private property. For extensions on private property, as opposed to extensions constructed within the limits of the public roads, the customer would pay the minimum guarantee for the first 2,000 feet of construction, and for distances in excess of 2,000 feet up to 5,000 feet per customer an outright contribution of the cost of the extension is to be paid by the customer. The Company agreed to modify its filing to also provide for the Company to share on an equal basis with the customer the cost of initial tree trimming and clearing for the first 2,000 feet of construction.

Evidence was submitted showing line costs have increased substantially since the present rate was established in 1954, which, together with increased interest and other costs, produce a proportionately higher required monthly guarantee of revenue.

The Commission is satisfied that necessity exists for special treatment with respect to construction on private property. No one appeared in opposition to this filing.

On the basis of the evidence the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and thus is in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Original Page 12-A and First Revised Pages 7, 11, 12 (as modified in accordance with this report) and 13 of Granite State Electric Company tariff, NHPUC No. 8 — Electricity, providing for an increase in line extension charges and construction on private property, suspended by Order No. 11,715 be, and hereby are, now permitted to become effective on and after April 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of March, 1975.

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NH.PUC*04/03/75*[77460]*60 NH PUC 390*New England Telephone and Telegraph Company

[Go to End of 77460]

Re New England Telephone and Telegraph Company

DF 75-27, Supplemental Order No. 11,804

60 NH PUC 390

New Hampshire Public Utilities Commission

April 3, 1975

APPROVAL of the price of a telephone company's common stock as set by its board of directors.

BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 11,760, dated March 5, 1975, (60 NH PUC 361) issued in the above entitled proceeding, authorizes the New England Telephone and Telegraph Company to issue and offer to its stockholders for subscription for cash, pro rata, on the basis of one (1) share for each six (6) shares held on the record date, namely, April 4, 1975, in accordance with their respective holdings of record, Seven Million, Six Hundred Fourteen Thousand, One Hundred Eighty (7,614,180) shares of common capital stock of the Company at a price to be determined by the Board of Directors or the Executive Committee of the Company on or about April 3, 1975, subject to the submission to this Commission of the price at which the stock will be issued; and

WHEREAS, at its meeting on April 3, 1975, the Executive Committee of the Board of Directors of the New England Telephone and Telegraph Company voted that the Company offer to its stockholders the Seven Million, Six Hundred Fourteen Thousand, One Hundred Eighth (7,614,180) shares of its common capital stock at a price of twenty-two dollars and seventy five cents(\$22.75) per share; upon consideration; it is

ORDERED, that New England Telephone and Telegraph Company be, and hereby is, authorized to issue Seven Million, Six Hundred Fourteen Thousand, One Hundred Eighty (7,614,180) shares of its common capital stock at a price of twenty-two dollars and seventy five cents (\$22.75) and on the basis of one (1) share for each six (6) shares held on the record date, and in accordance with other terms and conditions previously determined and approved.

By order of the Public Utilities Commission of New Hampshire this third day of April, 1975.

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NH.PUC*04/03/75*[77461]*60 NH PUC 390*Exeter and Hampton Electric Company

[Go to End of 77461]

Re Exeter and Hampton Electric Company

DF 75-24, Order No. 11,805

60 NH PUC 390

New Hampshire Public Utilities Commission

April 3, 1975

GRANT of authority to an electric company to issue short-term notes.

Page 390

SECURITY ISSUES, § 98 — Short-term notes — Excess amounts — Public good.

[N.H.] The commission allowed an electric company to issue short-term notes in excess of the 10 per cent of net plant limit previously established where it was found to be in the public good.

APPEARANCES: Joseph S. Ransmeier, for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed on February 3, 1975, Exeter & Hampton Electric Company, a corporation duly organized and existing under the laws of the state of New Hampshire, and

operating as an electric public utility in the Town of Exeter and neighboring communities, seeks authority to issue its note or notes in an aggregate principal amount not in excess of one million five hundred thousand dollars (\$1,500,000), said note or notes to bear interest at a rate not in excess of one half of one percent of the prime rate at the time of borrowing. Said note or notes, will be in excess of the amount allowed under Commission Order No. 7446, which limits the amount of borrowing to 10% of net plant.

At the hearing on the petition held in Concord on February 19, 1975, the petitioner supported its evidence by the introduction of several enlightening financial statements, one of which was the net fixed capital of the company computed from its balance check, Exhibit A, as of November 30, 1974. The petitioner submits as Exhibit D, the Company's Construction Forecast for 1975 in the total amount of \$882,600.

There is attached as Exhibit C a statement of the Company's Capitalization Structure and Ratios, as of November 30, 1974, actual and proformed for the issuance of a total of \$1,500,000 of short-term notes. On November 30, 1974 the Company in fact had outstanding total short-term indebtedness of \$950,000.

Upon investigation and consideration of the evidence submitted, this Commission is satisfied that the authority sought upon the terms proposed will be for the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the Exeter & Hampton Electric Company be, and hereby is, authorized to issue and sell for cash, one million five hundred thousand dollars (\$1,500,000) of its short-term note or notes, in an aggregate principal amount not in excess of one million five hundred thousand dollars (\$1,500,000) said note, or notes, to bear interest at a rate not in excess of one half (1/2) of one percent (1%) above the prime rate at the time of borrowing; and it is

FURTHER ORDERED, that the proceeds from the sale of said note, or notes, will be applied (a) to pay off other maturing short-term indebtedness then outstanding, the proceeds of which will have been expended in the purchase and construction of property and facilities reasonably required for present and future use in the conduct of the Company's business; (b) to reimburse the Company's treasury for expenditures made from it for the said purposes; (c) to finance the future purchase and construction of such property and facilities; and (d) to defray the costs and expenses of the financing represented by the said additional short-term indebtedness or for other proper corporate purposes; and it is

FURTHER ORDERED, that on January first and July first in each year, said Exeter and Hampton Electric Company shall file with this Commission, a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of the note, or notes, herein authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this third day of April, 1975.

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NH.PUC*04/04/75*[77462]*60 NH PUC 392*Concord Electric Company

[Go to End of 77462]

Re Concord Electric Company

DF 75-35, Second Supplemental Order No. 11,806

60 NH PUC 392

New Hampshire Public Utilities Commission

April 4, 1975

AUTHORITY given to an electric company to issue its remaining shares of common stock through securities dealers.

SECURITY ISSUES, § 119 — Common stock — Undersubscriptions — Securities dealers.

[N.H.] Where the commission had previously authorized an electric company to issue additional common stock to its record shareholders but the entire amount had not yet been subscribed for, the company was allowed to issue the remaining shares through securities dealers on a best efforts basis.

BY THE COMMISSION:

Second Supplemental Order

WHEREAS, our Order No. 11,765 dated March 10, 1975 (60 NH PUC 368) authorized Concord Electric Company to issue and sell for cash thirty-three thousand three hundred thirty-four (33,334) shares of its common capital stock to be initially offered to its existing common shareholders subject to further order of this Commission as to the price; and

WHEREAS, our Supplemental Order No. 11,774 dated March 12, 1975 (60 NH PUC 370) authorized the Company to offer the common stock to existing shareholders of the Company pursuant to Warrants at a price of twelve dollars and fifty cents (\$12.50) per share; and

WHEREAS, our said Order No. 11,765 authorized the sale of any shares not subscribed for by existing shareholders to other investors at the same price; and

WHEREAS, the Company has reported that it has received subscriptions for purchase of twenty-seven thousand three hundred ninety-seven (27,397) shares pursuant to the Warrants issued to its existing common shareholders, leaving a balance of five thousand nine hundred thirty-seven (5,937) shares which the Company desires to sell through securities dealers to the public at the price of twelve dollars and fifty cents (\$12.50) per share; and

WHEREAS, the Company has filed with the Commission in draft form its proposed Agency Agreement with securities dealers under which they will use their best efforts to sell the said unsubscribed shares upon the payment to them of a commission of fifty cents (\$0.50) per share sold and otherwise as set forth in said Agency Agreement; it is

ORDERED, that Concord Electric Company be, and hereby is, authorized to sell and issue for cash at twelve dollars and fifty cents (\$12.50) per share through securities dealers upon a best efforts basis five thousand nine hundred thirty-seven (5,937) shares of its common stock upon the terms set forth in said Agency Agreement; and it is

FURTHER ORDERED, that all other applicable provisions of said Order No. 11,765 of this Commission are incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this fourth day of April, 1975.

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NH.PUC*04/07/75*[77463]*60 NH PUC 393*Kearsarge Telephone Company

[Go to End of 77463]

Re Kearsarge Telephone Company

DF 74-229, Supplemental Order No. 11,810

60 NH PUC 393

New Hampshire Public Utilities Commission

April 7, 1975

LIMITATION of a telephone company's issuance of short-term notes.

SECURITY ISSUES, § 98 — Short-term notes — Pending review — Reduced amount.

[N.H.] Pending a review of a telephone company's proposed loan agreement by the Rural Telephone Bank, the commissions allowed the company to issue only a small portion of the short-term note amount requested.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Kearsarge Telephone Company, a New Hampshire corporation operating as a telephone utility corporation under jurisdiction of this Commission, was authorized under Order No. 11,705, dated January 15, 1975 (60 NH PUC xxx) to sell Secured Promissory Notes in the aggregate principal amount of two million seven hundred nine thousand dollars (\$2,709,000); and

WHEREAS, a letter as evidence has been submitted that the attorneys for the Rural Telephone Bank may take several weeks to review the Loan Agreement which has been submitted; it is

ORDERED, that Kearsarge Telephone Company be, and hereby is, authorized from the date of this order, to issue and sell for cash, its short term note or notes not to exceed an aggregate of two hundred seventy five thousand dollars (\$275,000) to bear interest at a rate not to exceed nine percent (9%); and it is

FURTHER ORDERED, that the authority to issue short term note or notes not to exceed an aggregate of two hundred seventy five thousand dollars (\$275,000) shall expire June 30, 1975 unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on or before July first of this year, said Kearsarge Telephone Company shall file with this Commission a detailed statement sworn to by its Treasurer, showing the disposition of the proceeds of said note or notes, and that the proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this seventh day of April, 1975.

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NH.PUC*04/15/75*[77464]*60 NH PUC 393*Manchester Water Works

[Go to End of 77464]

Re Manchester Water Works

DE 75-40, Order No, 11,818

60 NH PUC 393

New Hampshire Public Utilities Commission

April 15, 1975

EXTENSION of a water company's franchise area.

Page 393

SERVICE, § 210 — Extensions — Water — Public good.

[N.H.] Finding that it would be in the public good and that the town council was in favor of it, the commission allowed a water company to extend its franchise into a limited area of a town.

BY THE COMMISSION:

Order

WHEREAS, Manchester Water Works, a utility operating under the jurisdiction of this Commission, by a petition filed February 27, 1975, seeks authority, pursuant to RSA 374:22 and

26 as amended, to further extend its franchise area into a limited area in the Town of Hooksett; and

WHEREAS, the Selectmen of the Town of Hooksett have indicated their approval to this extension; and

WHEREAS, the South Hooksett Water Precinct has indicated its approval; and

WHEREAS, after investigation and consideration, this Commission is of the opinion that the granting of the petition with modification will be for the public good; it is

ORDERED, that Manchester Water Works be, and hereby is, authorized to do business as a public water utility and to extend its lines and service into a further portion of the Town of Hooksett, described as follows:

Beginning at a point on the Hooksett-Manchester town line 100 feet north of the point where it intersects with the centerline of Deerhead Street, said point being the northerly-most existing franchise limit adjacent and parallel to Deerhead Street, thence generally northerly along said Hooksett-Manchester town line to the point 200 feet north of the point where it intersects with the so-called M-Line street that runs generally in an east-west direction, thence generally easterly following the contour of the said M-Line street to the point where it intersects with the centerline of Ridge View Drive, thence southeasterly following the contour of the said Ridge View Drive to a point 100 feet westerly of Hooksett Road, said point being the westerly-most existing franchise limit adjacent and parallel to said Hooksett Road, thence generally southerly following the path and contour of all existing franchise limits westerly of said Hooksett Road to a point 100 feet north of the point where it intersects with the centerline of Bartlett Street, said point being the northerly-most existing franchise limit adjacent and parallel to said Bartlett Street, thence westerly along existing franchise limit that is adjacent and parallel to the northerly-most side of Bartlett Street to a point where it continues as Deerhead Street, thence southwestly along existing franchise limit that is adjacent and parallel to the northerly-most side of Deerhead Street to the point of beginning.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of April, 1975.

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NH.PUC*04/18/75*[77465]*60 NH PUC 394*Exeter and Hampton Electric Company

[Go to End of 77465]

Re Exeter and Hampton Electric Company

DR 74-195, Supplemental Order No. 11,819

60 NH PUC 394

New Hampshire Public Utilities Commission

April 18, 1975

PETITION by an electric company for an increase in rates; granted as modified.

1. VALUATION, § 301 — Working capital — Unrecovered fuel costs.

[N.H.] Unrecovered fuel costs were allowed as an item of working capital in order to properly match costs with related revenues. p. 395.

2. RETURN, § 35 — Reasonableness — Attrition.

[N.H.] The Commission included a minimal attrition factor in its determination of an electric company's fair rate of return. p. 395.

APPEARANCES: Franklin Hollis and Joseph S. Ransmeier for the petitioner.

BY THE COMMISSION:

Report

The Exeter & Hampton Electric Company (sometimes referred to as the "Company"), a public utility engaged in the business of supplying electrical service in limited areas of this state, instituted these proceedings on October 15, 1974 by filing with this Commission tariff N.H.P.U.C. No. 10 — Electricity providing for an increase in annual gross revenues of approximately five hundred sixty-eight thousand dollars (\$568,000) to be effective November 15, 1974. The filing sought, in addition, a substantial revision of the Company's rate structure. Prior to the effective date, on October 23, 1974 the Commission suspended the entire filing by Order No. 11,616.

A hearing on the rate request was held on April 8, 1975 when the Company submitted new data and requested an increase in annual revenue of approximately four hundred sixty thousand dollars (\$460,000). At the hearing the Company withdrew the new proposed rate structure leaving the remainder of tariff No. 10 to become effective with any new rates to be approved by the Commission, and with any such modification the Commission may require.

Since the Company's original filing, this Commission has taken action in rate cases arising from other companies rate applications. The Company revised its original request, in light of the decisions in said rate cases, and now seeks an increase in annual revenues of approximately one hundred four thousand dollars (\$104,000) less than shown in the original filing.

Rate Base

[1] We accept the Company's submitted computations showing a rate base of ten million seven hundred seventy-two thousand two hundred forty dollars (\$10,772,240).

In order to approximate actual working capital requirements, we have allowed unrecovered fuel costs as an item of working capital. It is the intent of this Commission that the Company shall have the right to recover such costs; therefore, the Company's accounting properly matches costs with related revenues.

Fair Rate of Return

[2] We disagree with the submitted cost of short-term debt and of common equity. We find the cost of capital to the Company to be 9.4 percent. We add a factor of .2 percent, the minimum which in our best judgment will adjust for continuing attrition, and we conclude that the fair rate of return which we shall apply to the rate base is 9.6 percent.

Revenue Requirements

The Company used the year 1974 as the test year as adjusted for known changes which had taken place in the test year. We accept the pro formed net utility operating income as submitted.

By application of the fair rate of return to the rate base, we find that the Company is entitled to an increase in its gross revenues of four hundred seventeen thousand dollars (\$417,000) on an annual basis. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Exeter & Hampton Electric Company be, and hereby is, permitted to increase its rates annually over and above those produced by tariff N.H.P.U.C. No. 9 by the amount of four hundred seventeen thousand dollars (\$417,000); and it is

FURTHER ORDERED, that this increase of four hundred seventeen thousand dollars (\$417,000) which represents an increase of 6.31 percent in annual basic rates, be spread proportionately, within reasonable limits,

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among the various service classes and within the service classes; and it is

FURTHER ORDERED, that a new tariff, N.H.P.U.C. No. 11, be submitted reflecting the changes specified in this order; and it is

FURTHER ORDERED, that when said submission has been approved by the Commission, an order will issue authorizing said tariff.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of April, 1975.

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NH.PUC*04/30/75*[77466]*60 NH PUC 396*Northern Utilities, Inc.

[Go to End of 77466]

Re Northern Utilities, Inc.

DR 75-66, Supplemental Order No. 11,822

60 NH PUC 396

New Hampshire Public Utilities Commission

April 30, 1975

APPROVAL of a gas company's fuel cost adjustment.

RATES, § 303 — Fuel clauses — Gas cost adjustment — Periodic adjustments.

[N.H.] To cover increased gas costs, a gas company was allowed to implement a gas cost adjustment with two periodic adjustments to account for the winter heating season and the summer season.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Northern Utilities, Inc, (Allied Gas Division) a public utility engaged in the business of supplying gas service in the state of New Hampshire, on March 18, 1975 filed with this Commission Second Revised Pages 20, 21, 22 and Original Page 22A of NHPUC No. 6 — Gas, providing for a standard cost of gas adjustment clause designed to cover increased costs of its product above an established base price included as a part of basic rates, which during the first period May 1, 1975, through October 31, 1975 results in a cost of gas adjustment of \$.0568 per therm effective May 1, 1975; and

WHEREAS, a duly noticed public hearing was held on the matter on April 22, 1975; and

WHEREAS, after investigation and consideration of the evidence submitted at the public hearing, this Commission is of the opinion that said tariff revisions which provide for two periodic adjustments during an annual twelve month period, one period being the six month winter heating period from November 1 through April 30 and the other a summer period from May 1 through October 31 are desirable and in the best interests of both the public and the Company; and

WHEREAS, no adverse comments by the public were received; it is

ORDERED, that Second Revised Pages 20, 21, 22 and Original Page 22A of its tariff, NHPUC No. 6 — Gas be, and hereby are, permitted to become effective with all current bills rendered on or after May 1, 1975; and it is

FURTHER ORDERED, that public notice be given by the publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1975.

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NH.PUC*04/30/75*[77467]*60 NH PUC 397*Manchester Gas Company

[Go to End of 77467]

Re Manchester Gas Company

DR 74-70, Supplemental Order No. 11,823

60 NH PUC 397

New Hampshire Public Utilities Commission

April 30, 1975

IMPLEMENTATION of a gas cost adjustment.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Manchester Gas Company, a public utility engaged in the business of supplying gas service in the state of New Hampshire, on March 31, 1975, filed with this Commission a Second Revised Page 20 of its tariff NHPUC No. 12 — Gas, providing for a cost of gas adjustment of \$.0483/therm to be billed during the designated summer period of May 1, 1975, through October 31, 1975; and

WHEREAS, a public hearing was held at the office of this Commission on April 22, 1975 and no comments or objections by the public were received; and

WHEREAS, said tariff filing is in accordance with the cost of gas adjustment provision which was approved by this Commission on December 17, 1974 and which provided for two such filings each year; it is

ORDERED, that Second Revised Page No. 20 to Manchester Gas Company tariff, NHPUC No. 12 — Gas be, and hereby is, permitted to become effective with all current bills rendered on or after May 1, 1975; and it is

FURTHER ORDERED, that public notice of this provision be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of April, 1975.

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NH.PUC*05/02/75*[77468]*60 NH PUC 397*Public Service Company of New Hampshire

[Go to End of 77468]

Re Public Service Company of New Hampshire

DE 75-87, Order No. 11,825

60 NH PUC 397

New Hampshire Public Utilities Commission

May 2, 1975

LICENSE granted an electric company to construct transmission cables over public waters.

Page 397

ELECTRICITY, § 6 — Cables — Overhead — Public waters.

[N.H.] Where an electric company's proposal to place transmission cables across a public river was unopposed and found to be necessary for meeting service requirements, the commission approved such construction.

BY THE COMMISSION:

Order

WHEREAS, by petition filed April 10, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 — 20 to construct and maintain an electric transmission line over and across the Cocheco River in Rochester, New Hampshire; and

WHEREAS, the petition represents that the proposed construction will cross approximately 375 feet of the river approximately 3700 feet north by the Cocheco River from Walnut Street Bridge Crossing of said river in Rochester; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain an electric transmission line over and across the Cocheco River in the Town of Rochester, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this second day of May, 1975.

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NH.PUC*05/02/75*[77469]*60 NH PUC 398*Public Service Company of New Hampshire

[Go to End of 77469]

Re Public Service Company of New Hampshire

DE 75-88, Order No. 11,826

60 NH PUC 398

New Hampshire Public Utilities Commission

May 2, 1975

GRANT of authority to an electric company to place cables across public waters.

ELECTRICITY, § 6 — Cables — Overhead — Public waters.

[N.H.] An electric company was permitted to construct a transmission cable across a lake where it was necessary for meeting service requirements and would not interfere with the public's rights in the waters.

BY THE COMMISSION:

Order

WHEREAS, by petition filed April 11, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17 — 20 to construct and maintain an electric transmission line over and across Daniels Lake in the Town of Weare, NH; and

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WHEREAS, the petition represents that the proposed construction will cross approximately two hundred and thirty feet (230) of the lake approximately 1600 feet northerly of the southerly end of the lake; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain an electric transmission line over and across Daniels Lake in the Town of Weare, NH, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this second day of May, 1975.

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NH.PUC*05/09/75*[77470]*60 NH PUC 399*Concord Natural Gas Corporation

[Go to End of 77470]

Re Concord Natural Gas Corporation

DR 74-184, DR 75-36 Order No. 11,832, Supplemental Order No. 11,833

60 NH PUC 399

New Hampshire Public Utilities Commission

May 9, 1975

APPLICATION by a gas company for an increase in rates; granted as modified.

1. RETURN, § 26 — Cost of capital — Earnings-price ratio approach — Adjustments.

[N.H.] The commission rejected the earnings-price ratio method of determining cost of capital for a company with no active market for its stock because too many adjustments for dividend payouts, earnings trends and actual rates of return would have to be made. p. 400.

2. VALUATION, § 192 — Working capital — Peak-shaving equipment.

[N.H.] In order to prevent attrition and future rate increase requests, the commission allowed a gas company to include in rate base its total costs associated with the acquisition of peak-shaving equipment although this differed from the commission's traditional policy. p. 401.

3. REVENUES, § 2 — Future estimates — Adjustments — Weather normalization.

[N.H.] The commission rejected a weather normalization adjustment to revenues where a company failed to prove its decreased revenues were caused by weather patterns rather than general economic conditions p. 401.

4. RATES, § 303 — Fuel clauses — Gas cost adjustment — Purposes.

[N.H.] A company was allowed to implement a gas cost adjustment where it would more accurately reflect seasonal use patterns and costs and would prevent continuous rate increase filings. p. 402.

APPEARANCES: Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

These proceedings were initiated when Concord Natural Gas Corporation (the Company) a public utility engaged in the business of supplying gas service in certain areas of this state, on September 18, 1974, filed with this Commission Fourth Revised Pages 13, 14, 15 and Second Revised Page 17 of NHPUC No. 13 — Gas, providing for an increase in gas rates amounting to an increase in annual gross revenues of approximately \$275,000, effective November 1, 1974.

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This Commission suspended the effective date of this proposed increase, pending investigation and decision, by Order No. 11,586 dated October 2, 1974.

On February 19, 1975, the Company filed with this Commission Original Pages 18, 19, 20 and 21 of NHPUC No. 13 — Gas, providing for a cost of gas adjustment effective May 1, 1975.

This Commission suspended the proposed cost of gas adjustment provisions, pending investigation and decision by Order No. 11,959 dated March 5, 1975.

Orders of notice were issued in both filings setting a hearing date on April 1, 1975 at the office of this Commission. A public hearing was held at Concord on both filings on April 1, 1975.

At the hearing the Company increased its requests for higher basic rates to approximately \$329,000 increased annual revenues and the Company increased its estimated gas costs over the original filing for a cost of gas adjustment clause.

The Company relied primarily upon financial data for the year 1974 and we accept this period as an appropriate test year, when properly adjusted.

Rate of Return

[1] We accept the Company's submitted cost of debt capital, pro forma for the planned long-term debt issue at an estimated 10% cost rate. The Company has recently informed this Commission that the amount of the proposed debt issue will be \$350,000, rather than the \$400,000 originally planned and we have adjusted the pro forma capitalization for this change.

We do not accept the adjustment to surplus, increasing common equity capitalization by the estimated change in net income under the requested rates and the actual net income for the test year. The capitalization has been adjusted to reflect this difference.

The Company submitted a cost of common equity of 16%. Testimony and other evidence submitted attempting to support this cost primarily relied upon earnings/price ratios of electric utilities.

Data submitted on the "market value" of the Company's own stock has little validity. The Company's witness testified in relation to the stock that "the average number of transactions per year would not be over four or five". Isolated transactions in a stock which has no active market do not necessarily reflect the true value of a Company's common equity.

The earnings-price ratio approach to determining cost of capital has many inherent weaknesses. As one approach to determining the parameters of cost of capital it may have some value; however, the use of this method must be adjusted for dividend payout ratios, earnings trends, realized rates of return and other factors. The burden of proof required to sustain the Company's claimed cost of equity has not been sustained.

This Commission and its staff have had extensive experience in assessing capital costs to utilities. We continuously review the capital markets in general, the capital markets for the various utilities under our jurisdiction and the capital markets of the utility industry throughout this Country. We have given lengthy consideration to capital costs in this case and in other cases involving gas distribution companies in New Hampshire. Ample evidence and data is present to provide us with a sound basis to determine a just and reasonable rate of return for this Company.

We find that the cost of common equity for Concord Natural Gas Corporation, at this time is 13%. In arriving at our decision we have given consideration to the cost of gas adjustment

provisions requested by the Company and allowed in this decision. The Vice President and General Manager of the company in response to questions by the staff agreed that the adjustment provisions would protect the Company from increased costs due to curtailment, weather pattern or price changes; substantially reducing business risks.

The computation of the cost of capital is tabulated in the following schedule.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | Capitalization | Cost Rate | Weighted Cost |
|-----------------|----------------|--------------|------------------|
| Long-term Debt | \$ 974,000 | 38.7% | 8.0% |
| Short-term Debt | 150,000 | 6.0% | 8.5% |
| Preferred Stock | 125,600 | 5.0% | 5.5% |
| Common Equity | 1,265,025 | 50.3% | 13.0% |
| | \$2,514,625 | 100.0% | |

We find the cost of capital to the Company to be 10.4%. To this cost we add the factor of .2% and conclude that the fair rate of return to be applied to the rate base is 10.6%.

Rate Base

[2] Staff at the hearing disagreed with the Company's submitted working capital requirements. Subsequent to the hearing the Company submitted revised calculations and we accept these revisions for this case.

During the test year the Company incurred capital expenditures at the highest level in the past ten years. These plant additions were made in 1974 despite the existing curtailment on main extensions and certain new services. The bulk of these capital expenditures were incurred to purchase and construct peak shaving equipment, providing an important supplement to natural gas supplies. This investment, \$370,000, is substantial in relation to the average net plant in service. While this peak shaving equipment will allow for some increase in new customer growth, the major use of the facilities in the immediate future is to ensure adequate supplies to existing customers. To this extent we vary from our usual and long standing regulation of this Company only to the extent of crediting the rate base with the total cost of this peak shaving equipment. We adopt this variation for the sole purposes of this case in recognition that to disregard the total cost of this investment during a portion of the test year would lead to the probability of attrition and requests for further rate relief in the immediate future.

We find the rate base upon which the Company's revenue requirements are to be based to be in the amount of \$2,489,000.

Revenue Requirements

[3] Applying the fair rate of return, 10.6%, to the rate base, \$2,489,000, the required net utility operating income \$264,000.

Actual net utility operating income for the test year was \$146,000 prior to adjustments.

The Company proposed numerous adjustments to the test year to reduce revenues and increase expenses, materially increasing their calculated revenue requirements.

The year 1974 reflected decreased usage because of the energy crisis of December 1973 and early 1974 and the decreased usage caused by the economic slowdown. In spite of curtailments in effect the Company continues to gain new customers on its existing mains and at higher average rate schedules (i.e. increase in residential heating customers 1974 vs 1973, 1.7%; increase in heating systems first quarter of 1975 vs 1974, 1.9%).

The Company sought to decrease revenues in 1974 for "weather normalization". The year 1974 was 0.46% colder than the average of the last ten years and was 0.04% colder than the average of the last five years (Concord Weather Bureau Data). The weather pattern was not such that a normalization adjustment would be required. Additionally, the Company made no study as to the sensitivity and degree of correlation of volume to weather patterns; nor did the Company attempt to analyze changed pattern of usage due to conservation and changes caused by economic factors on the industrial and commercial customers. The Company failed to carry its burden of proof. We deny this adjustment.

The Company proposed adjustment to reflect estimates to occur beyond the test year, projecting aspects of operations which increased the calculated deficiency and ignored factors which would serve to decrease the deficiency. If an estimated test year concept should be adopted by this Commission, we would require that all material elements of income and expense be considered. We have not accepted the use of an estimated test year and we are of the opinion that this case does not call for such a procedure.

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The revenue deficiency is calculated as follows, adopting certain adjustments proposed by the Company;

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | | |
|---|------------|---------------------|
| Net utility operating income | \$ 146,000 | |
| Pro forma adjustments, as submitted by Company | (21,000) | |
| | <hr/> | |
| Adjusted, as submitted | | 125,000 |
| Commission changes: | | |
| "Weather Normalization" | \$ 15,000 | |
| Cost of professional expenses, including rate case expenses | (1,000) | |
| Additional peak shaving costs | 4,000 | |
| Depreciation expense | 11,000 | |
| Property taxes | 22,000 | |
| Supplemental fuel charges refunded in 1975 | (12,000) | |
| | <hr/> | |
| Net changes before income taxes | 39,000 | |
| Income taxes | 20,000 | 19,000 |
| | <hr/> | |
| Net utility operating income pro forma | | <hr/> 144,000 <hr/> |

| | |
|---|------------|
| Required net utility operating income | 264,000 |
| | <hr/> |
| Required increase in net utility operating income | 120,000 |
| | <hr/> |
| Required increase in revenues | \$ 243,000 |
| | <hr/> |

Cost of Gas Adjustment

[4] We are of the opinion that the proposed cost of gas adjustment provisions, modified to conform to the rate changes and the test year figures used in this report, should be allowed in the public interest. These provisions should result in the need for fewer filings, assess and apportion additional costs or credits conforming to seasonal use patterns, provide for the direct credit or charge for decreases or increases in purchased or supplemental gas costs, and provide for refunds to consumers on any excess revenue collected with interest.

Rates

In its initial filing the Company proposed to increase its rates by approximately 16%, except the seasonal rate, which was unduly low with respect to cost of service, was increased substantially more, the composite increase of all rates being about 17%.

At the hearing the increase was updated to approximately 21% (Exhibit 13). We find the spread of the increase among rate classes to be acceptable and direct that the reduced amount of the increase allowed be as proportionately spread among the rate classes as is possible to the relationship set forth in Exhibit 13. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Fourth Revised Pages 13, 14 and 15 and Second Revised Page 17 of Concord Natural Gas Corporation tariff, NHPUC No. 13 — Gas (Increased rates), and Original Pages 18, 19, 20 and 21 of tariff, NHPUC No. 13 — Gas (Cost of gas adjustment) be, and hereby are, rejected; and it is

FURTHER ORDERED, that revised tariff pages issued in lieu of the above tariff pages be filed, to produce an overall annual increase of two hundred forty three thousand dollars (\$243,000) and a cost of gas adjustment modified to conform to the rate changes and test year figures used in the foregoing report, such tariff pages to become effective with all bills rendered on or after the date of this report; and it is

FURTHER ORDERED, that public notice be given of these rate changes by publishing the new rates in a newspaper having general circulation in the territory served by the Company.

By order of the Public Utilities Commission of New Hampshire this ninth day of May, 1975.

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NH.PUC*05/13/75*[77471]*60 NH PUC 403*Exeter and Hampton Electric Company

[Go to End of 77471]

Re Exeter and Hampton Electric Company

DR-74-195, Second Supplemental Order No. 11,835

60 NH PUC 403

New Hampshire Public Utilities Commission

May 13, 1975

ACCEPTANCE of an electric company's revised tariffs complying with a previous commission order.

BY THE COMMISSION:

Second Supplemental Order

WHEREAS, in compliance with the terms of Supplemental Order No. 11,819 of this Commission dated April 18, 1975, (60 NH PUC 394) the Exeter & Hampton Electric Company filed, on May 8, 1975, its electric tariff, NHPUC No. 11; and

WHEREAS, after investigation and consideration, this Commission is of the opinion that said tariff complies with the conditions set forth in Supplemental Order No. 11,819; and it is

ORDERED, that electric tariff, NHPUC No. 11 of Exeter & Hampton Electric Company may become effective with all current bills rendered on and after the date of this order; and it is

FURTHER ORDERED, that Exeter & Hampton Electric Company give public notice of these rates and significant changes in the terms and conditions of said tariff by publication in a newspaper of general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of May, 1975.

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NH.PUC*05/21/75*[77472]*60 NH PUC 404*Public Service Company of New Hampshire

[Go to End of 77472]

Re Public Service Company of New Hampshire

I-R14,355, Order No. 11,841

60 NH PUC 404

New Hampshire Public Utilities Commission

May 21, 1975

APPROVAL of a special rate contract between an electric company and three private citizens.

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 34 with Milbury A. Jordan, Norman J. McKenney and Arthur Sacramone, effective on the date service first made available for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of May, 1975.

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NH.PUC*05/21/75*[77473]*60 NH PUC 404*New Hampshire Electric Cooperative, Inc.

[Go to End of 77473]

Re New Hampshire Electric Cooperative, Inc.

DR 74-241, Order No. 11,842

60 NH PUC 404

New Hampshire Public Utilities Commission

May 21, 1975

RATIFICATION of an electric cooperative's revised tariff provisions.

1. REVENUES, § 5 — Operating income — Fuel charges — Accounting changes.

[N.H.] A pro forma adjustment to operating income was made to reflect a change in accounting policy for fuel charges where the charges were no longer expensed when paid but expensed when passed on to the customer. p. 405.

2. RATES, § 321 — Electric rural requirements — Earned interest expenses.

[N.H.] The commission approved a cooperative's revised tariffs that were adequate to meet the rural electrification administration's requirements for earned interest expenses. p. 405.

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APPEARANCES: Mayland H. Morse, Jr., for the public service board of the state of Vermont, Rexford Roberts, hearing examiner for the petitioner.

Report

The New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service primarily in the State of New Hampshire, on December 31, 1974, filed with this Commission certain revisions of its tariff, NHPUC No. 6 — Electricity, providing for an increase in rates in the amount of four hundred eighty-three thousand seven hundred seven dollars (\$483,707), effective January 31, 1975. The Commission by virtue of Order No. 11,699, dated January 10, 1975, suspended the effective date of the revisions to NHPUC No. 6.

On May 5, 1975, this Commission issued a notice of hearing scheduling a public hearing to be held on May 14, 1975 at 10:00 a.m. at its offices at 26 Pleasant Street, Concord, New Hampshire. By cooperation with the Public Service Board of the State of Vermont, arrangements with the Public Utilities Commission were made prior to the hearing for this proceeding to constitute a joint hearing before this Commission and the Public Service Board of the State of Vermont. It should be noted that a small portion of the petitioner's system serves about 260 customers in the State of Vermont of the approximately 36,000 total customers of the New Hampshire Electric Cooperative, Inc.

On May 12, 1975 the Company filed revisions updating to the calendar year 1974, whereas the original filing was for the twelve months ending November 30, 1974. The updated filing provided for an increase of four hundred eighty-seven thousand sixty seven dollars (\$487,067).

At the hearing on May 14, 1975 the Company proposed a general revision of its tariff consistent with the rate of return found by the Commission to provide a reasonable profit margin to the Company at previous rate findings.

Rates

The revised tariff provisions propose an increase in each rate block with the exception of the minimum charge block of rates D, G and GE. The increase is two (2) mills in each energy block except in the DE rate where the increase is one (1) mill. These changes would provide a proposed change of 6.10 percent overall. No change was proposed in the Outdoor Lighting rates.

Exhibit 1 contained revised tariff pages, a report of proposed rate changes, pro forma income statement and rate base based on a test year from December 1, 1973 to November 30, 1974. Exhibit 2 contained revised copies of the report of proposed rate changes and pro forma income statement and rate base based on the calendar year 1974. Exhibit 3 detailed the proposed rate changes as affecting Vermont customers.

[1] The proposed rate increase includes pro forma adjustments to the calendar year 1974 which decrease the net operating income to three hundred seventy-eight thousand three hundred seventy dollars (\$378,370). These adjustments included a decrease in gross operating revenues of eighty-nine thousand two hundred forty one dollars (\$89,241), due to a change in accounting policy related to fuel charges. Prior to 1974 fuel charges were expensed when paid. In 1974 fuel charges were expensed when passed on to their customers. Operating expenses were adjusted by ninety thousand four hundred eleven dollars (\$90,411) caused by wage increases in the amount of one hundred fourteen thousand one hundred fifty seven dollars (\$114,157) offset by capital costs amounting to twenty-three thousand seven hundred forty six dollars (\$23,746) incorrectly booked as expenses.

[2] The Company presented witnesses and exhibits to support the rate increase. Witnesses

indicated that the present rates are not adequate to earn the one and one-half times interest expense earned required by the Rural Electrification Administration. The rate of return for the pro forma calendar year 1974 was 1.685 percent. The proposed increase would result in a rate of return of 3.853 percent on an average rate base of twenty two million four hundred sixty thousand seven hundred twelve dollars (\$22,460,712). A review

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of the Company's 1975 operating budget indicates that the rate increase will be adequate to meet Rural Electrification Administration requirements for 1 1/2 times interest earned only with favorable operating conditions.

The Commission finds that the tariff provisions are reasonable and are necessary to assure the continuity of adequate and reliable service, and are in the best interest of the public. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that tariff pages designated as First Revised Pages 14-19, 21, 23, 29 and 30 of New Hampshire Electric Cooperative, Inc. tariff, NHPUC No. 6 — Electricity, suspended by Commission Order No. 11,699, be and hereby are, now permitted to become effective with all current bills rendered on and after the date of this order, such tariff revisions being intended to produce an overall increase in revenues of 6.1%, in the amount of four hundred eighty-seven thousand, sixty-seven dollars (\$487,067); and it is

FURTHER ORDERED, that public notice of this increase be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of May, 1975.

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NH.PUC*05/27/75*[77474]*60 NH PUC 406*Concord Electric Company

[Go to End of 77474]

Re Concord Electric Company

DF 75-35, Third Supplemental Order No. 11,843

60 NH PUC 406

New Hampshire Public Utilities Commission

May 27, 1975

AMENDMENT of an electric company's plan for the issuance of first mortgage bonds.

SECURITY ISSUES, § 111 — Bonds — Financing methods — Securities dealers — Bond fund.

[N.H.] Where an electric company could not complete its sale of first mortgage bonds as originally planned, it was allowed to place them with a securities dealer that would arrange for their purchase through a bond fund.

BY THE COMMISSION:

Third Supplemental Order

WHEREAS, our Order No. 11,765 dated March 10, 1975 (60 NH PUC 368) authorized Concord Electric Company to issue and sell for cash thirty-three thousand three hundred thirty-four (33,334) shares of its common stock to be initially offered to existing common shareholders subject to further order of this Commission as to the price (the "Stock") and also to issue and sell for cash at par one million five hundred thousand dollars (\$1,500,000) principal amount of the Company's First Mortgage Bonds Series E (the "Bonds"), such bonds to be issued under the Company's existing Indenture of Mortgage and Deed of Trust to Old Colony Trust Company, Trustee, as supplemented by a proposed Third Supplemental Indenture to be given incidental to the issuance of Bonds; and

WHEREAS, our said Order required that the rate of interest for the Bonds be determined prior to their sale and be submitted to the Commission prior to the issuance of the

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Bonds, after which a Supplemental Order would be issued; and

WHEREAS, the Company has reported that it has completed the issue and sale of the Stock but has further reported that it does not appear to be feasible to follow its original plan as presented to the Commission for the issue and sale of the Bonds by private placement to institutional purchasers through the agency of Merrill Lynch, Pierce, Fenner and Smith Incorporated ("Merrill Lynch"); and

WHEREAS, the Company has reported that Merrill Lynch has indicated to the Company that it would be willing to arrange for the purchase of the Bonds by a so-called Bond Fund to be created by Merrill Lynch and designated as "The Corporate Income Fund, Twenty-First Monthly Payment Series (A Unit Investment Trust)", with the terms of the Bonds to be in accordance with the Company's Indenture of Mortgage and Deed of Trust and a Third Supplemental Indenture thereto, the Bonds to have a maturity of twenty-five (25) years, to be non-callable for the first ten (10) years and to bear interest in the range between 10 3/4% and 12 1/2% *per annum* with the final rate to be fixed by negotiation on the date of execution of the Bond Purchase Agreement and at the then generally prevailing level for comparable bonds bearing a Standard and Poor rating of BBB or the equivalent Moody rating of BAA; and the further terms of the Bonds to be in accordance with the provisions of the Bond Purchase Agreement between the Company and Merrill Lynch, an initial draft of which dated May 19, 1975 together with printer's proof of the proposed Third Supplemental Indenture has been placed upon file with this Commission; and

WHEREAS, after due consideration it appears that the issue and sale of the Bonds in accordance with the general provisions of the said draft Bond Purchase Agreement is consistent with the public good; it is

ORDERED, that Concord Electric Company be and hereby is authorized to issue and sell for cash at par one million five hundred thousand dollars (\$1,500,000) principal amount of its First Mortgage Bonds, Series E bearing interest at a rate in the range between 10 3/4% and 12 1/2% *per annum*, the actual rate to be determined within said range by negotiation between the Company and Merrill Lynch, Pierce, Fenner and Smith Incorporated or its Bond Fund known as "The Corporate Income Fund, Twenty-First Monthly Payment Series (A Unit Investment Trust)", at the level prevailing for Standard and Poor BBB electric utility bonds on the date of execution of the Bond Purchase Agreement and otherwise substantially in accordance with the general terms and conditions of the proposed draft of Bond Purchase Agreement and Third Supplemental Indenture; and it is

FURTHER ORDERED, that Concord Electric Company shall submit to this Commission as soon as available, the rate of interest for the Bonds so determined following which a supplemental order will be issued; and it is

FURTHER ORDERED, that the Company file with this Commission immediately when available the definitive form of the Bond Purchase Agreement as entered into between parties, the Third Supplemental Indenture and certified copies of all corporate resolutions relevant thereto; and it is

FURTHER ORDERED, that all other applicable provisions of Order No. 11,765 of this Commission not inconsistent herewith are reaffirmed and incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of May, 1975.

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NH.PUC*05/28/75*[77475]*60 NH PUC 408*Gas Service, Inc

[Go to End of 77475]

Re Gas Service, Inc

DR 74-132, Order No. 11,845

60 NH PUC 408

New Hampshire Public Utilities Commission

May 28, 1975

TERMINATION of a gas company's temporary rates.

RATES, § 630 — Temporary rates — Termination — Surcharges.

[N.H.] Due to changed conditions associated with the availability of natural gas and the implementation of several surcharges, the commission dispensed with a gas company's temporary rates and ordered it to resume billing according to the basic rates previously in effect.

APPEARANCES: Orr & Reno by Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

These proceedings were initiated when Gas Service, Inc (the Company), a public utility engaged in supplying gas service in certain areas in the State of New Hampshire filed with this Commission Fourth Revised Pages 14, 15, 16, 17 and 17A, Fifth Revised Pages 17B, 25, 26 and 33, Sixth Revised Page 29 and Seventh Revised Page 28 of its tariff, N.H.P.U.C. No. 4 — Gas, providing for basic rate increases in the Nashua and Laconia Divisions, effective June 10, 1974, said filing having been suspended in Order No. 11,421 dated May 20, 1974; and having filed on May 31, 1974, Original Page 19-A and Second Revised Pages 19-23 of its tariff, N.H.P.U.C. No. 4 — Gas, providing for basic rate increase in the Keene Division, effective July 1, 1974 said filing having been suspended in Order No. 11,462 dated June 17, 1974.

On July 3, 1974 the Company filed a petition for temporary rates requesting \$842,000 in increased annual revenues.

A duly noticed public hearing was held on the filings on July 18, 1974. The staff disagreed with many of the submitted computations and requested and received further data from the Company following the hearing date.

After extensive consideration we granted temporary rates in an amount of four hundred fifty thousand dollars (\$450,000) increase in annual revenues, effective October 1, 1974 (Order No. 11,566) (59 NH PUC 274).

Subsequent to the granting of temporary rates the Company filed for supplemental gas adjustments to cover increased costs of propane. The supplemental gas adjustments were allowed following public hearing.

During the year 1974 six (6) supplemental gas adjustments were in effect at various dates, covering three divisions of the Company. Additionally, certain amendments to these adjustment provisions were made in 1974 and in 1975 and other proposed adjustments were filed and later withdrawn or suspended by this Commission. Also, during this period natural gas adjustments were in effect.

The Company on August 24, 1973, filed for an increase in basic rates and later filed for supplemental gas adjustments. Hearings were held on these requests. After extensive investigation and consideration, including limited audit of the Company's basic records, intensive review of internal reports and other voluminous data, we denied any increase in basic rates and allowed amended supplemental gas adjustments. Staff disagreed with many points of the accounting submitted by the Company and final resolution of some of these points was never agreed to by Company and staff.

The various submissions in this rate proceeding were complex and involved many issues strongly contested by the staff.

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Due to changed circumstances on the availability of natural gas and possible curtailments, the basis for the original filing and on which temporary rates were calculated has been changed in a material aspect. The duration of time under temporary rates and with surcharges applied after temporary rates became effective require that in the settlement of this final case, under the recoupment and refund provisions, careful consideration be given to all elements. The Commission has been unable to obtain agreement with the Company on an equitable settlement basis for the adjustments required under temporary rates.

Our statutes, RSA 378:29 and RSA 378:30, do not clearly define the method for resolving a situation such as this case, with the complexities of the Company's request of a changed basis for arriving at the final rate decision from the basis used to establish the temporary rates and with surcharge collected in addition to the temporary rates. This Commission will not knowingly issue an order that could create a "windfall" profit to any utility. Unable to reach an agreement with the Company to fairly resolve this case, we are forced to use a test year encompassing the entire period of the temporary rates.

We will use the latest twelve month period, the year ended May 31, 1975, and we will terminate the temporary rates as of May 31, 1975, so that the test year and temporary rate period will end concurrently.

We attempted to conclude this case and temporary rates simultaneously by using properly adjusted actual figures for the eleven months ended April 30, 1975 and estimating the month of May, 1975 (based on the prior year with estimated changes). The Company filed objection to this approach.

Accordingly, we will use the actual year ended May 31, 1975, properly adjusted, to conclude this rate case. We order the Company to submit to the staff the financial data as soon as reasonably available and to answer written requests for additional data which we will send, following receipt of actual May, 1975 results.

Our order, terminating temporary rates, will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Gas Service, Inc. use its basic rates established and in effect prior to October 1, 1974 (the effective date of temporary rates) for all current bills rendered after May 31, 1975; and it is

FURTHER ORDERED, that Gas Service, Inc. comply with the furnishing of all data as set forth in the report in a prompt manner.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of May, 1975.

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NH.PUC*06/02/75*[77476]*60 NH PUC 409*New England Telephone and Telegraph Company

[Go to End of 77476]

Re New England Telephone and Telegraph Company

DF 75-28, Supplemental Order No. 11,849

60 NH PUC 409

New Hampshire Public Utilities Commission

June 2, 1975

APPROVAL of the terms of purchase of telephone company's previously authorized debt securities.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 11,761, dated March 6, 1975, (60 NH PUC 365) issued in the above-entitled proceeding authorized the New England Telephone and Telegraph Company to issue and sell its Debt Securities in an aggregate principal amount of up to Two Hundred Million Dollars (\$200,000,000), insofar as this issue pertains to property or expenditures in the State of New Hampshire; and

WHEREAS, subsequent to said Order, New England Telephone and Telegraph Company has established that the Debt Securities to be issued will be Thirty-Five Year Debentures, due June 1, 2010, in an aggregate principal amount of One Hundred Seventy-Five Million Dollars (\$175,000,000); and

WHEREAS, in compliance with said Order, the New England Telephone and Telegraph Company has secured offerings of responsible buyers for the purchase of the One Hundred Seventy-Five Million Dollars (\$175,000,000) principal amount of Thirty-Five Year Debentures, due June 1, 2010, and has submitted such offerings to this Commission; and

WHEREAS, the said offerings are at a purchase price of 99.375 percent of the principal amount, plus interest from June 1, 1975, to the date of delivery, for Debentures bearing interest at the rate of 9.5 percent per annum, thereby establishing a cost of money to the Company of 9.562 percent per annum to maturity; upon consideration, it is

ORDERED that the New England Telephone and Telegraph Company be, and hereby is, authorized to issue and sell its Thirty-Five Year Debentures in the principal amount of One Hundred Seventy-Five Million Dollars (\$175,000,000) at a price of 99.375 percent of the principal amount, plus accrued interest from June 1, 1975, said Debentures bearing interest at the rate of 9.5 percent per annum.

The Secretary of the Commission is hereby directed to issue the above order this Second day of June, 1975.

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NH.PUC*06/03/75*[77477]*60 NH PUC 410*Concord Electric Company

[Go to End of 77477]

Re Concord Electric Company

DE 75-116, Order No. 11,851

60 NH PUC 410

New Hampshire Public Utilities Commission

June 3, 1975

EXTENSION of an electric company's lines and service area.

SERVICE, § 198 — Extensions — Electric — Waiver of rights.

[N.H.] Where an electric company had waived its rights to serve a limited area of a town, another company was allowed to extend its lines and service into that limited area.

BY THE COMMISSION:

Order

WHEREAS, Concord Electric Company, a utility operating under the jurisdiction of the Public Utilities Commission, by petition filed May 20, 1975 seeks authority, pursuant to RSA 374:26 to extend its lines and service into a limited area in the Town of Dunbarton

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immediately westerly of its present service area in that town; and

WHEREAS, the Public Service Company of New Hampshire by letter of R. E. Clossen, Manchester Division Manager dated October 11, 1974 has waived its franchise rights in said limited areas to be hereinafter described; and

WHEREAS, the Concord Electric Company in it's petition submits that it desires to serve the said limited area heretofore served by the Public Service Co.; and

WHEREAS, after investigation and consideration, this Commission is of the opinion that the granting of the petition will be for the public good, it is

ORDERED, that permission be, and hereby is, granted to Concord Electric Company to engage in business as an electric public utility in a limited area of the Town of Dunbarton as

shown on a United States Geological Survey Map on file in this docket case and as more particularly described as follows:

Beginning at a point on the northeasterly line of the Town of Dunbarton, said point being the northwesterly corner of the franchise area granted to Concord Electric Company by Public Utilities Commission by Order #3934, dated July 11, 1941; thence northwesterly seven hundred (700) feet along the northeasterly Town Line of said Dunbarton; thence southwesterly at an angle of 90°, 1.136 miles; thence southerly at an angle of 43°, 900 feet to the westerly line of said franchise area granted to Concord Electric Company by the Public Utilities Commission; thence northeasterly along said franchise area to the point of beginning.

Meaning and intending to describe an area seven hundred (700) feet wide along the northwesterly line of the franchise area granted to Concord Electric Company by the Public Utilities Commission by order #3934, dated July 11, 1941; and

FURTHER ORDERED, that pursuant to its right as herein granted the Concord Electric Company shall construct and maintain whatever lines and equipment as are necessary to serve the public in the aforescribed franchise area.

By order of the Public Utilities Commission of New Hampshire this third day of June, 1975.

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NH.PUC*06/03/75*[77478]*60 NH PUC 411*Granite State Electric Company

[Go to End of 77478]

Re Granite State Electric Company

DR 75-57, Order No. 11,852

60 NH PUC 411

New Hampshire Public Utilities Commission

June 3, 1975

LIFTING of suspension of a purchased power adjustment.

RATES, § 303 — Fuel clauses — Purchased power adjustment — Increasing costs.

[N.H.] Finding that an electric company's rate of return was below its cost of capital due to increasing fuel costs, the commission allowed the company's purchased power adjustment to go into effect.

APPEARANCES: Philip H. R. Cahill for the petitioner.

BY THE COMMISSION:

Report

On March 3, 1975, Granite State Electric Company (the Company), a public utility engaged in the business of supplying electric service in the State of New Hampshire, filed with this Commission Original Page 16-C, of its Tariff, N.H.P.U.C. No. 8 — Electricity, providing for Purchased Power Cost Adjustment No. 3 in the amount of four hundred thirty-one thousand two hundred four dollars (\$431,204) per year, to be effective June 1, 1975 and representing an adjustment to the Company's rates to reflect changes in the cost of purchased power which also became effective June 1, 1975.

On March 12, 1975, Order No. 11,771 was issued, suspending the aforementioned filing pending investigation and decision thereon.

Pursuant to published notice, a public hearing was held on June 3, 1975, at the office of the Commission. The Company submitted testimony and other evidence showing that the rate of return presently being realized by the Company is already below its cost of capital, and that its financial condition would become extremely serious if it were not permitted to offset the NEPCo increase through this rate adjustment. The Company's evidence also indicated that the revenues to be received annually under its Purchased Power Cost Adjustment No. 3 will not enable it to recover all of the increase it will sustain in its purchased power expense.

The Company receives its entire supply of power from New England Power Company (NEPCo), a supplier of bulk electricity to many electric utilities. The rate structure of NEPCo is under the jurisdiction of the Federal Power Commission, and, under the rules of that Commission, the rates charged to the Company by NEPCo were increased by \$457,918 beginning June 1, 1975, subject to investigation by the FPC and possible refund. Consequently, the amount of Purchased Power Cost Adjustment No. 3, \$431,204, represents slightly less than 95% of the increase in purchased power expense which the Company will incur.

The Commission finds that Purchased Power Cost Adjustment No. 3, as submitted by the Company, will serve to offset the increased purchased power costs already being incurred and is necessary for such purpose, and that this tariff will not increase the Company's rate of return. The consumer is protected by clauses contained in the Company's Purchased Power Cost Adjustment Provisions, providing that if there is a decrease in the wholesale price charged by NEPCo, the Company will promptly file notice of an adjustment to reflect it, and if, at the conclusion of the NEPCo proceeding before the Federal Power Commission refunds are made by NEPCo to the Company, equivalent refunds will be made to the Company's customers, to the extent the Company has collected under this adjustment. The Company's tariff filing will cause the Purchased Power Cost Adjustment No. 3 increase to be applied in equal amounts to each KWH sold. The increase represented thereby may only be applied for all electric service rendered to customers on and after June 1, 1975. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof, it is

ORDERED, that Original Page 16-C of the Granite State Electric Company tariff, N.H.P.U.C. No. 8 — Electricity, providing for a purchased power cost adjustment No. 3, filed

March 3, 1975 effective June 1, 1975 and which tariff page was suspended by order No. 11,771 dated March 12, 1975, is now made effective with all service rendered on and after June 1, 1975; and it is

FURTHER ORDERED, that Granite State Electric Company give public notice of this Purchased Power Adjustment Clause by publishing a copy of this order upon receipt in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this Third day of June, 1975.

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NH.PUC*06/06/75*[77479]*60 NH PUC 413*Public Service Company of New Hampshire

[Go to End of 77479]

Re Public Service Company of New Hampshire

DE 75-106, Order No. 11,856

60 NH PUC 413

New Hampshire Public Utilities Commission

June 6, 1975

LICENSE granted an electric company to reconstruct transmission lines.

ELECTRICITY, § 7 — Authorization for transmission lines — Reconstruction — Public waters.

[N.H.] An electric company was directed to redesign its transmission line crossings over public waters so as to increase the height of the lines.

BY THE COMMISSION:

Order

WHEREAS, by petition filed May 1, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to reconstruct and maintain two electric transmission lines over and across Glen Lake in the Town of Goffstown, New Hampshire; and

WHEREAS, the petition represents that in order to meet the reasonable requirements of service to the public, it is necessary for the company to reconstruct two parallel 115 KV electric transmission lines of wires and cables over and across Glen Lake in the Town of Goffstown, New Hampshire, which are part of its 115KV system connecting the Greggs Substation in Goffstown and the Merrimack Substation in Bow; and

WHEREAS, the petition has redesigned the crossings at the request of the Department of Safety Services of the State of New Hampshire and proposes to reconstruct the crossings to increase the height of the lines over the surface of the water; and

WHEREAS, the locations of the crossings are approximately 340 feet and 420 feet, respectively, westerly of the Greggs Substation in Goffstown as shown on plans filed with the Public Utilities Commission; and

WHEREAS, following due notice no interested parties recorded any objections to the proposed reconstruction and upon investigation of all the facts before the Commission, it is found that the proposed reconstruction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to reconstruct and maintain two electric transmission lines over and across Glen Lake in the Town of Goffstown, in accordance with the specifications as to location, type of construction and clearances as set forth in Exhibits 1, 2, and 3 on file with this Commission.

By order of the Public Utilities Commission of New Hampshire this sixth day of June, 1975.

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NH.PUC*06/10/75*[77480]*60 NH PUC 414*Concord Natural Gas Corporation

[Go to End of 77480]

Re Concord Natural Gas Corporation

DF 75-114, Order No. 11,861

60 NH PUC 414

New Hampshire Public Utilities Commission

June 10, 1975

AUTHORIZATION for a gas company to issue and sell mortgage bonds.

SECURITY ISSUES, § 95 — First mortgage bonds — Purposes — Property as security.

[N.H.] Finding it to be for the public good for a gas company to pay off its short-term indebtedness, the commission authorized the company to issue first mortgage bonds at private sale and to mortgage all of its property as security for the bonds.

APPEARANCES: Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

By petition filed May 19, 1975, Concord Natural Gas Corporation, a corporation duly organized and existing under the laws of the State of New Hampshire, and operating therein as a

public utility providing gas service in Concord and limited areas in other towns, seeks authority pursuant to RSA 369 to issue and sell for cash three hundred fifty thousand dollars (\$350,000) of its First Mortgage Bonds, Variable Interest Series due 1995 and to mortgage its properties as security for all of its First Mortgage Bonds.

At a hearing on the petition held in Concord on June 3, 1975, petitioner submitted testimony and other evidence showing the need for this financing and the reasonableness of the terms of this financing.

Upon investigation and consideration, the Commission is satisfied that the proceeds from the proposed financing will be expended to pay off short-term indebtedness, the proceeds of which will have been expended in purchase and construction of property reasonably requisite for present and future use in the conduct of petitioner's business, and finds that the issue and sale of these securities and the mortgages of its properties will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the Applicant, Concord Natural Gas Corporation, be, and hereby is, authorized to issue and sell at private sale, for cash equal to the aggregate principal amount thereof, plus accrued interest thereon to the date of issue, the Applicant's First Mortgage Bonds, Variable Interest Series due 1995, in the aggregate principal amount of Three Hundred Fifty Thousand Dollars (\$350,000), said bonds to be dated as of July 1, 1975, to bear interest from said date at a variable rate per annum equal to the sum of the weighted average yield on newly issued A rated public utility bonds, as published in Moody's Bond Survey, for each of the last six (6) months for which such published information is available on an interest payment date divided by six (6) (which variable rate shall not in any event exceed 12% per annum or be less than 8% per annum), to mature 20 years after July 1, 1975, to provide for amortization prior to maturity of not more than 55% of the original principal amount thereof by application of sinking fund payments not exceeding in aggregate amount in any year two and eighty six one hundredths percent (2.86%) of said original principal amount, and to be otherwise in form and substance as provided in, and to be issued under and secured by, the indenture of Mortgage dated as of July 1, 1952 made by Concord Natural Gas Company to The Mechanics National Bank of Concord, as Trustee, as supplemented and

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amended by six (6) Supplemental Indentures of Mortgage, made heretofore, and by the following-mentioned Seventh Supplemental Indenture of Mortgage; and it is

FURTHER ORDERED, That Concord Natural Gas Corporation, be, and hereby is, authorized to mortgage all of its property, real, personal and mixed, tangible and intangible, including franchises and after acquired property (other than property of the kind defined as "excepted property" in said Indenture of Mortgage dated as of July 1, 1952), as security for the payment of said First Mortgage Bonds, Variable Interest Series due 1995, and all other Bonds heretofore or hereafter issued with the approval of this Commission under said Indenture of Mortgage dated as of July 1, 1952, as heretofore and hereafter supplemented and amended with

the approval of this Commission, all in and by, and as provided in, said Indenture of Mortgage dated as of July 1, 1952, as supplemented and amended by said six (6) Supplemental Indentures of Mortgage, made heretofore, and by the following-mentioned Seventh Supplemental Indenture of Mortgage; and it is

FURTHER ORDERED, That Concord Natural Gas Corporation be, and hereby is, authorized to make, execute and deliver to Bank of New Hampshire, National Association, as Trustee, a Seventh Supplemental Indenture of Mortgage providing for the creation of said First Mortgage Bonds, Variable Interest Series due 1995, mortgaging said property, and confirming the lien thereon of said Indenture of Mortgage dated as of July 1, 1952, as heretofore supplemented and amended, as security as aforesaid; and it is

FURTHER ORDERED, That the proceeds from the sale of said Bonds shall be used, to the extent necessary, to pay all of the Applicant a short-term indebtedness to banks for borrowed money and, except to such extent, to pay expenses incurred in connection with the issuance and sale of said Bonds; and it is

FURTHER ORDERED, That on January 1st and July 1st of each year Concord Natural Gas Corporation shall file with this Commission a detailed statement, duly sworn to by the Treasurer or Assistant Treasurer, showing the disposition of the proceeds of said Bonds, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this tenth day of June, 1975.

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NH.PUC*06/10/75*[77481]*60 NH PUC 415*Fryeburg Water Company

[Go to End of 77481]

Re Fryeburg Water Company

DF 75-118, Order No, 11,863

60 NH PUC 415

New Hampshire Public Utilities Commission

June 10, 1975

PETITION for authority to issue mortgage notes; granted.

SECURITY ISSUES, § 98 — Mortgage notes — Purposes.

[N.H.] A water company was authorized to issue mortgage notes to pay off existing notes, with any excess to be applied to its working capital.

BY THE COMMISSION:

Order

WHEREAS, Fryeburg Water Company, a public utility operating in Fryeburg, Maine and East Conway, New Hampshire, under the

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jurisdiction of this Commission, seeks authority, pursuant to RSA 369 to issue and sell for cash two hundred twenty-five thousand (\$225,000) principal amount of mortgage notes with interest at 9% per annum, and the company to give a blanket mortgage of its real and personal property to a trustee acting for the mortgagee(s); and

WHEREAS, the Fryeburg Water Company represents that the proceeds from the proposed issue, will be used to retire existing notes in the amount of two hundred fifteen thousand nine hundred and twenty-two dollars and fifty five cents (\$215,922.55) and the balance to be applied to the applicant's working capital; and

WHEREAS, following investigation and consideration of the evidence, this Commission finds the issuance of said proposed financing is in the public interest, and consistent with the public good; it is

ORDERED, that Fryeburg Water Company be, and hereby is, authorized to issue and sell for cash its mortgage notes, in an aggregate principal amount not in excess of two hundred twenty-five thousand dollars (\$225,000) with full indebtedness due on or after July 1, 1979 and before July 1, 1980, interest to be at least 9% per annum; and it is

FURTHER ORDERED, that the Fryeburg Water Company be, and hereby is, authorized to mortgage its plant, property and equipment as security for this note or notes authorized herein; and it is

FURTHER ORDERED, that the proceeds from the sale of the mortgage note or notes, be applied, to the extent necessary to the payment of its short-term indebtedness in the amount of two hundred fifteen thousand nine hundred twenty-two dollars and fifty-five cents (\$215,922.55) and the balance to be applied to the working capital; and it is

FURTHER ORDERED, that on January 1 and July 1 of each year, the Fryeburg Water Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Mortgage Note or Notes, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this tenth day of June, 1975.

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NH.PUC*06/11/75*[77482]*60 NH PUC 416*Hampton Water Works Company

[Go to End of 77482]

Re Hampton Water Works Company

DR 74-220, Order No. 11,870

60 NH PUC 416

New Hampshire Public Utilities Commission

June 11, 1975

ORDER granting a water company a rate increase.

1. SERVICE, § 475 — Water — Fire protection — Parallel mains.

[N.H.] Due to concern about a water company's fire protection services, the commission approved the parallel installation of new mains and a continued study of system needs. p. 417.

2. RETURN, § 26 — Cost of capital — Parent's capital structure — Short-term debt.

[N.H.] In determining a water company's fair rate of return and cost of capital, the commission looked to the parent company's capital structure rather than comparable small water companies, and admonished the company to include short-term debt in its capital figures. p. 417.

3. VALUATION, § 251 — Rate base — Customer deposits — Refunds.

[N.H.] The commission adjusted a water company's rate base because customer deposits were ordered refunded. p. 418.

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4. RATES, § 630 — Temporary rates — Surcharges — Water — Seasonal customers.

[N.H.] Because seasonal customers comprised a large portion of a water company's business, both temporary rates and surcharges were implemented to assure that seasonal customers would be bearing their fair share of costs. p. 418.

APPEARANCES: Joseph S. Ransmeier, Hildreth Clark, representing Rye Precinct for the petitioner; Representative Ednapearl F. Parr, representing constituents in Town of Hampton; Arthur Moody, pro se; Clifford Eastman, chairman of the board of selectman, Hampton; Peter Lombardi, Town Manager, Hampton; Edmund Laughlin, commissioner, Hampton Beach Village District.

BY THE COMMISSION:

Report

On November 25, 1974 the Hampton Water Works Company, a duly organized New Hampshire corporation, operating as a public water utility in the Towns of Hampton, North Hampton and Rye, filed for increased rates to become effective January 1, 1975. The proposed increased rates were suspended, pending investigation and decision by our Order No. 11,666. On March 13, 1975 the Company filed a petition for temporary rates.

A hearing on the case was held at the office of the Commission on Tuesday, April 15, 1975 at 10:00 a.m. At the request of some of the parties a continued hearing was held at Hampton Beach on Tuesday, May 20, 1975 at 7:30 p.m.

The Company's original filing sought an increase in annual gross revenues of approximately \$149,000, based on the year ended March 31, 1974. At the initial hearing the Company updated its exhibits and calculations to the year ended December 31, 1974 and amended its rate increase request to approximately \$198,000 in annual gross revenues.

[1] The major objections raised by those who appeared or made statements in opposition to the rate increase involved the adequacy of fire protection services provided by the Company in certain areas. The Company attempted to respond to these questions on adequacy of service by testimony and other evidence submitted at both hearings. The issues raised were not resolved at the hearings to the satisfaction of the Towns or the Commission. The Company has not completed its engineering and plans to answer these questions.

Subsequent to the hearings Commission staff and Company counsel discussed various methods of resolving the issues on service. Programs to improve fire flows could involve substantial capital expenditures with requisite further increases in rates reflecting increased investment. In our opinion careful consideration should be given to the need for improved services, the degree of needed improvements, the best alternatives for meeting such needs and consideration of the economic impact of improvements. Counsel for the Company has reported to the staff that the Board of Directors of the Company voted to authorize the expenditure of an estimated \$49,000 to install 8" main paralleling existing 6" main in the South Road Area, Rye Beach Precinct and to authorize the expenditure of \$15,000 for a planning study of system needs in other areas; the authorizations for these expenditures were made subject to receipt of just and reasonable rate levels. This approach seems realistic. We order the Company to consult with the appropriate officials in each area and to consult with the staff of this Commission as the plans are formed. In arriving at our decision in this case we have taken into account the authorizations of the Company's Board and their plans to immediately commence this work.

Rate of Return

[2] The Company's submitted testimony and other evidence attempting to show the need for a 9.5% rate of return. In arriving at this return the Company's witness excluded existing short-term debt from capitalization and assumed a 15% cost of common equity.

Short-term debt is in fact a part of this Company's capitalization and we include it to arrive at a cost of capital. This point has been argued at length before this Commission in many cases and we see no reason to vary in this case from our previous holdings in many other cases.

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We do not accept conclusions of the Company's witness as to cost of common equity. In our opinion data submitted by this witness, including his "comparative small water companies," does not support the cost claimed.

We find the cost of common equity to this Company at this time is 12.5%. In arriving at this cost we have considered the fact that the Company is wholly-owned subsidiary of American Water Works Company, Inc. and have considered the capitalization, earnings rate and market price of the parent company.

Updating the capital structure to December 31, 1974 we find the cost of capital to be 8.3%,

computed below:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | Amount | % | Cost Rate | Weighted Cost |
|-----------------|-------------|-------|--------------|------------------|
| Debt | \$1,400,000 | 58.4% | 6.2% | 3.6% |
| Preferred Stock | 187,000 | 7.8% | 6.8% | .5% |
| Common Equity | 811,000 | 33.8% | 12.5% | 4.2% |
| Total | 2,398,000 | 100% | 25.5% | 8.3% |

As previously discussed, the Company has committed itself to an immediate program of expenditures to improve and to plan further improvements to its system. Taking into account this commitment and considering the attrition that has been experienced by this Company, we find that the fair rate of return is 8.7%.

Rate Base

[3] We accept the computations of rate base submitted by the Company, with one adjustment. Customers' deposits per our Order No. 11,510, dated August 1, 1974, are to be refunded by the Company on conclusion of this rate case. Accordingly, we find the rate base, omitting these deposits, to be \$2,355,000.

Revenue Requirements

Applying the fair rate of return, 8.7%, to the rate base, \$2,355,000 the required net utility operating income is \$205,000. We accept the pro forma net utility operating income as calculated by the Company for the test year of \$119,000. Adjusting for taxes based on income the revenue deficiency is \$168,000.

Temporary Rates

[4] The Company sought an order for temporary rates, alleging that it was earning at a rate substantially below its cost of capital. At the initial hearing, April 15, 1975, the Company presented testimony and other evidence showing that their earnings were inadequate and that the rate of return was decreasing into 1975. The system has a high degree of seasonality and a substantial portion of its revenues is billed on May 1, 1975 to seasonal customers. In our judgement these seasonal customers should be assessed their allocable portion of this rate decision; unless this is done the Company will lose needed revenue and the year-round consumer will bear a disproportionate share of costs.

We order that the present tariff be established as temporary rates effective for all current billings rendered after April 30, 1975.

Increased Rates

We find that the increased rates shall become effective for all current bills rendered on and after July 1, 1975, in an amount of \$168,000 increase in annual revenues.

Surcharge and Initial Billings

Additional bills shall be rendered to the seasonal customers for 1/2 (one-half) of the

difference between the new minimum charge and the prior minimum charge, reflecting the new rates in effect on and after July 1, 1975. Additional bills shall be rendered to the seasonal customers for 1/2 (one-half) of the difference between the new minimum charge and the prior minimum charge for bills rendered as of May 1, 1975, reflecting the difference between temporary rates and the final rates authorized herein. Billings to seasonal customers for consumption in excess of

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the minimum shall be at the rates authorized herein.

For all other customers we direct the Company to file with this Commission a calculation of the amount of differences between the temporary rates, effective on and after May 1, 1975, and the new rates authorized herein. The Company shall file with us this calculated deficiency and propose an equitable procedure for surcharging the deficiency to this class of customers.

Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Seventh Revised Pages 11, 11A and 12, and Sixth Revised Page 12A, of Hampton Water Company tariff, NHPUC No. 6 — Water, suspended by Commission Order No. 11,666, be, and hereby are, rejected; and it is

FURTHER ORDERED, Hampton Water Works Company's present tariff, NHPUC No.6, be, and hereby is, established as temporary rates, effective for all current billings rendered on and after May 1, 1975; and it is

FURTHER ORDERED, that revised tariff pages, effective July 1, 1975, be submitted to produce an annual increase in rates of one hundred sixty-eight thousand dollars (\$168,000), spread among the service classes and rate structures, within reasonable limits, in the same proportion as set forth in the tariff sheets rejected above; and it is

FURTHER ORDERED, that additional bills shall be rendered to Seasonal customers reflecting the difference between the new minimum charge and the prior minimum charge billed as of May 1, 1975, with consumption in excess of the minimum to be billed at the new rates authorized herein; and it is

FURTHER ORDERED, that for all other customers the Company shall file with this Commission a calculation of the amount of differences between the temporary rates effective on and after May 1, 1975 and the new rates authorized herein, effective on and after July 1, 1975; together with a tariff page setting forth a surcharge not in excess of 5% per billing period to be applied against these customers until the deficiency difference has been collected; and it is

FURTHER ORDERED, that Hampton Water Works Company give public notice of this rate change by publication of this order and the new rates in a newspaper having general circulation in the territory served by the Company.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1975.

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NH.PUC*06/11/75*[77483]*60 NH PUC 419*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77483]

Re Continental Telephone Company of New Hampshire, Inc.

DF 75-117, Order No. 11,871

60 NH PUC 419

New Hampshire Public Utilities Commission

June 11, 1975

GRANT of authority for the issuance of promissory notes and common stock.

Page 419

1. SECURITY ISSUES, § 98 — Promissory notes — Conditions — Purposes.

[N.H.] A telephone company was permitted to issue promissory notes at private sale, conditioned upon the sale of its common stock, in order to pay off short-term debts. p. 420.

2. SECURITY ISSUES, § 73.1 — Common stock — Purposes — Repayment of affiliate loans.

[N.H.] A telephone company was authorized to issue common stock to its parent corporation for the purposes of cancelling its debts owed the parent. p. 420.

APPEARANCES: Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

By this petition filed May 20, 1975, Continental Telephone Company of New Hampshire, Inc. a corporation duly organized and existing under the laws of the State of New Hampshire, operating as a telephone public utility in certain towns in the State of New Hampshire, seeks authority, pursuant to RSA 369, for authority to sell promissory notes and common stock.

At a hearing held, following due notice, in Concord on June 3, 1975; the Company presented testimony and other evidence showing the need for new financing.

[1] The Company has negotiated to issue and sell for cash \$1,000,000 of its 10 1/2% promissory notes, due July 1, 1995 to certain note purchasers, with provisions for amortization prior to maturity of 76% of the original principal amount. The Company used the services of an independent agent to assist in placing these notes and in securing the best terms available. Evidence was presented to show that the interest rate and the terms were competitive and

reasonable. The purchase of these notes by the note purchasers is conditional upon the issuance and sale of common stock of the Company to Continental Telephone Corporation (the parent) for a consideration of not less than \$250,000. The Company will apply the proceeds of these promissory notes toward payment of short-term indebtedness incurred for borrowed money used for telephone plant construction.

[2] The Company presented evidence on the need to issue and sell not less than two hundred and fifty (250) or more than five hundred and fifty (550) shares of its common stock at a price of \$1,000 per share. The proposed sale of common stock is to be made to Continental Telephone Corporation (the parent) for consideration of cancellation of the Company's indebtedness to said Continental Telephone Corporation for borrowed money and, after payment of said indebtedness, in cash to be used for payment for telephone plant construction or for other lawful corporate purposes. The Company stated at the hearing that its intent is to issue and sell the total five hundred and fifty (550) shares for \$1,000 per share on or before December 31, 1975.

The Company submitted financial data justifying the terms and amounts of the proposed financing. Resolutions authorizing the financing and copies of various documents were submitted.

Upon consideration of the evidence submitted, this Commission is satisfied that the issue and sale of the securities proposed herein will be consistent with the public good. Our order granting the authorization herein sought will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the applicant, Continental Telephone Company of New Hampshire, Inc. be and hereby is, authorized to issue and sell at private sale for cash equal to the aggregate principal amount thereof, ten and one-half percent (10 1/2) promissory notes, due July 1, 1995, in the aggregate principal amount of one million dollars (\$1,000,000), said notes to be dated the date of issue, to mature July 1, 1995, to bear interest at the rate of 10 1/2% per annum payable on July 1 and January 1 of each year, commencing January 1, 1976, to be amortized prior to maturity to the extent of 76% of the original principal amount thereof by payments of forty thousand dollars (\$40,000) per year payable, without premium, on July 1, 1977 and on July 1, of each year thereafter to and including July 1, 1994 and to be in the form attached as Exhibit A

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to, and to be issued pursuant to, note agreements dated as of June 1, 1975 between the applicant and Union Mutual Life Insurance Company, Union mutual Stock Life Insurance Co. of America and Unionmutual Stock Life Insurance Co. of New York, the note purchasers; and it is

FURTHER ORDERED, that Continental Telephone Company of New Hampshire, Inc. be, and hereby is, authorized to apply the proceeds of the issuance and sale of said notes toward payment of the applicant's indebtedness to Marine Midland Bank-New York for borrowed money; and it is

FURTHER ORDERED, that Continental Telephone Company of New Hampshire Inc. be, and hereby is, authorized to issue and sell on or before December 31, 1975, not less than two

hundred fifty (250) or more than five hundred fifty (550) shares of its common stock to Continental Telephone Corporation, the applicant's parent corporation, for a price of \$1,000 per share, such price to be paid by cancellation of the applicant's indebtedness to said Continental Telephone Corporation for borrowed money (at the rate of \$1,000 of such indebtedness cancelled per share of said stock so issued and sold) and, after payment of all such indebtedness, in cash for \$1,000 per share so issued, such cash to be used for the applicant's general purposes, including, without limitation, payment for telephone plant construction; and it is

FURTHER ORDERED, that on January first and July first of each year, Continental Telephone Company of New Hampshire, Inc. shall file with this Commission a detailed statement, duly sworn to by its Treasurer or Assistant Treasurer showing the disposition of the proceeds of the notes and shares of stock hereby authorized and to be issued, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1975.

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NH.PUC*06/11/75*[77484]*60 NH PUC 421*Gas Service, Inc.

[Go to End of 77484]

Re Gas Service, Inc.

DR 74-132, Supplemental Order No. 11,872

60 NH PUC 421

New Hampshire Public Utilities Commission

June 11, 1975

MOTION for rehearing upon presentation of further evidence; granted.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Gas Service, Inc. on June 9, 1975 filed a Motion for Rehearing under RSA 541:3 with respect to our Order No. 11,845, dated May 28, 1975 (60 NH PUC 408); and

WHEREAS, this Commission is of the opinion that said Order No. 11,845 sets forth a just and reasonable procedure for determining this case; but

WHEREAS, Gas Service, Inc. requests an opportunity to present further evidence and argument in support of this motion at the rehearing; it is

ORDERED, that, Gas Service, Inc. present its further evidence and argument at a rehearing to be held at the office of the Commission on Tuesday, July 22, 1975 at 10:00 a.m., such further evidence and argument to be limited to specifications in the motion filed by Gas Service, Inc.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1975.

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NH.PUC*06/12/75*[77485]*60 NH PUC 422*Hampton Water Works Company

[Go to End of 77485]

Re Hampton Water Works Company

I-R 14,361, Order No. 11,878

60 NH PUC 422

New Hampshire Public Utilities Commission

June 12, 1975

APPROVAL of a special rate contract between a water company and a private enterprise.

BY THE COMMISSION:

Ordered

WHEREAS, Hampton Water Works Company, a utility selling water under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 1 with Drake Enterprises, Inc., effective May 9, 1975, for water service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twelfth day of June, 1975.

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NH.PUC*06/13/75*[77486]*60 NH PUC 422*Gas Service, Inc.

[Go to End of 77486]

Re Gas Service, Inc.

DR 75-112, Supplemental Order No. 11,879

60 NH PUC 422

New Hampshire Public Utilities Commission

June 13, 1975

CORRECTION in the wording of a previous commission order.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, the Public Utilities Commission on June 12, 1975 issued Order No. 11,876, and WHEREAS, due to inadvertence certain language was omitted from said Order; it is ORDERED, that the first paragraph of Order No. 11,876 should read as follows:

"WHEREAS, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the State of New Hampshire, on June 2, 1975, filed with this Commission Supplement Nos. 27 and 28 to its tariff, N.H.P.U.C. No. 4 — Gas, providing for a surcharge credit or \$.0093/therm in the Nashua Division (Supp. No. 27) and \$.0091/therm in the Laconia Division (Supp. No. 28), effective July 1, 1975; and" it is

FURTHER ORDERED, that Order No. 11,876 remain in full force and effect in every other respect.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of June, 1975.

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NH.PUC*06/20/75*[77487]*60 NH PUC 423*Merrimack County Telephone Company

[Go to End of 77487]

Re Merrimack County Telephone Company

DR 75-47, Order No. 11,880

60 NH PUC 423

New Hampshire Public Utilities Commission

June 20, 1975

REVISION of telephone poleline construction tariffs.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Where other telephone companies were making similar changes and where construction costs were rising rapidly, a telephone company was allowed to reduce the distance allocated for free poleline construction and to increase customer charges for distances beyond

the free limit.

APPEARANCE: Alderic O. Violette for the petitioner.

BY THE COMMISSION:

Report

On February 28, 1975, Merrimack County Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 6 — Telephone, providing for changes in the present poleline construction terms and charges for extending service, to new customers, to become effective April 1, 1975. On March 11, 1975 the Commission by Order No. 11,770 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association testifying in this case,

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stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are

necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Third Revised Page 1 and Second Revised Page 2, Section 4 of Merrimack County Telephone Company tariff, NHPUC No. 6 — Telephone providing for a change in telephone poleline construction charges, suspended by Order No. 11,770 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77488]*60 NH PUC 424*Hopkinton Telephone Company

[Go to End of 77488]

Re Hopkinton Telephone Company

DR 75-46, Order No. 11,881

60 NH PUC 424

New Hampshire Public Utilities Commission

June 20, 1975

INCREASE of a telephone company's poleline construction charges.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Because of substantially increasing construction costs, a telephone company was authorized to increase its charges for poleline construction for new customers for distances beyond the limited free zone.

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APPEARANCES: Alderic O. Violette for the petitioner.

BY THE COMMISSION:

Report

On February 28, 1975, Hopkinton Telephone Company a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 4 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 1, 1975. On March 11, 1975 the Commission, by Order No. 11,769 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty (20) years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in this case, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half of the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Third Revised Page 4 and Second Revised Page 4A, Section 4 of Hopkinton Telephone Company tariff, NHPUC No. 4 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,769 be, and hereby are, now

permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77489]*60 NH PUC 426*New England Telephone and Telegraph Company

[Go to End of 77489]

Re New England Telephone and Telegraph Company

DR 75-59, Order No. 11,882

60 NH PUC 426

New Hampshire Public Utilities Commission

June 20, 1975

ACCEPTANCE of a telephone company's revised poleline construction tariffs.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Where other telephone companies were making similar changes, the commission authorized a company to increase its poleline construction charges in order to preserve uniformity of rates within the industry.

APPEARANCES: Russell F. Martin for the petitioner.

BY THE COMMISSION:

Report

On March 13, 1975, New England Telephone and Telegraph Company, a public utility engaged in the business of supplying telephone service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 70, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 13, 1975. On March 20, 1975 the Commission, by Order No. 11,783 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole. At the hearing the Company requested to amend its filing to reflect this latter change.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being

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faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED that Part III, Section 6, Tenth Revised Page 1 (suspended by Order No. 11,783), Fifth Revised Page 2 and Seventh Revised Page 3 (as modified in accordance with this Report) New England Telephone and Telegraph Company tariff, NHPUC No. 70, providing for a change in telephone poleline construction charges be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this Order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77490]*60 NH PUC 427*Granite State Telephone Company

[Go to End of 77490]

Re Granite State Telephone Company

DR 75-78, Order No. 11,883

60 NH PUC 427

New Hampshire Public Utilities Commission

June 20, 1975

PETITION by a telephone company for an increase in its poleline construction rates; granted.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] In order to conform to other companies' practices and to meet rising construction costs, a telephone company was allowed to increase its poleline installation charges and to reduce the number of poles installed free on private property from two to one.

APPEARANCES: Hobart C. Rand for the petitioner.

BY THE COMMISSION:

Report

On March 27, 1975, Granite State Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 6 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective May 1, 1975. On April 4, 1975 the Commission, by Order No. 11,807 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to

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update the present terms and charges which were last revised some twenty years ago and that some similar changes were being made by all other telephone utilities.

The significant changes in the poleline construction terms and charges are to limit normal

extensions to customers where the services will be of reasonable duration and will not discriminate against other customers of the company, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Third Revised Sheet 4, First Revised Sheet 5 and First Revised Sheet 6, Section 4 of Granite State Telephone Company tariff, NHPUC No.6 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,807 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77491]*60 NH PUC 428*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77491]

Re Continental Telephone Company of New Hampshire, Inc.

DR 75-55, Order No. 11,884

60 NH PUC 428

New Hampshire Public Utilities Commission

June 20, 1975

AUTHORIZATION for a telephone company to increase its poleline construction charges.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] A telephone company was authorized to limit the free distance for constructing new polelines and to increase its charges for construction beyond that distance.

APPEARANCES: William E. Dubben for the petitioner.

BY THE COMMISSION:

Report

On March 6, 1975, Continental Telephone Company of New Hampshire, Inc. a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 9 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 10, 1975. On March 12,

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1975 the Commission by Order No. 11,773 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Sheet 1 and First Revised Sheet 2, Section 6 of Continental Telephone Company of New Hampshire, Inc. tariff, NHPUC No. 9 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,773 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77492]*60 NH PUC 430*Kearsarge Telephone Company

[Go to End of 77492]

Re Kearsarge Telephone Company

DR 75-48, Order No. 11,885

60 NH PUC 430

New Hampshire Public Utilities Commission

June 20, 1975

APPROVAL of a telephone company's increased poleline construction tariffs.

RATES, § 534 — Telephone — Special charges — Poleline constuction.

[N.H.] It was necessary for a telephone company to raise its rates for poleline construction for new customers in order to keep in step with other telephone utilities.

APPEARANCES: Arthur S. Little, Jr., for the petitioner.

BY THE COMMISSION:

Report

On March 3, 1975, Kearsarge Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 5 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 1, 1975. On March 12, 1975 the Commission, by Order No. 11,772 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general

circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an

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undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Sheet 7 and First Revised Sheet 8, Section 4 of Kearsarge Telephone Company tariff, NHPUC No. 5 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,772 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77493]*60 NH PUC 431*Union Telephone Company

[Go to End of 77493]

Re Union Telephone Company

DR 75-62, Order No. 11,886

60 NH PUC 431

New Hampshire Public Utilities Commission

June 20, 1975

UPDATE of a telephone utility's poleline construction terms and charges.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Due to escalating construction costs, a telephone company was compelled to adjust its poleline construction tariffs upwards for those areas outside the authorized free construction zone.

APPEARANCES: Crandell R. Wallenstein for the petitioner.

BY THE COMMISSION:

Report

On March 17, 1975, Union Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 6 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 20, 1975. On March 24, 1975 the Commission, by Order No. 11,788 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone

companies designed to

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maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to 5250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers, and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Fourth Revised Sheet 1 and Second Revised Sheet 2A, Section 4 of Union Telephone Company tariff, NHPUC No. 6 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,788 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77494]*60 NH PUC 432*Chichester Telephone Company

[Go to End of 77494]

Re Chichester Telephone Company

DR 75-64, Order No. 11,887

60 NH PUC 432

New Hampshire Public Utilities Commission

June 20, 1975

REVISION of telephone poleline construction tariffs.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Where other telephone companies were making similar changes and where construction costs were rising sharply, a telephone company was allowed to reduce the distance allocated for free poleline construction and to increase customer charges for distances beyond the free limit.

APPEARANCES: Eleanor L. Shaw for the petitioner.

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BY THE COMMISSION:

Report

On March 14, 1975, Chichester Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 3 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 14, 1975. On March 25, 1975 the Commission, by Order No. 11,791 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per

one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Second Revised sheet 4 and First Revised Sheet 5, Section 4 of Chichester Telephone Company tariff, NHPUC No. 3 — telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,791 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77495]*60 NH PUC 434*Wilton Telephone Company

[Go to End of 77495]

Re Wilton Telephone Company

DR 75-65, Order No. 11,888

60 NH PUC 434

New Hampshire Public Utilities Commission

June 20, 1975

INCREASE of a telephone company's poleline construction charges.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Because of substantially increasing construction costs, a telephone utility was authorized to increase its poleline construction charges for new customers for distances beyond the limited free zone.

APPEARANCES: Stuart Draper for the petitioner.

BY THE COMMISSION:

Report

On March 19, 1975, Wilton Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, NHPUC No. 4 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective May 1, 1975. On March 24, 1975 the Commission, by Order No. 11,798 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths miles per customer, the customer(s) will be required to contribute one-half of the cost of the line (\$250.00 per one-tenth mile) and the company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are

necessary to assure the extension of service to new customers and to prevent an

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undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Page 6, First Revised Page 7 and First Revised Page 8, Section 4 of Wilton Telephone Company tariff, NHPUC No. 4 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,789 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77496]*60 NH PUC 435*Meriden Telephone Company

[Go to End of 77496]

Re Meriden Telephone Company

DR 75-67, Order No. 11,889

60 NH PUC 435

New Hampshire Public Utilities Commission

June 20, 1975

ACCEPTANCE of a telephone utility's revised poleline construction tariffs.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] Where other telephone companies were making similar changes, the commission authorized a company to increase its poleline construction charges in order to preserve uniformity of rates within the industry.

APPEARANCES: Richard Brady for the petitioner.

Report

On March 20, 1975, Meriden Telephone Company, a public utility engaged in the business of

supplying telephone service in the state of New Hampshire, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 4 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective April 21, 1975. On March 26, 1975 the Commission, by Order No. 11,794 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in

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the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half mile to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer will be required to contribute one-half the cost of the line (\$250.00 per one-tenth mile) and the company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Sheet 6, First Revised Sheet 7 and First Revised Sheet 8, Section 4 of Meriden Telephone Company tariff, N.H.P.U.C. No. 4 — Telephone, providing for

a change in telephone poleline construction charges, suspended by Order No. 11,794 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/20/75*[77497]*60 NH PUC 436*Dunbarton Telephone Company

[Go to End of 77497]

Re Dunbarton Telephone Company

DR 75-74, Order No. 11,890

60 NH PUC 436

New Hampshire Public Utilities Commission

June 20, 1975

PETITION by a telephone company for an increase in its poleline construction rates; granted.

RATES, § 534 — Telephone — Special charges — Poleline construction.

[N.H.] In order to conform to other companies' practices and to meet rising construction costs, a telephone company was allowed to increase its poleline installation charges and to reduce the number of poles installed free on private property from two to one.

APPEARANCES: Donald S. Montgomery for the petitioner.

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BY THE COMMISSION:

Report

On March 31, 1975, Dunbarton Telephone Company, a public utility engaged in the business of supplying telephone service in the State of New Hampshire, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 5 — Telephone, providing for changes in the present poleline construction terms and charges for extending service to new customers, to become effective May 1, 1975. On April 7, 1975 the Commission by Order No. 11,811 suspended the Company's filing pending investigation.

The proposed changes in terms and charges were published in newspapers having general

circulation in the territory affected, and a duly noticed hearing was held at the Commission's office in Concord on June 4, 1975 coincident with hearings on similar tariff filings by ten other telephone utilities providing service in New Hampshire.

The petitioner represented that the changes in terms and charges were necessary to update the present terms and charges which were last revised some twenty years ago, and that similar changes were being made by all other telephone utilities.

The Secretary of the New Hampshire Telephone Association, testifying in DR 75-46 about this same matter, stated that all telephone companies were acting in harmony as a result of meetings within the Association for the purpose of coordinating action by the various telephone companies designed to maintain the uniformity presently existing in the various utilities' poleline construction terms and charges.

The significant changes in the poleline construction terms and charges are to reduce the "free" distance of new poleline construction from one-half to three-tenths mile per customer, to increase the customer contribution in excess of this distance from \$70.00 per one-tenth mile to \$250.00 per one-tenth mile, and to reduce the furnishing of poles on private property without charge from two poles to one pole.

Testimony was submitted showing that poleline construction costs have increased substantially since the last charges were determined and are now running at a minimum of about \$5,000 per mile, or \$500.00 per one-tenth mile. At distances in excess of three-tenths mile per customer, the customer(s) will be required to contribute one-half of the cost of the line (\$250.00 per one-tenth mile) and the Company will absorb the remaining one-half cost.

The Commission is satisfied that necessity exists for increasing the customer charges for the extension of new service commensurate with higher construction costs now being faced. No one appeared in opposition to this filing.

On the basis of the evidence submitted, the Commission finds that the requested changes are necessary to assure the extension of service to new customers and to prevent an undue financial burden on existing customers, and thus the proposed changes are in the public interest. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Sheet 5 and First Revised Sheet 5A, Section 4 of Dunbarton Telephone Company tariff, N.H.P.U.C. No. 5 — Telephone, providing for a change in telephone poleline construction charges, suspended by Order No. 11,811 be, and hereby are, now permitted to become effective on and after July 1, 1975; and it is

FURTHER ORDERED, that public notice of this authorization be given by publication of this order in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this twentieth day of June, 1975.

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NH.PUC*06/25/75*[77498]*60 NH PUC 438*New England Telephone and Telegraph Company

[Go to End of 77498]

Re New England Telephone and Telegraph Company

DR 75-81, Supplemental Order No. 11,902

60 NH PUC 438

New Hampshire Public Utilities Commission

June 25, 1975

REVOCATION of suspension of a telephone company's revised tariffs.

RATES, § 248 — Suspension — Revocation — Protest withdrawn.

[N.H.] Where the United States Department of Defense withdrew its protest of a telephone utility's filed tariffs concerning a key console designed for use by the Air Force, the commission allowed such tariffs to become effective.

BY THE COMMISSION:

Supplemental Order

WHEREAS, the New England Telephone Company on March 7, 1975 filed with this Commission certain revisions of its Tariff N.H.P.U.C. No. 70 — Telephone; and

WHEREAS, on April 4, 1975 the Commission suspended the effective date of said Tariff (Order No. 11,808) after having received a protest from the United States Secretary of Defense through his duly authorized counsel, Dellon E. Coker, Chief, Regulatory Law Office; and

WHEREAS, by letter dated June 13, 1975 and received at this Commission on June 16, 1975 the said Coker respectfully requested that the Department of Defense protest be dismissed without prejudice; it is

ORDERED, that said suspension be, and hereby is, revoked; and it is

FURTHER ORDERED, that Part III, Section 31, Page 3 Fourth Revision of Tariff No. 70 — Telephone, providing for the introduction of regulations, rates and charges for a key console, designated the main operating base (MOB) console and a key telephone, designated the force status position, which have been designed specifically for use by the United States Air Force at their Strategic Air Command (SAC) bomb wing locations be, and hereby are, allowed to become effective with this order; and it is

FURTHER ORDERED, that a copy of this Order is required to be published in a newspaper having statewide circulation.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of June, 1975.

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NH.PUC*06/25/75*[77499]*60 NH PUC 439*New Hampshire Electric Cooperative, Inc.

[Go to End of 77499]

Re New Hampshire Electric Cooperative, Inc.

I-R14,364, Order No. 11,903

60 NH PUC 439

New Hampshire Public Utilities Commission

June 25, 1975

APPROVAL of a special rate contract between an electric cooperative and a private company.

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 44 with the Thomson Company, Inc. covering an extension of service at Moultonboro, New Hampshire, effective on the date service is first made available for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of June, 1975.

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NH.PUC*06/30/75*[77500]*60 NH PUC 439*Manchester Water Works

[Go to End of 77500]

Re Manchester Water Works

DE 75-151, Order No. 11,904

60 NH PUC 439

New Hampshire Public Utilities Commission

June 30, 1975

EXTENSION of a water utility's franchise area.

SERVICE, § 210 — Extensions — Water — Town approval.

[N.H.] A water company was authorized to extend its franchise area into a limited area of a town that had no other water service where the town council had approved of the extension.

BY THE COMMISSION:

Order

WHEREAS, Manchester Water Works, a utility operating under the jurisdiction of this Commission, by a petition filed June 17, 1975, seeks authority, pursuant to RSA 374:22 and 26 as amended, to further extend

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its franchise area into a limited area in the Town of Hooksett; and

WHEREAS, the Selection of the Town of Hooksett have indicated their approval of this extension; and

WHEREAS, there is no other water utility serving the proposed new service area hereinafter described; and

WHEREAS, the Petitioner submits that it is able and willing to supply water service in the new service area under rates on file, or to be filed, with this Commission; and

WHEREAS, after investigation and consideration, this Commission is of the opinion that the granting of the petition will be for the public good; it is

ORDERED, that Manchester Water Works, be, and hereby is, authorized to do business as a public utility and to extend its lines and service into a further portion of the Town of Hooksett, described as follows:

Beginning at a point along the centerline of Maurais Street, 100 feet southeast of the point where it intersects with the centerline of Mammoth Road, said point being the furthestmost existing franchise limit for the easterly side of Mammoth Road, and extending from this point southeasterly along the path and contour of Maurais Street a distance of 566 feet more or less, at a depth of 140 feet more or less on the north side of Maurais Street and 149 feet more or less on the south side of said street;

said area being further outlined on maps of file with this Commission.

By order of the Public Utilities Commission of New Hampshire this Thirtieth day of June, 1975.

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NH.PUC*07/07/75*[77501]*60 NH PUC 440*Northern Utilities, Inc.

[Go to End of 77501]

Re Northern Utilities, Inc.

I-R 14,369, Order No. 11,912

60 NH PUC 440

New Hampshire Public Utilities Commission

July 7, 1975

ACCEPTANCE of a special rate contract between a gas company and a corporation.

BY THE COMMISSION:

Order

WHEREAS, Northern Utilities, Inc., a utility selling gas under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 25 with USM Corporation, Bailey Division, effective July 1, 1975, for gas service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this seventh day of July, 1975.

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NH.PUC*07/08/75*[77502]*60 NH PUC 440*Concord Electric Company

[Go to End of 77502]

Re Concord Electric Company

DF 75-35, Fourth Supplemental Order No. 11,913

60 NH PUC 440

New Hampshire Public Utilities Commission

July 8, 1975

MODIFICATION of the terms of insurance of an electric company's first mortgage bonds.

SECURITY ISSUES, § 9 — First mortgage bonds — Maturity date — Modification.

[N.H.] Following negotiations between an electric company and the purchaser of its first mortgage bonds, the term of the bonds was extended from twenty-five to thirty years.

BY THE COMMISSION:

Fourth Supplemental Order

WHEREAS, the Commission by its Order No. 11,765 dated March 10, 1975, and by its Third Supplemental Order No. 11,843 dated May 27, 1975, has authorized Concord Electric Company to issue and sell for cash at par one million five hundred thousand dollars (\$1,500,000) principal amount of the company's first mortgage bonds, Series E (the "bonds"), to have a maturity of twenty-five years (25); and

WHEREAS, negotiations between the company and the purchaser since the date of said Third Supplemental Order have led the parties to conclude that term of bonds should be extended from twenty-five years (25) to thirty years (30) with a maturity date of July 1, 2005; and

WHEREAS, the said Third Supplemental Order required the company to submit to this Commission as soon as available the rate of interest for the bonds, such interest rates having been submitted to the Commission on July 2, 1975 to be 11.30% (percent); and

WHEREAS, the company is to commence sinking fund payments at the rate of 1% (percent) of the issue per annum for the first ten (10) years; it is

ORDERED, that the Concord Electric Company be, and hereby is, authorized to issue and sell for cash at par, one million five hundred thousand dollars (\$1,500,000) principal amount of its first mortgage bonds, Series E bearing interest at a rate of 11.30% (percent) per annum; and it is

FURTHER ORDERED, that all other applicable provisions of Order No. 11,765 and Order No. 11,843 are re-affirmed and incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this eighth day of July, 1975.

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NH.PUC*07/10/75*[77503]*60 NH PUC 441*Gas Service, Inc.

[Go to End of 77503]

Re Gas Service, Inc.

DR 74-132, Supplemental Order No. 11,914

60 NH PUC 441

New Hampshire Public Utilities Commission

July 10, 1975

GRANT of temporary rate relief to a gas company.

RATES, § 630 — Interim rates — Pending motions — Subject to repayment.

[N.H.] Where motions pending on a gas company's rate increase case could cause delays, the company was allowed to implement its requested tariffs on an interim basis, subject to refund if necessary.

BY THE COMMISSION:

Supplemental Order

WHEREAS, the Commission has before it a pending proceeding filed in June of 1974 involving Gas Service, Inc.; and

WHEREAS, several motions regarding this proceeding have been filed with both this Commission and the New Hampshire Supreme Court; and

WHEREAS, it now appears that it is in the best interests of the public generally, the petitioner and the Commission that certain interim relief be granted; it is

ORDERED, that Fourth Revised Pages 14, 15, 16, 17, 17-A and Fifth Revised Page 17-B (Nashua division) and Fifth Revised Pages 25, 26, and 33, Sixth Revised Page 29, and Seventh Revised Page 28 (Laconia division) and Original Page 19-A and Second Revised Pages 19 to 23 inclusive (Keene division) of Gas Service, Inc. tariff N.H.P.U.C. No. 4 — Gas be and hereby are authorized to be effective with all current bills for service rendered on and after July 10, 1975; and it is

FURTHER ORDERED, that the Repayment Bond tendered to the Commission pursuant to RSA 378:6 on June 9, 1975 is hereby accepted to secure the repayment to the customers of the public utility of the difference, if any, between the amounts collected under the aforesaid rates and the rates finally determined by this Commission to be just and reasonable; and it is

FURTHER ORDERED, that the current rates billed following Order No. 11,845 be and hereby are authorized to be effective as Temporary Rates for the period June 1, 1975 up to and including July 9, 1975.

By order of the Public Utilities Commission of New Hampshire this tenth day of July, 1975.

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NH.PUC*07/10/75*[77504]*60 NH PUC 442*Public Service Company of New Hampshire

[Go to End of 77504]

Re Public Service Company of New Hampshire

DE 75-148, Order No. 11,915

60 NH PUC 442

New Hampshire Public Utilities Commission

July 10, 1975

LICENSE granted an electric company to construct transmission lines across public waters.

ELECTRICITY, § 7 — Authorization for transmission lines — Existing lines — Public waters.

[N.H.] An electric company was allowed to install and maintain transmission lines, in conjunction with existing lines, across public waters in order to meet its service requirements.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed June 18, 1975, Public Service Company of New Hampshire seeks authority pursuant to RSA 371:17-20 to construct and maintain electric transmission lines over and across the Pemigewasset River in the City of Franklin, New Hampshire; and

WHEREAS, the petition represents that the proposed water crossing is part of a proposal to construct a new 115 KV line principally as joint double circuit construction with an existing 34.5 KV line to provide additional transmission capacity to meet growing electrical loads in the Laconia area; and

WHEREAS, the petition further represents that the width of the Pemigewasset River at the proposed crossing location is about 316 feet; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric transmission lines over and across the Pemigewasset River in the City of Franklin, in accordance with the specifications as to location, type of construction and clearances as set forth in Exhibits D-1 and D-2 on file with this Commission.

By order of the Public Utilities Commission of New Hampshire this tenth day of July, 1975.

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NH.PUC*07/11/75*[77505]*60 NH PUC 443*Public Service Company of New Hampshire

[Go to End of 77505]

Re Public Service Company of New Hampshire

DE 75-104, Order No. 11,916

60 NH PUC 443

New Hampshire Public Utilities Commission

July 11, 1975

AUTHORIZATION for the reconstruction of electric transmission lines.

ELECTRICITY, § 7 — Authorization for transmission lines — Reconstruction — Public waters.

[N.H.] An electric company was authorized to reconstruct and maintain its transmission lines across public waters where it was necessary for the public good and there were no objections to the proposal.

BY THE COMMISSION:

Order

WHEREAS, by petition filed April 25, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to reconstruct and maintain electric lines over and across the Merrimack River in the Towns of Bow and Allenstown, New Hampshire; and

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WHEREAS, the petition represents that the proposed construction will be to reconstruct 34.5KV electric transmission lines of wires and cables over and across the Merrimack River in the Towns of Bow and Allenstown, New Hampshire, which are part of its 34.5KV system connecting the Hooksett Substation in Hooksett and the Suncook Substation in Allenstown; and

WHEREAS, the petition further represents that the proposed construction will cross approximately five hundred and ten (510) of the Merrimack River; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New

Hampshire to construct and maintain electric transmission lines over and across the Merrimack River in the Towns of Bow and Allenstown, in accordance with the specifications as to location, type of construction, and clearances as set forth in Exhibits 1 & 2 on file with this Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of July, 1975.

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NH.PUC*07/18/75*[77506]*60 NH PUC 444*Monadnock Paper Mills, Inc.

[Go to End of 77506]

Re Monadnock Paper Mills, Inc.

DE 75-157, Order No. 11,928

60 NH PUC 444

New Hampshire Public Utilities Commission

July 18, 1975

EXEMPTION of a paper company selling hydroelectric power from public utility statutes.

PUBLIC UTILITIES, § 46 — Paper mill — Surplus power sale — Exemption from statutes.

[N.H.] A paper manufacturing company was authorized to sell its surplus electricity while exempt from public utility statutes because the excess power would be wasted or priced higher if the company had to comply with public utility regulations.

BY THE COMMISSION:

Order

WHEREAS, the Monadnock Paper Mills, Inc. on July 17, 1975 filed with this Commission a petition for an exemption under RSA 362:5 and concurrent approval of an agreement to sell surplus hydroelectric energy to Public Service Company of New Hampshire; and

WHEREAS, said petition alleges in part that the petitioner is principally engaged in the manufacture of printing papers and technical papers and owns and operates a hydroelectric generating facility primarily for the operation of such business; and

WHEREAS, the petitioner is a "manufacturing establishment" within the terms of RSA 362:5; and

WHEREAS, said petition contains as a part thereof an Agreement for the Purchase and Sale of Excess Hydroelectric Energy between the petitioner and Public Service Company of New Hampshire under which the terms and condition of such sales of surplus electricity are to be made; and

WHEREAS, after investigation, this Commission finds that exempting the petitioner from the requirements of a public utility except those provisions relating directly to rates and service is consistent with the public good in that surplus electricity would otherwise be wasted and that the cost of said surplus electricity will be lower than conventionally produced fossil fuel generated electricity and for other reasons; it is

ORDERED, that Monadnock Paper Mills, Inc. be, and hereby is, authorized to sell its surplus electricity to Public Service Company of New Hampshire under the terms and conditions of a contract between parties dated June 25, 1975 and on file with the Public Utilities Commission; and it is

FURTHER ORDERED, that Monadnock Paper Mills, Inc. shall not be considered to be a public utility and shall be exempt from the requirements of being a public utility except for the provision of Title XXXIV pertaining directly to rates and service.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of July, 1975.

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NH.PUC*07/25/75*[77507]*60 NH PUC 445*New England Power Company

[Go to End of 77507]

Re New England Power Company

DF 75-150, Order No. 11,937

60 NH PUC 445

New Hampshire Public Utilities Commission

July 25, 1975

AUTHORIZATION for the issuance of additional preferred stock.

SECURITY ISSUES, § 96 — Preferred stock — Purposes Sinking fund.

[N.H.] Additional preferred stock was authorized to be sold at competitive bidding, public negotiation, or private placement, with the proceeds to be used for paying off debts and the company able to establish a sinking fund if it so desires.

APPEARANCES: Robert K. Wulff and John F. Natoli for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed June 23, 1975, New England Power Company ("the Company") seeks authority to issue \$25,000,000 aggregate par value of additional Preferred Stock sold publicly at competitive bidding or by negotiation with underwriters or through private placement. At the hearing on the petition, held in Concord on July 23, 1975, the Company represented that it is a corporation, organized under the Laws of Massachusetts, doing business in Connecticut, Massachusetts, New Hampshire and Vermont.

The Company has now outstanding 5,824,896 shares of Common Stock of a par value of \$20 per share; 80,140 shares of 6% Cumulative Preferred Stock of a par value of \$100 a share; 780,140 shares of Dividend Series Preferred Stock of a par value of \$100 per share; and First Mortgage Bonds, issued under an Indenture of Trust and First Mortgage, dated as of November 15, 1936, totaling \$405,000,000. At April 30, 1975, the Company also had outstanding Short-term Notes Payable in the aggregate principal amount of \$43,325,000.

New England Power Company proposes to issue and sell \$25,000,000 aggregate par value of Preferred Stock consisting of either 250,000 shares of a new series of its Dividend

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Series Preferred Stock \$100 par value per share, or 1,000,000 shares of the first series of its Preferred Stock — Cumulative of par value \$25 per share, to be issued at a price not less than 100% nor more than 102 3/4% of par value and with such dividend rate as shall be determined by competitive bidding or negotiation.

The additional shares of preferred stock will be on parity as to dividends and assets with all of the existing preferred stock of the Company. Except for the dividend rate, redemption prices, par value, and other variables, the terms and preferences of the said additional shares will be substantially identical with those of all presently outstanding shares of the Company's Dividend Series Preferred Stock. The Company may determine that there will be a sinking fund.

New England Power Company proposes to apply the proceeds from the sale of said additional Preferred Stock to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncapitalized extensions, enlargements, and additions to the plant and property of the Company, and for other lawful corporate purposes.

The Company submitted in evidence its Balance Sheet as of June 23, 1975, as per books and pro forma, to reflect the sale of the additional Preferred Stock of the proceeds therefrom.

The record in this proceeding shows that the uncapitalized expenditures of New England Power Company at April 30, 1975, amounted to \$230,600,000 part of which would be capitalized through the proposed issues of the securities under consideration; and that a portion of the uncapitalized Fixed Capital Expenditures relates to expenditures in New Hampshire.

Votes taken by the Directors of the Company authorizing the additional Preferred Stock and the filing of the necessary applications were attached to the application as an exhibit. The votes of the stockholders authorizing the stock have been submitted to the Commission.

After giving effect to the sale of the Preferred Stock, in the amount of \$25,000,000, bonds

will comprise 53.2 percent of the total capitalization, preferred stock 14.6 percent and the common equity 32.2 percent.

Upon investigation and consideration of the evidence submitted, this Commission is of the opinion that the granting of the authorization sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell \$25,000,000 aggregate value of Preferred Stock consisting of either 250,000 shares of a new series of its Dividend Series Preferred Stock \$100 par value per share or 1,000,000 shares of the first series of its Preferred Stock-Cumulative of par value \$25 per share, and consents to the issue, disposition, and sale of said additional preferred stock of the Company either publicly at competitive bidding; or publicly through negotiation with underwriters; or without a public offering, through private placement; and it is

FURTHER ORDERED, that the proceeds from the issue and sale of the Preferred Stock, authorized herein, shall be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncapitalized additions and improvements, to the plant and property of the Company and any other uncapitalized expenditure, including properly authorized investments in nuclear generation and to no other purpose; and it is

FURTHER ORDERED, that New England Power Company shall submit to this Commission an account of the bids of responsible purchasers for the purchase of said additional Preferred Stock, following which a Supplemental Order will issue, establishing the price and terms upon which said additional Preferred Stock shall be sold; and it is

FURTHER ORDERED, that this authorization to issue securities contained herein shall be exercised on or before December 31, 1975 and not thereafter, unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on or before January first and July first, in each year, said

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New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said securities, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty fifth day of July, 1975.

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NH.PUC*07/29/75*[77508]*60 NH PUC 447*Public Service Company of New Hampshire

[Go to End of 77508]

Re Public Service Company of New Hampshire

I-E14,374, Order No. 11,943

60 NH PUC 447

New Hampshire Public Utilities Commission

July 29, 1975

APPROVAL of an electric company's special experimental contracts with twenty individual customers.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION — Load research — Thermal storage unit — Special contracts.

[N.H.] An electric company's special contracts with certain customers were approved where the contracts would be used as part of a load research program designed to test a thermal storage unit for space heating.

BY THE COMMISSION:

Order

WHEREAS, the Public Service Company of New Hampshire on July 22, 1975 filed with this Commission a form of special contract which the company proposes to use to implement a portion of its load research program; and

WHEREAS, said filing proposes that the company will select and enter into contracts with twenty (20) participating customers under a form of special contract for the purpose of gathering data from tests by the use of a thermal storage unit for space heating known as the megatherm; and

WHEREAS, it appears to be in the interest of the public generally for the company to engage in this experimental project with the intention to test the megatherm storage device for space heating at special rates reflecting the lower cost of off peak energy; and

WHEREAS, the Commission after investigation finds that the proposed form of special contract will carry out the terms of this experimental program; it is

ORDERED, that the form of special contract submitted to the Commission on July 22, 1975 in connection with the Public Service Company of New Hampshire load research program for electric thermal storage devices in residential application be, and hereby is, authorized for use by the Company with those residential customers of the Company willing to enter such individual special contracts; and it is

FURTHER ORDERED, that as such special contracts are executed between the Company and the customer, said special contract shall be filed for final approval by this Commission in

each case.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of July, 1975.

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NH.PUC*07/29/75*[77509]*60 NH PUC 448*Maine State Telephone Company et al.

[Go to End of 77509]

Re Maine State Telephone Company et al.

I-E 14,310, Order No. 11,944

60 NH PUC 448

New Hampshire Public Utilities Commission

July 29, 1975

MERGER of two telephone companies.

CONSOLIDATION, MERGER, AND SALE, § 18 — Telephone subsidiaries — Foreign company — Foreign commission decision.

[N.H.] Yielding to the Maine commission's decision, the commission accepted the merger of two subsidiary telephone companies where one was a local company and the other was a foreign company with franchise rights within the state.

BY THE COMMISSION:

Order

WHEREAS, The Maine State Telephone Company and the Poland Telephone Company, wholly owned subsidiaries of the Continental Telephone Corporation have petitioned the commissions in the States of Maine and New Hampshire for approval to merge with the Continental Telephone Company of Maine; and

WHEREAS, the Maine State Telephone Company hold a franchise in a limited area of New Hampshire consisting of the Town of Chatham and a portion of the Town of Conway known as East Conway; and

WHEREAS, after investigation by the New Hampshire Public Utilities Commission it was decided that no hearing on the application of merger was necessary but that this Commission would abide by and embrace fully the decision of the Commission of the State of Maine; and

WHEREAS, on May 2, 1975 the Maine Public Utilities Commission approved the merger of the Maine State Telephone Company and Poland Telephone Company into the Continental Telephone Company of Maine; it is

ORDERED, that the Maine State Telephone Company be, and hereby is, authorized to operate in the State of New Hampshire under the name of Continental Telephone Company of Maine; and it is

FURTHER ORDERED, that the Maine State Telephone Company as previously known, shall hereafter be known as and referred to as the Continental Telephone Company of Maine.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of July, 1975.

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NH.PUC*07/30/75*[77510]*60 NH PUC 449*Manchester Gas Company

[Go to End of 77510]

Re Manchester Gas Company

DF 6499, Second Supplemental Order No. 11,945

60 NH PUC 449

New Hampshire Public Utilities Commission

July 30, 1975

PETITION for authority to issue a stock dividend; granted.

SECURITY ISSUES, § 101 — Stock dividends — Annual dividends — Public good.

[N.H.] A gas company was allowed to issue a stock dividend at the rate of three shares for each one hundred shares presently held where the company would be able to pay annual dividends on the new shares as well as on currently outstanding stock and the issuance would be for the public good.

BY THE COMMISSION:

Second Supplemental Order

WHEREAS, Manchester Gas Company (the "Company"), a New Hampshire corporation doing business as a gas public utility under the jurisdiction of this Commission, by petition filed May 28, 1975, represents that as of April 30, 1975, the common stockholders' equity in the company was as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | |
|--------------------------|--------------|
| 400,000 shares | |
| \$5 par value authorized | |
| 209,643 shares | |
| \$5 par value issued | \$ 1,048,215 |
| Capital surplus | 332,597 |
| Retained earnings | 1,338,902 |

2,719,714

and

WHEREAS, the Company proposes to issue no more than six thousand, two hundred ninety common shares (6,290) identical to the present common shares issued and outstanding to present stockholders, at a rate of three (3) additional shares for each one hundred (100) shares presently held; and

WHEREAS, the Company asserts that it will be able to pay dividends at the current annual rate of seventy cents (70¢) per share on both the presently outstanding stock and on the new shares to be issued, resulting in a dividend increase to present stockholders of three percent (3%); and

WHEREAS, the Company alleges that stockholders entitled to fractional shares will be paid in cash, on the basis of a value seven dollars (7) per share, the quoted bid price as of the declaration date, April 16, 1975; and

WHEREAS, the Company proposes that the record date for payment of this stock dividend will be the later of June 18, 1975, or ten (10) days subsequent to the date of Public Utility Commission approval, and the Company further proposes that the payment date will be fourteen (14) days thereafter; and

WHEREAS, in support of its petition, the Company has appended to its petition certain financial statements, consisting of a balance sheet and income statement showing adjustments for financing, both of which are dated as of April 30, 1975, and the Company has further filed as an exhibit, a copy of the corporate vote, authorizing said three (3%) percent stock dividend, which vote was adopted at a meeting of the Directors of the Company held on April 16, 1975; and

WHEREAS, the Commission is satisfied, after having reviewed the allegations of the petition and the appended exhibits, that a public hearing on this petition is not necessary, and that payment of this common stock dividend will be consistent with the public good, and in conformity with the provisions of RSA 369:1; it is

ORDERED, that Manchester Gas Company be, and hereby is, authorized to declare and issue a stock dividend of three (3) shares of five dollars (\$5.00) par value common stock for each one hundred (100) shares presently outstanding; and it is

FURTHER ORDERED, the Manchester Gas Company be, hereby is, authorized to pay

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in cash, to the stockholders entitled to fractional shares, an amount based upon a value of seven dollars (\$7.00) per common share;

FURTHER ORDERED, that within thirty (30) days after the date of payment of this stock dividend, said Manchester Gas Company shall file with this Commission, a financial statement, duly sworn to by its Treasurer, indicating appropriate entries on the Company's balance sheet.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of July, 1975.

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NH.PUC*07/31/75*[77511]*60 NH PUC 450*Pennichuck Water Works et al.

[Go to End of 77511]

Re Pennichuck Water Works et al.

I-R 12,599, Second Supplemental Order No. 11,946

60 NH PUC 450

New Hampshire Public Utilities Commission

July 31, 1975

EXTENSION of a special rate contract between a water utility and a realty company to include a third party.

RATES, § 211 — Contracts — Special rates — Third party.

[N.H.] A third party was permitted to join a special rate contract between a water utility and a realty concern in light of special circumstances and an agreement between the three parties.

BY THE COMMISSION:

Second Supplemental Order

WHEREAS, by Order No. 8779 of the Public Utilities Commission of New Hampshire, dated October 20, 1967, Contract No. 4 between Pennichuck Water Works and High Point Realty Corporation for water service at rates other than those fixed by its schedule of general application was ordered effective; and

WHEREAS, a third party, Northwood Realty Trust, Sumner Gladstone, Trustee, desires to obtain water service off of this extension for a proposed apartment house complex; and

WHEREAS, all of the foregoing parties are in agreement as to the term and conditions under which the desired service may be rendered, namely, a connection fee of one hundred fifty dollars (\$150) for each family unit, with the maximum payment and refund not to exceed fifty thousand dollars (\$50,000); and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that Amendment No. 2 to Contract No. 4 become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of July,

1975.

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NH.PUC*08/01/75*[77512]*60 NH PUC 451*New Hampshire Electric Cooperative, Inc.

[Go to End of 77512]

Re New Hampshire Electric Cooperative, Inc.

DE 74-176, Order No. 11,947

60 NH PUC 451

New Hampshire Public Utilities Commission

August 1, 1975

CONDEMNATION of property devoted to a public use for a new public use.

EMINENT DOMAIN, § 4 — Condemnation of utility property — New public use — Agreement — Necessity.

[N.H.] The commission condemned property belonging to a railroad utility for a new public use by an electric company for the construction of transmission lines, where the railroad and electric utility had agreed upon the location and where the electric company could not use its existing easement due to congestion.

APPEARANCES: Mayland H. Morse, Jr., for the New Hampshire Electric Cooperative, Inc.

BY THE COMMISSION:

Report

By this unopposed petition filed September 17, 1974, the New Hampshire Electric Cooperative, Inc. seeks authority from this Commission pursuant to RSA 371 to take certain lands of the B & M Railroad Corporation for the purpose of constructing an electric transmission line from a location at or near Lyfords siding in the Town of Thornton, New Hampshire to a certain location in the Town of Woodstock, New Hampshire.

On October 29, 1974, a motion for continuance was filed by Attorney Morse due to the fact that there was an outstanding and effective order of the United States District Court relative to the B & M Corporation bankruptcy proceeding which contained a prohibition against these proceedings by the New Hampshire Electric Cooperative. That motion was granted, and subsequently the Cooperative filed in the US District Court for a consent decree to allow this proceeding to continue. The Cooperative obtained a stipulation for Entry of Judgement between itself and the trustees of the B & M and a Consent Decree dated March 24, 1975 allowing this proceeding to go forward.

The Cooperative presented Arthur Wadleigh, its System Engineer, who testified regarding the nature and extent of the taking. He described the present line as barely adequate at the present time since there is a necessity to improve the voltage regulation on that line from time to time. The existing line is over 40 years old having been owned by three different electric utility companies and in the opinion of Mr. Wadleigh, has needed replacement for at least the past five years. This existing line is presently along NH highway Rte. 3 and this area is described as a continually growing and in some places a congested area. Mr. Wadleigh opined that to rebuild on the present location would be a safety hazard because of congestion, would involve working on an energized line, and would involve substantially longer proceedings in terms of condemnation of land of numerous private property owners.

Mr. Wadleigh referred to Exhibit 2, a set of seven drawings which outlined the railroad right of way and described the proposed occupancy of the electric transmission line of the B & M Railroad right of way. The proposed electric transmission line for the most part, is planned for the westerly side of the railroad track from Thornton to Woodstock. There are two gaps in the line along the railroad of way: the first gap exists between station 546 & 00 to station 590 & 00 in the northern part of the Town of Thornton, and the second gap exists in the Town of Woodstock

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between station 784 & 00 to station 801 & 15. The line proposed will be within a so-called construction zone shown on Exhibit 7. The construction zone by agreement with the railroad shall be no closer than 15 feet from the center line of the rails.

In addition to the construction zone, the Cooperative seeks permission to have the right to maintain the area fifty feet on either side of the center line of the transmission line. They seek this right for the purpose of cutting and trimming trees and bushes that might interfere with the free passage of electricity through the proposed transmission line and also for the purpose of erecting supporting poles and guy wires were necessary.

John Pillsbury, General Manager of the Cooperative, testified that there has been substantial growth in the North Woodstock area and also among the properties in Lincoln around the Loon Mountain area all of which are served by the line in question. These density considerations have weighed heavily in the company's decision to replace the line.

The B & M and the Cooperative have negotiated specific details of the proposed transmission line. First and foremost, it is noted that the B & M does not contest the necessity for the taking of land for transmission line. Further, it is noted that the parties were able to negotiate and agree upon the measure of damages the Cooperative would pay to the railroad for said perpetual easement and right of way. The amount is twelve thousand dollars (\$12,000.00) and was confirmed in correspondence between the two parties and approved subsequently by the trustees of the railroad. Both letters have been made exhibits in this proceeding.

The authority of this Commission to condemn the land of one public utility on behalf of another is upon good authority. See *White Mountain Power Company versus Maine Central Railroad* 106 NH 443.

For the reasons heretofore stated, the Commission finds that it is necessary for the New Hampshire Electric Cooperative to rebuild its 34.5 KV line between Thornton and Woodstock and that due to the congestion along the existing transmission line route, the new line should be located in the railroad right of way and not along the existing corridor. This routing will have the least impact on the surrounding land and the scope of the permanent easement within the railroad right of way will not unduly hamper or restrict or endanger the operation of the railroad since the Cooperative and railroad have mutually agreed upon location and upon all terms of construction and clearances for all structures and appurtenances thereto. Therefore pursuant to our powers to condemn the property of the B & M Railroad which is already devoted to a public use for a new public use, we hereby grant the petition of the New Hampshire Electric Cooperative. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the New Hampshire Electric Cooperative, Inc. be, and hereby is, authorized to construct a 34.5 KV transmission line from a location in the Town of Thornton, New Hampshire beginning at a place called Lyfords siding at railroad station post 462 & 85 along the westerly side of the so-called Concord to Lincoln Branch of the B & M Railroad to railroad station post 546 & 30 also in the Town of Thornton, New Hampshire (parcel No. 1); and it is

FURTHER ORDERED, that said transmission line shall continue after an interval at railroad station post 590 & 00 in the Town of Thornton, New Hampshire along the westerly side of said Concord to Lincoln Line to railroad station post 784 & 00 (parcel No. 2); and it is

FURTHER ORDERED, that said transmission line shall be authorized to continue after a further interval of said line starting from railroad station post 801 & 15 in the Town of Woodstock to railroad station post 844 & 80 in the Town of Woodstock (parcel No. 3); and it is

FURTHER ORDERED, that said transmission line shall comply in every respect and in every detail with the specifications shown on Exhibit 2 (sheets 1-7) which are on file at the office of the Commission; and it is

FURTHER ORDERED, that no part of the structure of the electric transmission poles

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and the appurtenances thereto shall come any closer than 15 feet of the center line of the rails; and it is

FURTHER ORDERED, that the New Hampshire Electric Cooperative, Inc. be, and hereby is, authorized to secure a perpetual easement to 18.4 acres of land of the B & M Railroad which has been computed in accordance with a method submitted as Exhibit 3 in this case; and it is

FURTHER ORDERED, that said right and easement shall include the right to clear and keep clear any of the land of the B & M Railroad that lies within fifty feet of either side of the center line of the electric line of all trees, underbrush and all other growth whatsoever which, in the judgment of the Cooperative, may interfere with the proper operation and maintenance of said electric transmission and/or distribution line; and it is

FURTHER ORDERED, that said right and easement shall also include the right to place poles and anchors on the easterly side of the track for the purposes of supporting guy wires or lateral taps off said electric line which, in the opinion of the Cooperative, may now be or later become required, providing that the placement of such shall not interfere with the operation of the rail facilities.

By order of the Public Utilities Commission of New Hampshire this first day of August, 1975.

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NH.PUC*08/04/75*[77513]*60 NH PUC 453*Public Service Company of New Hampshire

[Go to End of 77513]

Re Public Service Company of New Hampshire

DE 75-156, Order No. 11,948

60 NH PUC 453

New Hampshire Public Utilities Commission

August 4, 1975

LICENSE granted an electric company for the installation of submarine cables in public waters.

ELECTRICITY, § 7 — Authorization for transmission lines — Underwater cables.

[N.H.] Receiving no objections to an electric company's proposal, the commission allowed it to construct submarine distribution cables in public waters in order to meet its service requirements.

BY THE COMMISSION:

Order

WHEREAS, by petition filed June 1, 1975, Public Service Company of New Hampshire, seeks a license pursuant to RSA 371:17-20 to install and maintain a submarine cable under and across the public waters of Lovell Lake in Wakefield, New Hampshire; and

WHEREAS, the petition represents that the proposed construction will cross approximately fourteen hundred feet (1400') of the lake from Pole No. 38/32A on its existing lines on New Hampshire Route 109 to a transformer pad located on an island owned by Veronica Priaulx; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner

without substantially affecting the public rights and water crossed; it is

ORDERED, that a license, be and hereby is, granted to Public Service Company of New Hampshire to install and maintain an electric distribution line under and across the public waters of Lovell Lake in the Town of Wakefield, New Hampshire all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fourth day of August, 1975.

=====

NH.PUC*08/04/75*[77514]*60 NH PUC 454*Public Service Company of New Hampshire

[Go to End of 77514]

Re Public Service Company of New Hampshire

DE 75-149, Order No. 11,949

60 NH PUC 454

New Hampshire Public Utilities Commission

August 4, 1975

PERMISSION granted an electric company to construct underwater cables.

ELECTRICITY, § 6 — Cables — Underwater — Existing lines.

[N.H.] An electric company was authorized to construct submarine cables in public waters where the length of the crossings would follow existing lines.

BY THE COMMISSION:

Order

WHEREAS, by petition filed June 18, 1975 with a revised filing of exhibits which is made a part of this petition, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to construct and maintain electric transmission lines over and across the Winnepesaukee River in the Towns of Belmont and Tilton and over, under and across Lake Winnisquam in the Town of Belmont; and

WHEREAS, the petitioner represents that the proposed construction over Winnepesaukee River at the proposed crossing is about 158 feet and the width of Lake Winnisquam (Ephrams Bay) at the proposed overhead crossing is about 776 feet and the length of each of the two

proposed underwater cable crossings is about 1,300 feet on already existing lines; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed constructions and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric transmission lines over and across the Winnepesaukee River in the Towns of Belmont and Tilton and over, under and across Lake Winnisquam (Ephrams Bay) in the Town of Belmont, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fourth day of August, 1975.

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NH.PUC*08/04/75*[77515]*60 NH PUC 455*Benjamin F. Hart

[Go to End of 77515]

Re Benjamin F. Hart

DE 75-110, Order No. 11,950

60 NH PUC 455

New Hampshire Public Utilities Commission

August 4, 1975

GRANT of authority to a private citizen to install, own and maintain an electric cable in public waters.

ELECTRICITY, § 6 — Cables — Submarine — Private citizen.

[N.H.] A private citizen was granted license to place an electric cable in public waters between private properties in order to meet his service requirements.

BY THE COMMISSION:

Order

WHEREAS, by petition filed May 12, 1975, Benjamin Hart seeks a license pursuant to RSA 371:17-20 to install, own and maintain an underwater cable across Lake Winnepesaukee in the Town of Tuftonboro; and

WHEREAS, the petition represents that the proposed construction will cross approximately

three hundred feet (300') of the Lake from private property of Benjamin Hart in Tuftonboro to private property of James Brigden also of Tuftonboro; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Benjamin Hart to install, own and maintain an underwater cable under Lake Winnepesaukee in the Town of Tuftonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fourth day of August, 1975.

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NH.PUC*08/05/75*[77516]*60 NH PUC 455*Public Service Company of New Hampshire

[Go to End of 77516]

Re Public Service Company of New Hampshire

DE 75-5, Order No. 11,953

60 NH PUC 455

New Hampshire Public Utilities Commission

August 5, 1975

AUTHORIZATION for an electric company to operate as a public utility in a town for the purposes of construction.

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PUBLIC UTILITIES, § 35 — Status — Construction without doing business — Consent of other utility.

[N.H.] An electric company was authorized to extend its franchise area and operate as a public utility in a certain area of a town for the sole purpose of constructing transmission lines to complete a line project, where the cooperative that already had franchise rights to the area had no objection to the construction.

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a public utility operating under the jurisdiction of this Commission, by petition filed January 6, 1975 seeks authority pursuant to RSA 374:22-26 as amended, to further extend its franchise area in the Town of Gilmanton, New Hampshire; and

WHEREAS, the petition requests said permission and approval to engage in business as an electric public utility in the Town of Gilmanton only for the purpose of constructing, operating and maintaining transmission lines together with any facilities and apparatus associated therewith or necessary for the operation thereof for the purpose of completing its proposed 345 KV line from Deerfield, New Hampshire substation to the Laconia, New Hampshire substation; and

WHEREAS, the New Hampshire Electric Cooperative which is presently authorized to operate as a public utility in the area of Gilmanton, New Hampshire, which is the subject of this petition, has given its consent by letter dated December 30, 1974 that it has no objection to the granting of the franchise rights to the petitioner herein for the limited purpose stated herein provided that the rights for retail sales are not included; and

WHEREAS, after investigation and consideration this Commission is of the opinion that the granting of the petition with the above stated restrictions will be for the public good; it is

ORDERED, that Public Service Company of New Hampshire be and hereby is authorized to do business as a public electric utility for the limited purpose of constructing, maintaining, and operating an electric transmission line in the westerly part of the Town of Gilmanton or as more specifically shown on a USGS map attached to the petition and made a part of this filing.

By order of the Public Utilities Commission of New Hampshire this fifth day of August, 1975.

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NH.PUC*08/08/75*[77517]*60 NH PUC 456*Public Service Company of New Hampshire

[Go to End of 77517]

Re Public Service Company of New Hampshire

DSF 75-18, Order No. 11,955

60 NH PUC 456

New Hampshire Public Utilities Commission

August 8, 1975

CERTIFICATION of site and facility for an electric utility's transmission line project.

Page 456

1. COMMISSIONS, § 17 — Jurisdiction — Findings by other boards — Certification.

[N.H.] The commission is bound by findings of the site evaluation committee, and acceptance of such findings constitutes a certificate of site and facility. p. 458.

2. ELECTRICITY, § 7 — Authorization for transmission lines — Necessity — Environmental impact.

[N.H.] An electric company's proposed construction of new and parallel transmission lines was found necessary for meeting present and future power demands, with no adverse impact on the company's stability or economic situation, and of no affect on aesthetics, historic sites or the public health and safety. p. 458.

APPEARANCES: Irving H. Soden and Joseph S. Ransmeier, and Russell Winslow for the Public Service Company of New Hampshire; Edward Haffer, assistant attorney general counsel for the public; Alan Hall, for the site evaluation committee; and Robert Hibbard, for conserve natural areas of Loudon, New Hampshire.

BY THE COMMISSION:

Report

By opposed application, the Public Service Company of New Hampshire (hereinafter, the Company), seeks the issuance of a Certificate of Site and Facility for a 115 KV transmission line over a route beginning in Deerfield and continuing through Northwood (Rockingham County) Epsom, Pittsfield, Chichester, Loudon (Merrimack County) Gilmanton, Belmont, Gilford, and Laconia (Belknap County). The application, filed January 15, 1975, is made pursuant to RSA 162-F and is submitted to the Bulk Power Supply Site Evaluation Committee, to the Public Utilities Commission and to other state agencies having permit or license granting responsibilities under state law for such a Bulk Power Supply Facility.

Pursuant to RSA 162-F:7 several duly noticed hearings were held commencing initially with certain informational hearings on March 10 in Deerfield, on March 10 in Concord, and on March 17 in Laconia, and, continuing subsequently with full adversary proceedings which commenced at the conclusion of the informational hearing in Laconia on March 17 and continuing thereafter in Concord on March 31 and again in Concord on April 14.

The application describes the line proposed as being a total length of 34 miles with a distance along an existing power line route of 9.4 miles and a distance along a new route of 24.6 miles. Thus the proposed line is a "bulk power supply facility" pursuant to RSA 162-F:2. The line as proposed by the Company would cross certain water bodies, namely the Suncook River in both Chichester and Pittsfield, New Hampshire, would cross certain highways of the State to be hereinafter described, and would pass through a town (Gilmanton) in which the Company does not presently have franchise authority.

The application prays that the Site Evaluation Committee make findings pursuant to RSA 162-F:8 (I) as follows:

(a) will not unduly interfere with the orderly development of region with due consideration having been given to the views of municipal and regional planning commissions and municipal

legislative bodies; and

(d) will not have an unreasonable adverse effect on esthetics, historic sites, air and water quality, the natural environment and the public health and safety.

The Company also prays that subsequent to such findings by the Site Evaluation Committee, the Committee transfer its findings to the Public Utilities Commission so that the Commission pursuant to its statutory responsibilities (RSA 162-F:8 (I)) make the following findings;

(b) is required to meet the present and future demand for electric power; and

(c) will not adversely effect the system's stability and reliability and economic factors.

On July 23, 1975 at 11 a.m. a quorum of the Site Evaluation Committee convened at a duly noticed Executive Session in Concord at the Offices of the Water Supply and Pollution Control Commission for the purpose of conducting deliberations on evidence already submitted at the adversary proceedings and to consider Requests for Basic Findings of Fact submitted by both Counsel for the Public and the Company. Subsequent to the deliberations the Committee reconvened that

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same day, at 3 p.m. at a duly noticed public meeting to publicly and formally consider the Requests of the Company and Counsel for the Public.

At that meeting four motions pertaining to the Requests were made and all motions were unanimously voted in the affirmative and adopted as a formal action of the Committee. Motion No. 1 transfers to the Public Utilities Commission certain Requests that are more appropriately in the domain of the Commission. Motion No. 2 grants certain Requests of both Counsel for the Public and the Company. Motion No. 3 denies certain Requests of both Counsel for the Public and the Company. Motion No. 4 is based upon the foregoing motions and it makes the basic statutory findings required in RSA 162-F:8 (I) (a and d) and certifies these findings to the Public Utilities Commission for incorporation into the final decision of the Public Utilities Commission. The four motions are attached hereto as Appendix A and are incorporated herein as part of this opinion.

[1] The Public Utilities Commission shall be bound by the findings of the Site Evaluation Committee (RSA 162-F:8 (I)) and shall make its own findings (RSA 162-F:8 (I) (b and c)) and shall incorporate all such findings into a decision which shall grant or deny the Certificate of Site and Facility. Such decision shall also in accordance with RSA 162-F:8 incorporate therein such lawful permits and licenses supplied by other state agencies with such license granting responsibilities under state law.

Among the other state agencies having permit and license granting responsibilities in this case are the Special Board and the New Hampshire Water Supply and Pollution Control Commission regarding permission to dredge and fill in the surface waters of the State located along the route of the line and the New Hampshire Department of Public Works and Highways regarding a license to maintain wires and cables over and across state maintained public ways.

Additionally, the Company application requests as a part of its prayer that the Public Utilities

Commission pursuant to RSA 371:17-20 grant a license to cross public waters of the state, to wit, the Suncook River in Pittsfield and Chichester. And, by separate application (DE 75-5) filed January 6, 1975 the Company requests franchise authority in the Town of Gilmanton for the limited purpose of only constructing, operating, and maintaining the proposed transmission line there.

The Public Utilities Commission by its Order No. 11,953 dated August 5, 1975 has granted the requested franchise authority. The Commission as a part of this proceeding has granted the Company a license to cross the Suncook River by its Supplemental Order No. 11,956 dated August 8, 1975 (60 NH PU 459)(Appendix B). The Department of Public Works and Highways has granted preliminary approval for highway crossings (Appendix C) and the Special Board has granted several approvals incorporating certain prior approvals of the NH Water Supply and Pollution Control Commission (Appendix D).

[2] After full attendance at all of the informational and adversary public hearings and after listening to all the testimony at such hearings and after a review of the record of these proceeding, the Public Utilities Commission grants the following Requests for Basic Findings of Fact made by the applicant: numbers 1 through and including 15. The Commission also grants Counsel for the Public's Requests for Basic Findings of Fact numbers 1 through and including 8. The Commission further grants the Counsel for the Public's Request No. 9 with the following qualification: to the extent that the remaining lines have the capacity to sustain the load for the area; Request No. 10 with the following qualification: depending upon the nature and extent of the physical damage to the line; Request No. 11 with the following qualifications: See number 10 and also there are many other days when the total load approaches the peak load; Request No. 12 with the following qualification: and, the record contains additional evidence relevant to the past and projected growth patterns for the central part of New Hampshire; Request No. 13 with the following qualification: on the basis of the latest available figures. And, the Commission denies Counsel for the Public's Request No. 14.

On the basis of the foregoing analysis of the evidence and upon the findings made in response to the requests of Counsel for the

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Company and Counsel for the Public, the Public Utilities Commission finds that the construction of the facility:

(b) is required to meet the present and future demand for electric power;

(c) will not adversely affect the system's stability and reliability and economic factors And the Public Utilities Commission being bound by the findings of the Site Evaluation Committee as hereinabove set forth and in addition being satisfied that all applicable state standards and requirements have been met by the applicant (see various permits and licenses attached hereto as Appendices) and being further satisfied that its own findings have a firm basis in the testimonial record of these proceeding the Commission therefore finds that the construction of the facility:

(a) Will not unduly interfere with the orderly development of the region with due consideration having been given to the views of the municipal and regional planning commissions and municipal legislative bodies;

- (b) is required to meet the present and future demand for electric power;
- (c) will not adversely affect the system's stability and reliability and economic factors; and
- (d) will not have an unreasonable affect on esthetics or historic sites, air and water quality, the natural environment and the public health and safety.

Order

Based upon considerations of the foregoing report which is made a part hereof; it is

ORDERED, that the Public Service Company of New Hampshire be and hereby is authorized to construct and maintain a bulk power supply facility being a 115 KV transmission line from Deerfield to Laconia for a total distance of approximately 34 miles; and it is

FURTHER ORDERED, that this order of the Public Utilities Commission embodying the findings of the Site Evaluation Committee and all other licenses and/or permits referred to in the foregoing report together shall be deemed to be the Certificate of Site and Facility required to be granted to the Company for the purpose of constructing this transmission line.

By order of the Public Utilities Commission of New Hampshire this eighth day of August, 1975.

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NH.PUC*08/08/75*[77518]*60 NH PUC 459*Public Service Company of New Hampshire

[Go to End of 77518]

Re Public Service Company of New Hampshire

DSF 75-18, Supplemental order No. 11,956

60 NH PUC 459

New Hampshire Public Utilities Commission

August 8, 1975

LICENSE issued to an electric utility for the construction of transmission lines across public waters.

Page 459

ELECTRICITY, § 7 — Authorization for transmission lines — Over public waters.

[N.H.] An electric company was authorized to place transmission lines over a river where it was found necessary for meeting service requirements.

BY THE COMMISSION:

Supplemental Order

WHEREAS, by petition filed January 20, 1975, the Public Service Company seeks a license pursuant to RSA 371:17-20 to construct and maintain an electric transmission line over and across the Suncook River in the Towns of Pittsfield and Chichester, New Hampshire; and

WHEREAS, the petition represents that the width of the river at the location of the crossing is approximately one hundred seventy feet (170), and

WHEREAS, the petition represents that the crossing be at a location and will be in conformance with specifications on a plan attached to said petition and made a part hereof; and

WHEREAS, following due notice to interested parties, no one objected to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to the Public Service Company of New Hampshire to construct and maintain an electric transmission line over and across the Suncook River in the Towns of Pittsfield and Chichester, New Hampshire all in accordance with the specifications contained on the aforementioned plan on file at the office of the Public Utilities Commission.

By order of the Public Utilities Commission of New Hampshire this eighth day of August, 1975.

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NH.PUC*08/08/75*[77519]*60 NH PUC 460*Manchester Gas Company

[Go to End of 77519]

Re Manchester Gas Company

I-E14,384, Order No. 11,957

60 NH PUC 460

New Hampshire Public Utilities Commission

August 8, 1975

REVISION of a limitation on a gas company's addition of new customers.

SERVICE, § 339.1 — Gas — Conservation — Limited new customers — Notice period.

[N.H.] Where usage patterns were decreasing and greater gas supplies were available, a gas company was allowed to add new customers again, in less than the statutory notice period, since immediate service would be in the public interest.

BY THE COMMISSION:

Order

WHEREAS, this Commission in 1973, by Order No. 11,113 in D-R6548, authorized Manchester Gas Company to limit the addition of new customers, as set forth in Supplement No. 4 to Tariff, NHPUC No. 12, in view of the availability of gas at that time; and

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WHEREAS, the gas supply situation has new improved for Manchester Gas Company due to usage patterns and the availability of additional storage facilities; and

WHEREAS, Manchester Gas Company has filed revisions to its present limitations for the addition of new customers consistent with the present availability of gas supplies; and

WHEREAS, permitting such revised limitations on the adding of new customers to become effective on less than the 30-day statutory filing period would be in the public interest by making additional gas service available; it is

ORDERED, that First Revised Page No. 1 of Supplement No. 4 to Manchester Gas Company tariff, NHPUC No. 12 — Gas issued on August 5, 1975, be, and hereby is, permitted to become effective as filed, on August 8, 1975; and it is

FURTHER ORDERED, that public notice of this Order be made by publication in a newspaper having general circulation in the territory served.

By order of the Public Utilities Commission of New Hampshire this eighth day of August, 1975.

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NH.PUC*08/11/75*[77520]*60 NH PUC 461*New England Telephone and Telegraph Company

[Go to End of 77520]

Re New England Telephone and Telegraph Company

DE 75-167, Order No. 11,958

60 NH PUC 461

New Hampshire Public Utilities Commission

August 11, 1975

GRANT of license to a telephone company to construct submarine plant in public waters.

TELEPHONE, § 2 — Construction and equipment — Submarine — Public waters.

[N.H.] A telephone company was permitted to place underwater plant in public waters where

it was deemed necessary for proper service and would not affect the public's right in the waters.

BY THE COMMISSION:

Order

WHEREAS, by petition filed July 24, 1975, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17-20 to place and maintain submarine plant crossing state-owned public waters in Holderness, New Hampshire under Squam Lake; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately six hundred feet (600') of Squam Lake from Long Island at Pedestal #461/8A on private property of Harold Coolidge to Utopia Island to private property of Thomas Coolidge to provide service to Holderness, New Hampshire; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and

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Telegraph Company to place and maintain a submarine plant crossing state-owned public waters in Holderness, New Hampshire under Squam Lake, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of August, 1975.

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NH.PUC*08/13/75*[77521]*60 NH PUC 462*Public Service Company of New Hampshire

[Go to End of 77521]

Re Public Service Company of New Hampshire

I-R14,381, Order No. 11,960

60 NH PUC 462

New Hampshire Public Utilities Commission

August 13, 1975

APPROVAL of a special rate contract between an electric company and a private citizen.

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 35 with Veronica T. Priaulx, effective on the date service first made available, for service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of August, 1975.

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NH.PUC*08/22/75*[77522]*60 NH PUC 462*Public Service Company of New Hampshire

[Go to End of 77522]

Re Public Service Company of New Hampshire

DE75-168, Order No. 11,974

60 NH PUC 462

New Hampshire Public Utilities Commission

August 22, 1975

PROPOSAL for the reconstruction of an electric company's transmission lines; approved.

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ELECTRICITY, § 7 — Authorization for transmission lines — Overhead — Reconstruction.

[N.H.] An electric company's petition for license to construct transmission lines over public waters was granted where the purpose was to reconstruct the wires and cables in order to meet service requirements.

BY THE COMMISSION:

Order

WHEREAS, by petition filed July 22, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371:17-20 to construct and maintain electric lines over and

across Opechee Bay in the City of Laconia; and

WHEREAS, the petition represents that the proposed construction will cross approximately 2,490 feet of the Bay for the purpose of reconstructing 34.5 KV electric transmission lines of wires and cables over and across Opechee in Laconia which are part of its 34.5 KV system connecting the Messer Street Substation in Laconia and the Ashland Substation in Ashland; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain electric lines over and across Opechee Bay in the City of Laconia, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty second day of August, 1975.

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NH.PUC*08/26/75*[77523]*60 NH PUC 463*Gas Service, Inc

[Go to End of 77523]

Re Gas Service, Inc

DR 74-132, Order No. 11,976

60 NH PUC 463

New Hampshire Public Utilities Commission

August 26, 1975

ORDER authorizing a modified increase in gas rates.

1. RETURN, § 26.4 — Cost of common equity — Business risks — Cost adjustments.

[N.H.] A gas company's proposed cost of common equity was rejected and a lower figure used where the company was already protected from business risks through fuel cost adjustments, curtailment programs, and additional residential customers not requiring new investment to meet their needs. p. 466.

2. RETURN, § 26.5 — Cost of capital — Related companies — Common equity.

[N.H.] In computing a gas company's cost of capital, the commission disallowed common equity associated with the company's nonutility operations. p. 466.

3. VALUATION, § 402 — Rate base — Acceptance of submissions — Expediting matters.

[N.H.] Although there was some disagreement on a gas company's inclusion of nonutility activities and appliance sales in its rate base, the commission

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accepted the computation as submitted in order to expedite matters. p. 467.

4. EXPENSES, § 99 — Wages — Overtime — Number of employees.

[N.H.] In determining labor cost adjustments, the level of overtime and the number of employees as well as wage rate increases must be considered. p. 468.

5. RATES § 376 — Gas — Natural gas versus propane — Changing conditions.

[N.H.] Where for many years a gas company had been charging propane customers at its natural gas tariff rate thus making a substantial profit, changed circumstances reflected in the increased cost of propane do not justify the company's pro forma accounts setting off propane losses against utility income. p. 468.

6. VALUATION, § 250 — Contingency reserves — Customer funded.

[N.H.] A company's proposed increase in its contingency reserve for injuries and damages was denied where the customers had been bearing the costs of such a reserve. p. 468.

7. RATES, § 158 — Reasonableness — Past profits — Surcharge and interruptible revenues.

[N.H.] To prevent a windfall to a gas company, the commission rejected the company's adjustments excluding gas surcharge revenues and interruptible profits because it would shift any risk of change to the ratepayers and would remove the company's profit incentive. p. 468.

8. RATES, § 303 — Fuel clauses — Cost of gas adjustment — Public interest.

[N.H.] The general purpose of cost of gas adjustments is in the public interest since they reduce the need for filings, reflect additional costs, account for seasonal use variations, and provide for customer refunds in the case of overcollection. p. 469.

9. RATES, § 260 — Surcharges — Curtailment credits — Future repayment.

[N.H.] A company cannot presently retain funds collected from ratepayers through a surcharge, to be used to meet curtailment credits, when the repayment of the credits will occur only at some remote time in the future. p. 470.

10. REPARATION, § 17 — Over- and undercollection — Interim rates — Pending final decision.

[N.H.] For two different time periods, a gas company was both entitled to recoupment and obligated to repayment due to the difference between its allowed temporary rates and the rates authorized in the final decision. p. 471.

APPEARANCES: Orr & Reno by Charles H. Toll, Jr., for the petitioner.

BY THE COMMISSION:

Report

These proceedings were initiated when Gas Service, Inc. (the Company), a public utility engaged in supplying gas service in certain areas in the State of New Hampshire filed with this Commission Fourth Revised Pages 14,15,16,17 and 17A, Fifth Revised Pages 17B, 25, 26, and 33, Sixth Revised Page 29 and Seventh Revised Page 28 of its tariff, N.H.P.U.C. No. 4 — Gas, providing for basic rate increases in the Nashua and Laconia Divisions, effective June 10, 1974, said filing having been suspended in Order No. 11,421 dated May 20, 1974; and having filed on May 31, 1974, Original Page 19-A and Second Revised Pages 19-23 of its tariff, N.H.P.U.C. No. 4 — Gas, providing for basic rate increase in the Keene Division, effective July 1, 1974 said filing having been suspended in Order No. 11,452 dated June 17, 1974.

On July 3, 1974 the Company filed a petition for temporary rates, requesting \$843,000 in increased annual revenues.

A duly noticed public hearing was held on the filings on July 18, 1974. The staff disagreed with many of the submitted computations and requested and received further data from the Company following the hearing date.

After extensive consideration we granted temporary rates in an amount of \$450,000 increase in annual revenues, effective October 1, 1974 (Order No. 11,566).

Subsequent to the granting of temporary rates the Company filed for supplemental gas adjustments. The supplemental gas adjustments were allowed following public hearing.

During the years 1974 and 1975 six supplemental gas adjustments were in effect at various dates, covering three divisions of the Company. Additionally, certain amendments to these adjustment provisions were made and other proposed adjustments were filed and later withdrawn. Also, during this period numerous natural gas price adjustments were in effect, with others filed and suspended by Commission orders.

The Company, on August 24, 1973, had filed for an increase in basic rates and later filed for supplemental gas adjustments. Hearings

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were held on these requests. After extensive investigation and consideration, including limited review of the Company's basic records, intensive review of internal reports and other voluminous data, we denied any increases in basic rates and allowed amended supplemental gas adjustments. Staff disagreed with many points of the accounting submitted by the Company and final resolution of some of these points was never agreed to by Company and staff.

The various submissions in this rate proceeding were complex and involved many issues strongly contested by the staff.

After granting temporary rates (increased in the amount of \$450,000) the Company changed its position in material aspects from their original filing. In discussion by staff with Company officials and Company counsel it became apparent that the Company was seeking increased rates calculated on bases materially different from those originally filed (and on which temporary rates were granted) and, also, the right to recoupment of higher final rates, even though based on

assumptions materially differing from actual results, for the period of temporary rates. These requests for recoupment (letter 5/20/75, Charles H. Toll, Jr., counsel, to staff) based upon interpretation of our statutes in one old case, were made in spite of very high earnings actually resulting to the Company during the increased temporary rate period. For these reasons and to expedite a conclusion to this lengthy case we issued Order No. 11,845 dated May 28, 1975, (60 NH PUC 408) terminating temporary rates as of May 31, 1975 and indicating our intention to update the test year to coincide with the period of temporary rates, estimating results for May, 1975.

On June 9, 1975 the Company filed a "Motion for Rehearing and Other Relief" from Order No. 11,845. On June 10, 1975 the Company filed an "Amendment of Motion for Rehearing and Other Relief" from Order No. 11,845. On June 11, 1975 (60 NH PUC 408) we issued Order No. 11,872 (60 NH PUC 421) granting the Company's motion for rehearing and noticing a hearing date of July 22, 1975.

On June 17, 1975 the Company filed a "Motion for Immediate Reconsideration and Order".

On July 8, 1975 the Company filed with the New Hampshire Supreme Court a petition for certiorari and a motion to suspend Order No. 11,845.

In view of the litigious posture of the Company we granted certain requests; the rates billed from June 1, 1975 to and including July 9, 1975 were authorized to be effective as temporary rates, the originally filed increased rates and the repayment bond tendered by the Company were accepted for current bills rendered on or after July 10, 1975 and the updated test year was changed to cover the actual results for the twelve months ended May 31, 1975 (Order No. 11,914, July 10, 1975 [60 NH PUC 441]). On July 10, 1975 the Company withdrew its petition for certiorari and related motion before the New Hampshire Supreme Court. Proceedings made as complex as these must at some reasonable date be concluded. We believed it to be in the best interests of the public generally, the Company and the Commission to have answered in the foregoing manner.

A further public hearing was held on this case on March 4, 1975. The Company had used, through this hearing date, financial data for the twelve months ended March 31, 1974. The use of a recent period as the test year is necessary to reach a fair conclusion. we have used the year ended May 31, 1975 as the test year.

The Company's submitted requests, based upon the year ended May 31, 1975, indicate a need for increased basic rates in the amount of \$1,290,000.

Throughout these proceedings various submissions were filed by the Company. The numerous submissions were due to changes in periods for the test year, changes sought by the Company and requests for proper allocations and proper accounting by the staff.

In these lengthy proceedings the Company has expended, or estimates the expenditures, of some \$45,000 for fees and expenses for its experts. Not included in that figure is the substantial time spent by Company executives and other personnel preparing for and

companies rate cases, attending conferences with staff at the Company, at the Commission, by telephone and answering letter requests. Additionally substantial time and expense was involved in the preceding rate case, decided in 1974. The very substantial time spent by Company personnel and their consultants was probably matched by the time expended by this Commission and its staff. The nature of the Company's demands and presentation, with resulting drawn-out proceedings, cannot benefit the consumers or the stockholders.

Substantial material is available to us, including reports filed by the Company in regular course, detailed monthly financial statements, data obtained by staff in conferences and other communications with the Company and from other evidence in the record at the various hearings. We now have adequate information on which to determine a level of just and reasonable rates.

Rate of Return

[1] The Company submitted 14% as the cost of its common equity and its expert testified to rates substantially higher. We do not accept these rates and we are of the opinion that the Company's expert made significant errors of judgment in his testimony.

This Commission and its staff have had extensive experience in assessing capital costs to utilities. We continuously review the capital markets in general, the capital markets for the various utilities under our jurisdiction and the capital markets of the utility industry throughout this Country. We have given lengthy consideration to capital costs in this case and in other cases involving gas distribution companies in New Hampshire. Ample evidence and data is present to provide us with a sound basis to determine a just and reasonable rate of return for this Company.

In its latest submission for the year ended May 31, 1975 the Company submitted a 13% cost of its common equity. This followed conferences with the staff and knowledge of a recent decision involving another New Hampshire gas utility.

We find that the cost of common equity for Gas Service, Inc. at this time is 13%. In arriving at our decision we have given consideration to the cost of gas adjustment provisions requested by the Company and allowed in this decision. These adjustment provisions will protect the Company from increased gas costs due to curtailment, weather patterns or price changes. These provisions will materially reduce the business risks to the Company. The Company's capital requirements have been materially reduced by its existing curtailments on main extensions and limited acceptance of certain types of new customers. The Company continues to add new residential customers, at the higher end of its rate structure, with limited need for new investment to serve these new customers.

We accept the Company's submitted capital structure and costs of its long-term debt.

The Company claimed a cost rate of 8.5% on its short-term debt. The prime bank loan rate is now at 7 3/4% down sharply from its all time peak of 12%, reached in 1974. While the current rate of 7 3/4% represents an increase from the recent lows, we believe that short-term rates are most likely to remain at or below the 8% level with the possibility of slightly higher rates for short periods of time. We find the cost of short-term debt is 8%. Compensating balances are part of net working capital and this element is included in rate base.

[2] The Company, has a substantial non-utility operation, its LPG business. Material

disagreement exists between the Company and staff in the proper account for costs and plant allocable to this operation. Important elements of plant units and working capital needed for utility and non-utility operations are included in the submitted rate base. Obviously there is a substantial amount of capital devoted to the LPG business. We have taken these factors into account and have allocated applicable common equity to this non-utility operation.

The computation of the cost of capital to the Company is tabulated in the following schedule.

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

COST OF CAPITAL

| |
|----------------------|
| Debt |
| Long-term bonds |
| Long-term notes |
| Short-term debt |
| |
| Common Equity |
| Less: equity in non- |
| utility operations |
| |
| (LPG) |
| TOTAL |

We find the cost of capital to the Company to be 9.7%. To this cost we add the factor of .2% and conclude that the fair rate of return to be applied to rate base is 9.9%.

Rate Base

[3] The Company submitted a computation showing an average rate base of \$7,703,000.

We do not agree to allocations made to non-utility operations; allocation used in LPG business and in appliance sales activities should be considered in more detail by the staff. However, in order to expedite the completion of this case, considering the overall materiality of these items and the overall resolution of the rate increase request, we will accept this portion of the Company's submission.

We find the rate base upon which the Company's revenue requirements are to be based to be in the amount of \$7,703,000.

Revenue Requirements

Applying the fair rate of return, 9.9% to the rate base, \$7,703,000 the required net utility operating income becomes \$763,000.

Actual net utility operating income for the test year was \$596,000 before adjustments.

The computation of pro forma net utility operating income is tabulated in the following schedule, with notes to explain the adjustments.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

TWELVE MONTHS ENDED MAY 31, 1975

Net Utility Operating Income, Actual
 Pro Forma Adjustments
 Revenue under temporary rates
 Excess peak shaving costs due to temporary
 curtailments
 Net decrease in sales and new business expense
 Increase in labor rates, annualized
 Increase in employee insurance benefits
 Amortization of rate case expense
 Allocation of expenses to non-utility income
 Excess of cost over revenue of Milford area
 retail propane sales, included as a charge to
 utility income July 1974-May 1975

Net
 Effective income tax rate (.50325)

Correct erroneous federal income tax allocation
 to non-utility income, December, 1974
 Income tax write-off applicable to prior years
 promotional allowances
 Amortization conversion expense - Laconia - fully
 amortized in 1975
 Increase in "contingency" reserve for injuries and
 charged to utility operations in 1975

Net utility operating income, pro forma

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(1) These adjustments were made in agreement with those proposed by the Company.

(2) This adjustment was submitted by the Company to increase income in the amount of \$137,000. We have recalculated the adjustment to reflect revenues actually received from gas price adjustment surcharges for part of this period and included in income.

(3) This adjustment was submitted in the amount of \$1,000. We have recalculated this adjustment to reflect realistic wage increase calculations, as detailed in Note (4).

[4] (4) The Company proposed to increase labor costs for annualization of rate increases. Increased wage rates are not the only factor affecting costs; the level of overtime and the number of employees has a direct affect upon payroll costs and these factors were not taken into account by the Company. We have recalculated this adjustment to reflect the actual increase in payroll costs for the five months ended May 31, 1975 with the resulting adjustment equaling \$23,000.

[5] (5) Some years ago the Company sought and obtained a franchise to sell gas as a public utility in the Milford area. Mains were installed and this area was served; the service being provided by propane gas with the plan to later tie into the natural gas pipeline. However, with limited supply of natural gas, this area continues to be served with propane. These customers are billed at the tariff rates. For many years through the calendar year 1973 these sales were profitable on a gross margin basis to the Company, since the revenue materially exceeded the direct cost of the propane gas. This Milford operation was clearly subject to our jurisdiction as a public utility and the accounting for these operations was required to conform to our accounting

rules.

For all these years the Company has included the assets of the Milford operation in its rate base and charged utility operations for the expenses. The gross margin (profit) was incorrectly recorded with the Company's unregulated LPG business and shown as non-utility profit. At the initial hearing on this rate case, the Company was required to submit data relative to allocations to non-utility operations. With the increased costs of propane gas, the Milford operation had become unprofitable and the Company sought to pro form its accounts to reflect these losses against utility income. In July, 1974, the Company began accounting for this operation by including the gross loss as a charge to utility operations.

For the year May 31, 1975 the loss was \$17,000. Using the Company's base cost of propane and the same volumes and revenues for May 31, 1975 the profit would have been \$20,000 and reported as non-utility income.

Since the Company reaped the benefits of its incorrect accounting for many years, justice requires that changed circumstances cannot now be used to increase the customer's basic rates. Accordingly, we disallow this charge of \$17,000 for this rate case.

(6) In December, 1974 the Company allocated federal income tax to its non-utility income. The allocated amount was incorrect. The proper federal income tax allocation was \$32,000; the Company used \$28,000. Accordingly, we have adjusted for the \$4,000 difference.

(7) The Company has been amortizing "conversion" expense in Laconia. While these amortization charges were proper, the entire amount will have been fully amortized in the year 1975. We have made this adjustment to reflect the absence of these charges during the period of basic rates set in this case.

[6] (8) The Company established a "contingency" reserve for injuries and damages. This reserve was created by charges to net utility operations in prior years. Since the utility customers have borne the charges established by this reserve, the propriety of making such charges we do not endorse; further additions to or charges to this contingency reserve should not be allowed for setting rates. The increase in the reserve plus charges to the reserve, net of income taxes, for the year ended May 31, 1975 of \$2,000 is denied.

[7] (9) The Company proposed additional adjustments that we have denied. The reasons for our actions are discussed in the following paragraphs.

The Company sought to eliminate revenues actually billed in the test year from supplemental gas price adjustments in effect

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at various times and in different amounts during the twelve months. Using this adjustment would increase basic rates by \$390,000 and serve to increase the base cost for the cost of gas adjustment provisions to be allowed in this case. The result would also further complicate surcharge and repayment under the position taken by the Company. It would also result in indirectly allowing for surcharges not related to actual costs and for periods not, in fact, covered by any existing surcharge. Further, the Company paid this past winter an extremely high price for a substantial gallonage of propane. We believe the price paid was substantially higher than

that paid by any other gas utility in the State. We will not allow this adjustment in establishing the base cost for supplemental gas. These revenues will be considered and the Company will be able to recover any actual higher costs under the provisions of the cost of gas adjustment.

In its earlier filing on insistence of the staff, the Company submitted adjustments to increase the profit on interruptible sales, reflecting sharply higher sales prices under a formula related to fuel oil prices. The temporary rate increase was set on this basis. The Company later took the position, and filed adjustments, to reflect the new position, that all interruptible profit should be eliminated from the test year and the basic rates increase a like amount (\$262,000 at May 31, 1975).

The Company first sought to eliminate interruptible profit on the basis that it would " ... not have a gas supply sufficient to serve an interruptible or seasonal customer next year." referring to the 1974-1975 season. Later by telephone call and at the hearing the Company modified its statement to indicate that it would have supply to serve interruptible customers but it had eliminated sales to its largest customer. The elimination of sales to this customer caused no deterioration in the Company's income, since it was a very low margin contract. In fact the profit on interruptibles for May 31, 1975 was \$262,000 as compared to \$97,000 in the originally filed test year.

The Company on August 7, 1975 informed the staff, in response to a question, that the former large customer had been contacted and was offered some 40,000 MCF of excess gas which the Company had available for sale.

Income for year May 31, 1975 reflects the loss of some \$66,000 of "lost profit" from temporary curtailments in the latter part of 1974. We are dealing with a test year with depressed interruptible profits. This has the affect of giving the Company a cushion against future loss of some substantial volume of interruptible profits.

Similar to the position taken by the Company in respect to excluding supplemental gas surcharge revenues actually earned, to allow this adjustment would result in a "windfall" to the Company under the recoupment and repayment provisions of our statutes. It would remove any risk of change from the Company and shift that risk to the consumers. It would take the profit incentive away from the Company to most efficiently use its available gas supplies and grant the Company interest free capital provided by its customers in this basic rate until the profits had been amortized many months after realization of the cash flow.

If an important change occurs on availability of natural gas substantially detrimental to the Company's profit level and not offset by other factors, the Company should then apply for whatever rate relief may be appropriate. We deny this adjustment.

The Company sought to adjust property taxes in the test year for increases to become known after May 31, 1975. We have consistently denied such estimates. if an estimated test year concept were adopted by this Commission, we would require that all material items of income, expense and rate base be considered. We deny this adjustment. The calculation of the revenue deficiency follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | |
|---------------------------------------|-----------|
| Required not utility operating income | \$763,000 |
|---------------------------------------|-----------|

| | |
|--|-----------|
| Net utility operating income, pro forma | 493,000 |
| | <hr/> |
| Deficiency in net utility operating income | \$270,000 |
| | <hr/> |
| Additional revenue requirement | \$544,000 |
| | <hr/> |
| (\$270,000 + .49675) | |

Cost of Gas Adjustment

[8] We are of the opinion that the general concept of the proposed cost of gas adjustment provisions, modified to conform to the rate changes and the test year figures used in

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this report, should be allowed in the public interest. These provisions should result in the need for fewer filings, assess and apportion additional costs or credits conforming to seasonal use patterns, provide for the direct credit or charge for decreases or increases in purchase or supplement gas costs, and provide for refunds to consumers on any excess revenue collected with interest.

These provisions are to become effective after the date of this report upon filing by the Company of the appropriate computations based on the findings in this report in a manner acceptable to the staff. All existing surcharges will be cancelled simultaneously.

The existing natural gas price surcharges had the result in this case of overcollecting from customers in the winter period. At May 31, 1975 some \$88,000 had been billed to customers in advance of the Company incurring these costs providing the Company with interest free capital. The balance remaining of net over-collection under the existing surcharges on the effective date of the new provision shall be credited against the cost of gas adjustment in part over the remaining summer period of these provisions and the balance over the winter period. The Company shall file a proposed allocation to the two periods, in a manner acceptable to the Staff.

[9] Under provisions of its tariff, Tennessee has given substantial curtailment credits to the Company starting in the latter part of 1974. At May 31, 1975 these credits aggregated \$76,000. In June and July, 1975 Tennessee gave additional curtailment credits to the Company.

The curtailment credits are computed on a regional basis and allocated to certain distribution customers of Tennessee. Under the tariff these credits will theoretically be recovered by Tennessee over some future period of time by a surcharge applied to Tennessee's commodity rate. The affect of this on Tennessee's distribution customers is that all will be paying the surcharge, many of whom in fact receive no credits, and any distribution company that received curtailment credits could only by the remotest chance find that at some future date its surcharge payments would actually approximate the credits received.

The distribution companies in New Hampshire have tariff provisions designed to pass on changes in Tennessee's rates to their customers. Gas Service, Inc. has such a tariff provision. In the existing tariff provisions and in filed provisions requested in this case, the Company collected the curtailment surcharge paid to Tennessee from their customers.

The Company accounted for those substantial reductions in its actual cost of natural gas by charging a greater amount to gas cost than actually paid and offset this with a recording of the credits as if they were a loan, without interest and without any evidence of indebtedness normally associated with a loan from one business enterprise to another business enterprise. In fact, we believe there is no logical, legal or equitable basis for the Company to retain these funds. These monies belong to the consumer. (One other New Hampshire gas company received curtailment credits, which it properly treated as a reduction in actual gas costs, reducing costs billed to its customers).

We order the Company to refund these credits to its customers, with interest computed at the rate of 8% from the end of each month of credit to the average month of repayment. The refund of these credits shall be made through application of the cost of gas adjustment provisions authorized in this case. The apportionment between periods shall follow the same principles outlined in the over collection of gas surcharges and in a manner acceptable to the staff.

The Company seeks to collect increases by Tennessee not covered by any effective tariff allowing the Company to surcharge its customers by treating these costs as a prior period deficiency uncollected. The Company has deferred these costs on their financial statements in an amount of \$110,000 at May 31, 1975. We will not allow charges incurred prior to the effective date of tariff provisions to be added to current costs. During the period when costs were incurred the Company had temporary rates authorized. Following the temporary rate periods and until the effective date of this report, the Company has been collecting revenues under bond at substantially increased rates. We are well aware of our obligation under the law that the temporary rates must yield not less than a

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reasonable return. We shall show that a very generous return was realized by the Company for the temporary rate period.

Any refunds collected from its suppliers applicable to increased charges billed to Company customers under previously existing surcharges or under these cost of gas adjustment provisions shall be refunded to customers as the Commission will direct.

Surcharge and Repayment

[10] Under our statutes where temporary rates are prescribed, RSA 378:27 and a final rate decision is determined with rates in excess of those prescribed in such temporary order then the utility is permitted to amortize and recover by means of a temporary increase over and above the rates finally determined, such sum as shall represent the difference between the gross income obtained from the rates prescribed in such temporary order and the gross income which would have been obtained under the rates finally determined if applied during the period such temporary order was in effect, RSA 378:29. Where rates collected under such temporary rates are found to be higher than rates which should have been in effect during the continuance of such temporary rates, then repayment must be made to the customers, RSA 378:30. Where a schedule of increased rates are collected under bond after having been suspended by the Commission, the difference if any between the amount collected and the schedule of rates determined by the Commission shall be repaid to the customers of the Company, RSA 378:6.

This case, with its extended time span and complexities, involves both surcharge and repayment.

For the period October 1, 1974 through May 31, 1975 the Company collected temporary rates at an amount increased by \$450,000 on an annual basis. The amount of increase actually collected for this period totaled \$349,000. We have found that rates should be increased by \$544,000 on an annual basis. Accordingly, the Company is entitled to collect an additional amount of revenues for this period in the amount of \$73,000.

[Equation below may extend beyond size of screen or contain distortions.]

$$\begin{aligned}
 &(\$544,000 \\
 &= 1.21; \$349,000 \times .21 = \$73,000) \\
 &(\$450,000
 \end{aligned}$$

For the period June 1, 1975 through July 9, 1975 the Company is entitled to recoupment. The Company shall file computations of the recoupment amount for this period in a manner and amount acceptable to the staff.

For the period July 10, 1975 to the effective date of the new rate schedules, authorized herein, the Company is required to repay excess revenues collected. The Company shall file computations of the repayment amount for this period in a manner and amount acceptable to the staff.

The net amount of the foraging recoupment and repayment shall be charged or credited to the Company's customers in a manner acceptable to the staff.

Under the law the temporary rates must yield not less than a reasonable return. The increased temporary rate period, October 1, 1974 through May 31, 1975 resulted in a generous return to the Company as analyzed below:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | | |
|---|------------|-----------|
| (a) Net Income, 8 months, October 1, 1974 | \$ 403,000 | |
| May 31, 1975, as reported by Company | | |
| Average Common Equity | 3,196,000 | |
| | <hr/> | |
| Rate of return common equity, 8 months | 12.6% | |
| | <hr/> | |
| Annualized rate of return | 18.9% | |
| | <hr/> | |
| (b) Net income as reported | 403,000 | |
| Costs paid to Tennessee not billed to customers, deferred at May 31, 1975 | (110,000) | |
| Surcharge under final rates, applicable to this period | 73,000 | |
| | <hr/> | |
| Net reduction | (37,000) | |
| Applicable income taxes | 19,000 | 18,000 |
| | <hr/> | <hr/> |
| Adjusted net income | | \$385,000 |
| Rate of return common equity, 8 months | | 12.0% |
| | | <hr/> |

Clearly the Company cannot be said to have suffered during this period. A higher rate of return on common equity than this Commission could authorize was realized in a period when circumstances occurred harmful to net income and, in a major portion, would from the date of this case be a charge to the Company's customers.

General

The findings of this report including the allocations and the pro forma adjustments were used to arrive at a just and reasonable rate decision in long and complex proceedings. This Commission does not by this report endorse or agree with some of the Company's accounting policies for recording of allocations or the timing of the recording of revenues or costs.

Rates

The Company shall promptly file revised rate schedules and tariff provisions designed to result in the change authorized in this report. The divisional allocations of new rates and all other aspects of tariff changes shall be filed in a manner acceptable to the staff.

Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Fourth Revised pages 14,15,16,17 and 17A, Fifth Revised Pages 17B, 25, 26 and 33, Sixth Revised Page 29 and Seventh Revised Page 28 of its Gas Service, Inc. Tariff, N.H.P.U.C. No. 4 — Gas, providing for basic rate increases in the Nashua and Laconia Divisions; and Original Page 19-A and Second Revised Pages 19-23 of its tariff, N.H.P.U.C. No. 4 — Gas, providing for a basic rate increase in the Keene Division; be, and hereby are, rejected as of the date of a supplemental order to follow; and it is

FURTHER ORDERED, that Original Page No. 13-B to its tariff, N.H.P.U.C. No. 4 — Gas, providing for a Cost of Gas Adjustment for all divisions, Original Pages 17-C, 17-D and 17E to its tariff, N.H.P.U.C. No. 4 — Gas, providing calculation pages for the Cost of Gas Adjustment for the Nashua Division, and Original Pages 24-A, 24-B and 24-C to its tariff, N.H.P.U.C. No. 4 — Gas, providing calculation pages for the Cost of Gas Adjustment for the Keene Division, and Original Pages 30-A, 30-B and 30-C to its tariff, N.H.P.U.C. No. 4 — Gas, providing calculation pages for the Cost of Gas Adjustment for the Laconia Division be, and hereby are, rejected; and it is

FURTHER ORDERED, that all other Cost of Gas Adjustments, Temporary Purchased Gas Price Adjustments and Supplemental Gas Price Adjustments, to Gas Service, Inc. tariff N.H.P.U.C. No. 4 — Gas, both effective and suspended, are hereby cancelled, as of the date of a supplemental order to follow; and it is

FURTHER ORDERED, that revised tariff pages be submitted to produce revenues over and above those produced by the basic rates in tariff, N.H.P.U.C. No. 4 — Gas by the amount of

\$544,000; and it is

FURTHER ORDERED, that revised tariff pages relative to Cost of Gas Adjustment be submitted to conform to the rate changes and test year figures used in the foregoing report: and it is

FURTHER ORDERED, that when said submissions have been approved by the Commission, a supplemental order will be issued accordingly; and it is

FURTHER ORDERED, that computations be filed with this Commission showing a total net dollar amount of surcharge or repayment, by divisions, as a result of the overpayments and underpayments noted in the foregoing report.

By order of the Public Utilities Commission of New Hampshire this twenty sixth day of August, 1975.

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NH.PUC*08/26/75*[77524]*60 NH PUC 473*Anthony Delpidio

[Go to End of 77524]

Re Anthony Delpidio

DE 75-171, Order No. 11,979

60 NH PUC 473

New Hampshire Public Utilities Commission

August 26, 1975

PERMISSION granted an individual to install and maintain an underwater cable.

CONSTRUCTION AND EQUIPMENT, § 5 — Underwater cables — Private citizens.

[N.H.] Where it was necessary for service and did not affect public rights, a private citizen was authorized to place, own, and maintain a submarine cable in public waters between private properties.

BY THE COMMISSION:

Order

WHEREAS, by petition filed July 30, 1975, Anthony Delpidio seeks a license pursuant to RSA 371:17-20 to own and maintain an underwater cable across Lake Winnepesaukee in the Town of Meredith; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately 675 feet of the Lake from Pole No. 45/4.1 on Pitchwood Island to a proposed Pole No. 45/4.2 on

Wilcomb Island; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the petitioner and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Anthony Delpidio to own and maintain an underwater cable under Lake Winnepesaukee in the Town of Meredith, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty sixth day of August, 1975.

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NH.PUC*09/09/75*[77525]*60 NH PUC 473*New England Power Company

[Go to End of 77525]

Re New England Power Company

DF 75-150, Supplemental Order No. 11,990

60 NH PUC 473

New Hampshire Public Utilities Commission

September 9, 1975

RATIFICATION of an electric company's price for preferred stock as set by competitive bidding.

Page 473

SECURITY ISSUES, § 109 — Preferred stock — Sale price — Competitive bidding.

[N.H.] Pursuant to previous authorization for the issuance of preferred stock, the price for such stock, as set by competitive bidding, was approved by the commission.

BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 11,937 of this Commission dated July 25, 1975, (60 NH PUC 445) issued in the above entitled proceeding, New England Power Company was authorized to issue and sell \$25,000,000 aggregate value of preferred stock consisting of either 250,000 shares

of a new series of its dividend series preferred stock \$100 par value per share or 1,000,000 shares of the first series of its preferred stock — cumulative of par value \$25 per share, at such price and such dividend rate as shall be determined by competitive bidding; and

WHEREAS, New England Power Company has determined that the preferred stock to be sold will be 1,000,000 shares of the first series of its preferred stock — cumulative of par value \$25 per share; and

WHEREAS, in compliance with said order, New England Power Company has secured proposals for the purchase of said first series of preferred stock cumulative of a par value \$25 per share, in a manner satisfactory to the Commission, the most favorable offer being twenty five and three hundred sixteen thousandths dollars (\$25.316) per share, and eleven and four one hundredths percent (11.04%) per annum as the dividend rate therefor, thus establishing a cost of money to the Company of ten and nine thousand twenty-one ten thousandths percent (10.9021%) per annum; upon consideration; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell one million (1,000,000) shares of the first series of preferred stock — cumulative of a par value of \$25 per share, at a price of twenty five and three hundred sixteen thousandths dollars (\$25.316) per share, and eleven and four one hundredths percent (11.04%) per annum; and it is

FURTHER ORDERED, that the authorization contained herein be subject to all the terms and conditions stipulated in our original order in this proceeding.

By order of the Public Utilities Commission of New Hampshire this ninth day of September, 1975.

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NH.PUC*09/12/75*[77526]*60 NH PUC 474*Columbia Water Company, Inc.

[Go to End of 77526]

Re Columbia Water Company, Inc.

I-E14,398, Order 11,997

60 NH PUC 474

New Hampshire Public Utilities Commission

September 12, 1975

EXEMPTION of a water company from public utility statutes.

PUBLIC UTILITIES, § 39 — Status — Limited class — Exemption from statutes.

[N.H.] Because a water company was serving only three customers and had no immediate plans to serve any others, it was exempted from compliance with public utility statutes.

BY THE COMMISSION:

Order

WHEREAS, Columbia Water Company, Inc., a central water system furnishing water service in a limited area in the Town of Columbia, New Hampshire, by a petition filed May 26, 1975 seeks exemption from the provisions of RSA 362:4, as amended; and

WHEREAS, the petitioner states that he is now furnishing water to three (3) customers, and has no immediate plans for expansion of the system to serve ten or more customers; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

ORDERED, that exemption from public utility statutes be, and hereby is, granted to Columbia Water Company, Inc., and it is

FURTHER ORDERED, that Columbia Water Company, Inc. shall notify this Commission if at some future time it shall expand its water system to serve ten or more customers.

By order of the Public Utilities Commission of New Hampshire this twelfth day of September, 1975.

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NH.PUC*09/19/75*[77527]*60 NH PUC 475*New Hampshire Electric Cooperative, Inc.

[Go to End of 77527]

Re New Hampshire Electric Cooperative, Inc.

I-R14,396, Order No. 12,003

60 NH PUC 475

New Hampshire Public Utilities Commission

September 19, 1975

ACCEPTANCE of a special rate contract between an electric cooperative and an investment association.

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc. a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 46 with Nelson B. Piper, Jr., d/b/a Property Investment Associates, Inc. effective whenever power is made available, for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of September, 1975.

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NH.PUC*09/19/75*[77528]*60 NH PUC 476*Eastman Water Company

[Go to End of 77528]

Re Eastman Water Company

DF 75-79, Order No. 12,005

60 NH PUC 476

New Hampshire Public Utilities Commission

September 19, 1975

AUTHORIZATION for the issuance of common stock and long-term notes.

SECURITY ISSUES, § 111 — Stocks and notes — Financing — Consideration.

[N.H.] A water company was authorized to issue common stock and long-term notes with its completed water utility facilities, at actual cost, to be the consideration.

APPEARANCES: Peter B. Rotch for the petitioner.

Report

By this unopposed petition, filed April 1, 1975, Eastman Water Company, a corporation duly organized under the laws of the State of New Hampshire, operating as a public water utility in limited areas in the Towns of Enfield, Grantham and Springfield, seeks authority, pursuant to the provisions of RSA 369, to issue 8,428 shares of its common capital stock, \$5 par value and to issue long-term notes in the amount of \$84,280. The consideration for the securities to be issued will be the conveyance of completed water utility facilities, at actual cost, on the following basis.

- (a) Common capital stock for 10% of the value of said facilities;
- (b) A promissory note payable in 5 years with interest at the rate of 9 1/2% per annum for 20% of the value of said facilities;
- (c) a contribution to the capital of the petitioner for 70% of the value of said facilities.

A hearing was held on the petition on September 10, 1975.

The procedure for capitalizing the petitioner was detailed to this Commission in D-E6374. The petitioner filed copies of appropriate votes, pro forma balance sheet and detailed listings of the facilities to be transferred.

Upon consideration of the evidence submitted, this Commission finds that the issuance of common capital stock and promissory notes, upon the terms proposed, is consistent with the public good. Our order, authorizing the issue of the petitioner's common capital stock and long-term notes, will be issued accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; and

WHEREAS, by this unopposed petition Eastman Water Company seeks authority to issue pursuant to RSA 369 eight thousand four hundred and twenty eight (8,428) shares of its common capital stock and its long term notes in the amount of eighty four thousand two hundred eighty dollars (\$84,280); and

WHEREAS, the consideration for the securities to be issued will be the conveyance of completed water utility facilities, at cost, including a contribution to the capital of the petitioner of 70% of the value of said facilities; and

WHEREAS, this Commission, after investigation and consideration, finds that the granting of this petition is consistent with the public good; it is

ORDERED, that Eastman Water Company be, and hereby is, authorized to issue thousand four hundred twenty eight (8,428) shares of its common capital stock, par value \$5, in consideration for conveyance to it of 10% of the value of the said water facilities; and it is

FURTHER ORDERED, that Eastman Water Company be, and hereby is, authorized to

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issue its promissory notes payable, payable in five years, with interest at the rate of 9 1/2% per annum, in the amount of eighty four thousand two hundred and eighty dollars (\$84,280) in consideration for the conveyance to it of 20% of the value of said water facilities; and it is

FURTHER ORDERED, that Eastman Water Company be, and hereby is, authorized to accept as a contribution to its capital the conveyance to it of 70% of the value of said water facilities, all in accordance with terms and conditions set forth in the petition and as represented at the hearing; and it is

FURTHER ORDERED, that Eastman Water Company shall file with this Commission within ninety (90) days after the issuance of the securities, a detailed balance sheet, duly sworn to by its treasurer, showing the conveyance of the water facilities and the issuance of the securities.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of September, 1975.

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NH.PUC*09/22/75*[77529]*60 NH PUC 477*Pittsfield Aqueduct Company

[Go to End of 77529]

Re Pittsfield Aqueduct Company

DR 75-135, Supplemental Order No. 12,007

60 NH PUC 477

New Hampshire Public Utilities Commission

September 22, 1975

INCREASE in rates granted a water company.

RATES, § 595 — Water — Equal percentage increase — Revenue deficiency.

[N.H.] A water company was granted a rate increase, to be implemented as an equal percentage increase across the board, following a finding of a clear revenue deficiency.

APPEARANCES: Cedric H. Dustin, Jr. and Ronald P. Bisson for the petitioner; Lester S. Emerson, chairman of the board of selectmen for the Town of Pittsfield.

BY THE COMMISSION:

Report

On May 29, 1975 Pittsfield Aqueduct Company, a duly authorized New Hampshire corporation, operating as a public utility in the Town of Pittsfield, under the jurisdiction of this Commission pursuant to the provisions of RSA 378:3, filed new rates for water service to become effective July 1, 1975. By filing Revised Page Nos. 13,14,15,16, and 17 of its tariff, NHPUC No.4, the Company filed a schedule of new rates which was designed to produce an increase in annual revenues of approximately \$27,093.

On June 12, 1975 this Commission under authority granted in RSA 378:6 by Order No. 11,873, suspended the scheduled rates filed on May 29, 1975.

On August 12, 1975 an order was issued for a public hearing on the new rates to be held at the office of the Commission on August 26, 1975.

A hearing was held in Concord on August 26, 1975. The Company presented testimony and other evidence indicating a need for increase revenues of twenty seven thousand ninety three dollars (\$27,093). The Company used its fiscal year, the calendar year 1974, as the test year.

At the hearing Lester S. Emerson, Chairman of the Selectmen of Pittsfield, informed the Commission that the town was aware of the need for some increase but the impact

that an increase will have on the property tax for the year was not take into consideration in the town budget.

Further investigation of data submitted at the hearing was conducted by the staff. The Company submitted new schedules, reflecting changes and reclassifications in agreement with the staff.

Rate Base

We accept the revised computations submitted by the Company and find that the rate base is \$256,000.

Rate of Return

We accept the Company's revised pro forma capital structure and we find the cost of capital to be 11.8% computed below.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | Amount | % | Cost | Rate | Weighted |
|---------------|-----------|--------|-------|-------|----------|
| Debt | \$105,000 | 36.7% | 10.5% | 3.9% | |
| Common Equity | 181,000 | 63.3% | 12.5% | 7.9% | |
| TOTAL | 286,000 | 100.0% | | 11.8% | |

We find the fair rate of return to be 12%.

Revenue Requirements

Applying the fair rate of return, 12%, to the rate base, \$256,000, the required net utility operating income is \$31,000.

Net utility operating income as reported for the year 1974 was \$11,000. Adjusted for changes made by the staff, the net utility operating income becomes \$13,000.

The required increase in revenues and net utility operating income is computed as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | |
|---|----------|
| Required net utility operating income | \$31,000 |
| Adjusted net utility operating income | 13,000 |
| Deficiency | \$18,000 |
| Additional revenue requirement - reflecting taxes based on income (\$18,000 + .729) | \$25,000 |

We find that the increased rates shall become effective for all services on or after October 1, 1975. Our order will issue accordingly.

Supplemental Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that First Revised Pages 13-17 of tariff, NHPUC No. 4-Water, as filed by Pittsfield Aqueduct Company on May 29, 1975, which revisions were suspended by Commission Order No. 11,873 dated June 12, 1975, be and hereby are, rejected; and it is

FURTHER ORDERED, that, in accordance with the increase in rates authorized by this Report and Order, Pittsfield Aqueduct Company shall file new tariff pages setting forth therein rates designed to produce an annual increase in revenue of twenty-five thousand dollars (\$25,000.00), such rates reflecting an equal percentage increase to all rates for all classes of service; and it is

FURTHER ORDERED, that the revised tariff pages incorporating the above changes shall be filed to become effective for all service rendered on or after October 1, 1975, and such tariff pages shall carry the notation "Issued in compliance with Supplemental Order No. 12,007 in case DR 75-135"; and it is

FURTHER ORDERED, that Pittsfield Aqueduct Company give public notice of these new rates by publishing the same once, prior to the effective date, in a newspaper having general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this twenty second day of September, 1975.

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NH.PUC*09/23/75*[77530]*60 NH PUC 479*New England Telephone and Telegraph Company

[Go to End of 77530]

Re New England Telephone and Telegraph Company

DE 75-187, Order No. 12,010

60 NH PUC 479

New Hampshire Public Utilities Commission

September 23, 1975

LICENSE granted a telephone company to place plant in public waters.

TELEPHONES, § 2 — Construction and equipment — Underwater — Public waters.

[N.H.] A telephone company was authorized to construct submarine telephone plant in public waters where it was necessary for service and would not affect public rights in the water.

BY THE COMMISSION:

Order

WHEREAS, by petition filed August 27, 1975, New England Telephone and Telegraph Company seeks a license, pursuant to RSA 371:17-20 to place and maintain an underwater plant across Lovell Lake in the Town of Wakefield; and

WHEREAS, the petition represents that the proposed construction will cross approximately one thousand five hundred twenty (1,520) feet of the Lake from Pole No. 4L/1 located on the mainland adjacent to State Highway No. 109 to Pickman's Island and will provide service to James Pickman; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain an underwater plant across Lovell Lake in the Town of Wakefield, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of September, 1975.

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NH.PUC*09/24/75*[77531]*60 NH PUC 479*Public Service Company of New Hampshire

[Go to End of 77531]

Re Public Service Company of New Hampshire

DSF 75-18, Third Supplemental Order No. 12,011

60 NH PUC 479

New Hampshire Public Utilities Commission

September 24, 1975

INCORPORATION of a state department's modification of a certificate of site and facility.

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CERTIFICATES, § 134 — Modification — State authorities — Incorporation of exception.

[N.H.] Giving deference to the authority of the Department of Public Works and Highways, the commission incorporated into a certificate of site and facility the department's exception for an electric company's transmission lines.

BY THE COMMISSION:

Third Supplemental Order

WHEREAS, the Public Utilities Commission issued Order No. 11,955 on August 8, 1975 (60 NH PUC 456) authorizing the Public Service Company of New Hampshire to construct and maintain a 115 KV transmission line from Deerfield to Laconia; and

WHEREAS, said Order, pursuant to RSA 162-F:8 (II), incorporated certain subsidiary licenses and permits from other agencies with the power to grant such licenses and permits; and

WHEREAS, the license from the Department of Public Works and Highways which was incorporated in that Order required a minimum vertical clearance above the highway of forty (40) feet for all highway crossings; and

WHEREAS, upon the request of the Public Service Company of New Hampshire, the Department of Public Works and Highways has seen fit to grant an exception to a portion of its previously issued license to the extent that the minimum vertical clearance over the Laconia by-pass in the City of Laconia shall be thirty (30) feet instead of forty (40) feet; it is

ORDERED, that the modification of the Department of Public Works and Highways' license be, and hereby is, incorporated into the Certificate of Site and Facility which was issued by this Commission under Order No. 11,955; and it is

FURTHER ORDERED, that said Certificate of Site and Facility shall in every manner and respect, remain in full force and effect as issued.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of September, 1975.

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NH.PUC*09/26/75*[77532]*60 NH PUC 480*New Hampshire Electric Cooperative, Inc.

[Go to End of 77532]

Re New Hampshire Electric Cooperative, Inc.

I-R14,392, Order No. 12,015

60 NH PUC 480

New Hampshire Public Utilities Commission

September 26, 1975

CONFIRMATION of a special rate contract between an electric cooperative and a development corporation.

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BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 45 with Attitash Development Corporation effective whenever power is made available for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest: it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of September, 1975.

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NH.PUC*09/29/75*[77533]*60 NH PUC 481*Vanus A. and Irene Demark

[Go to End of 77533]

Re Vanus A. and Irene Demark

I-E14,407, Order No. 12,018

60 NH PUC 481

New Hampshire Public Utilities Commission

September 29, 1975

EXEMPTION of two people supplying water service from public utility statutes.

PUBLIC UTILITIES, § 39 — Status — Individuals — Limited service class.

[N.H.] Where two individuals were acting as a water service supplier for five customers and had no immediate intentions of expanding their operations, they were exempted from public utility statutes.

BY THE COMMISSION:

Order

WHEREAS, Vanus A. and Irene DeMark, operating a central water system furnishing water service in a limited area in the Town of Belmont, New Hampshire, by a petition filed August 1, 1975 seeks exemption from the provisions of RSA 362:4, as amended; and

WHEREAS, the petitioner states that he is now furnishing water to five (5) customers, and has no immediate plans for expansion of his system to serve ten or more customers; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the

granting of the petition will be for the public good; it is

ORDERED, that exemption from public utility statutes be, and hereby is, granted to Vanus A. and Irene DeMark; and it is

FURTHER ORDERED, and Vanus A. and Irene DeMark shall notify this Commission if at some future time it shall expand its water system to serve ten or more customers.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 1975.

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NH.PUC*09/30/75*[77534]*60 NH PUC 482*Gas Service, Inc.

[Go to End of 77534]

Re Gas Service, Inc.

DR 74-132, Supplemental Order No. 12,019

60 NH PUC 482

New Hampshire Public Utilities Commission

September 30, 1975

REVIEW and acceptance of a gas company's revised tariffs.

RATES, § 245 — Commission approval — Revised tariffs — Prior provisions.

[N.H.] The commission approved a gas company's tariffs, revised pursuant to a previous commission order, that complied with provisions on surcharges, credits and gas cost adjustments.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Gas Service, Inc., in compliance with the Commission's Order No. 11,976, (60 NH PUC 463) has filed tariff N.H.P.U.C. No. 5 — Gas, designed to produce an increase in rates of five hundred forty-three thousand seven hundred sixty dollars (\$543,760) [five hundred forty-four thousand dollars (\$544,000) authorized] or one hundred twenty-one thousand seven hundred sixteen dollars (\$121,716) over temporary rates previously authorized; and

WHEREAS, all other provisions and intent of Order No. 11,976 pertaining to authorized surcharges and credits have been complied with, including an adjustment of thirty-three thousand eight hundred thirty-nine dollars (\$33,839) covering excess cost of natural gas purchased from June 1, 1975 to October 1, 1975; it is

ORDERED, that tariff N.H.P.U.C. No. 5 — Gas be, and hereby is, permitted to become effective with all current bills rendered on or after October 1, 1975; and it is

FURTHER ORDERED, that notice of said increase in rates be given by publication of this Order in a newspaper having general circulation in the territory served, including a schedule of the new rates.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of September, 1975.

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NH.PUC*10/03/75*[77535]*60 NH PUC 482*Public Service Company of New Hampshire

[Go to End of 77535]

Re Public Service Company of New Hampshire

DE 75-173, Order No. 12,022

60 NH PUC 482

New Hampshire Public Utilities Commission

October 3, 1975

PERMISSION given an electric company to reconstruct transmission lines.

Page 482

ELECTRICITY, § 7 — Authorization for transmission lines — Reconstruction — Increased height.

[N.H.] In order to increase the height of transmission lines over public waters and a dam, an electric company was granted a license to reconstruct and maintain existing lines.

BY THE COMMISSION:

Order

WHEREAS, by petition filed August 1, 1975, Public Service Company of New Hampshire seeks a license pursuant to RSA 371-17-20 to reconstruct and maintain electric transmission lines over and across the Pemigewasset River in the Towns of New Hampton and and Bristol; and

WHEREAS, the petition represents that the proposed construction will cross approximately one thousand and thirty feet (1,030) of the river approximately three thousand five hundred and forty feet (3,540) north of the petitioner's Ayers Island Dam in order to increase the height of the

lines over the surface of the water; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to reconstruct and maintain electric transmission lines over and across the Pemigewasset River in New Hampton and Bristol, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this third day of October, 1975.

=====

NH.PUC*10/03/75*[77536]*60 NH PUC 483*Public Service Company of New Hampshire

[Go to End of 77536]

Re Public Service Company of New Hampshire

DE 75-186, Order No. 12,023

60 NH PUC 483

New Hampshire Public Utilities Commission

October 3, 1975

AUTHORITY granted an electric utility to reconstruct its transmission lines.

ELECTRICITY, § 7 — Authorization for transmission lines — Reconstruction — Public waters.

[N.H.] To meet its service requirements and increase the height of its lines, an electric company was allowed to reconstruct its transmission lines crossing public waters.

BY THE COMMISSION:

Order

WHEREAS, by petition filed August 1, 1975, Public Service Company of New Hampshire, seeks a license pursuant to RSA 371-17-20 to reconstruct and maintain electric lines over and across the Pemigewasset River

in the Towns of New Hampton and Bridgewater; and

WHEREAS, the petition represents that the proposed construction will cross approximately four hundred and twenty seven feet (427) of the river approximately six (6) miles northeast of the petitioner's Ayers Island Dam in order to increase the height of the lines over the surface of the water; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire, to reconstruct and maintain electric lines over and across the Pemigewasset River in the Towns of New Hampton and Bridgewater, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this third day of October, 1975.

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NH.PUC*10/06/75*[77537]*60 NH PUC 484*Public Service Company of New Hampshire

[Go to End of 77537]

Re Public Service Company of New Hampshire

DF 75-189, Order No. 12.026

60 NH PUC 484

New Hampshire Public Utilities Commission

October 6, 1975

RATIFICATION of an electric utility's proposed issuance of preferred stock.

SECURITY ISSUES, § 96 — Preferred stock — Negotiated sales — Retirement of debt.

[N.H.] A company's issuance of preferred stock through negotiated public offerings was approved in light of current money market conditions and the purposes of the issuance in paying off short-term debt.

APPEARANCES: Russell A. Winslow for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed September 5, 1975, Public Service Company of New Hampshire (the "Company") a corporation duly organized and existing under the laws of the State of New Hampshire, and operating therein as an electric public utility under the jurisdiction of this Commission, seeks authority pursuant to the provisions of RSA 369 to issue and sell for cash not exceeding \$15,000,000 in par value of Preferred Stock, and not exceeding \$15,000,000 of First Mortgage Bonds, Series U, and to mortgage its present and future property, tangible and intangible including franchises, as security for said bonds.

At the hearing on the petition, held in Concord on September 23, 1975, the Company submitted that its present plans were to create and sell 600,000 shares of a new class of Preferred Stock, \$25 par value, but that the sale of 150,000 shares of the presently authorized Preferred Stock, \$100 par value, was an available alternative, and that in either event

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the stock would be sold for not less than its par value. The Company further submitted that a portion of the proceeds of the sale of the Preferred Stock and the Bonds will be used to pay of all short-term notes outstanding at the time of the sale (estimated to aggregate \$17,500,000), the proceeds of which will have been expended in the purchase and construction of property reasonable requisite for present and future use in the conduct of the Company's business, and the balance used to finance the purchase and construction of additional such property and for other proper corporate purposes. The Company further submitted that all expenses incurred in accomplishing the financing, including the fee paid to the underwriters in connection with the sale of the Preferred Stock, will be paid from the general fund of the Company.

The Company further submitted that the securities will be sold through negotiated public offerings. The Company asserted its belief that the difficulty of raising capital in today's money markets continued to justify negotiated offerings and that negotiated sales would result in terms at least as favorable as those that might be obtained through competitive sales.

The Company submitted a balance sheet as at July 31, 1975, actual and pro formed for the sale of these securities. Exhibits were also submitted showing: disposition of proceeds; estimated expenses of the issues; and capital structure as at July 31, 1975 and pro formed for the sale of these securities. Projected financing requirements and estimated construction expenditures were outlined in testimony. A certified copy of authorizing votes of the Company's Board of Directors was put in evidence at the hearing.

Upon investigation and consideration, the Commission is satisfied that the proceeds from the proposed financing will be expended (1) to pay of all short-term notes outstanding at the time of the sale, and the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the petitioner's business, (2) to finance the purchase and construction of additional such property and (3) for other proper corporate purposes, and finds that the issue and sale of these securities will be consistent with the public good.

Our order will issue authorizing (i) the issuance and sale of not exceeding \$15,000,000 in par

value of Preferred Stock, consisting of either the proposed \$25 par value stock or the presently authorized \$100 par value stock, and not exceeding \$15,000,000 of First Mortgage Bonds, to be sold through public offerings negotiated with underwriters; the Preferred Stock to be of such class, and the sales of both the Preferred Stock and the Bonds to be at such prices and on such terms, as may be submitted to and approved by this Commission after negotiation; such approval to be set forth in a supplemental order to be issued prior to the issuance of said securities; and (ii) the mortgaging of the petitioner's present and future property as security for said bonds.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell not exceeding fifteen million dollars (\$15,000,000) in par value of Preferred Stock for cash in accordance with the foregoing report and as set forth in its petition, such stock to consist of not exceeding either 600,000 shares of the proposed new Preferred Stock, \$25 par value, or 150,000 shares of the presently authorized Preferred Stock, \$100 par value; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell not exceeding fifteen million dollars (\$15,000,000) of its First Mortgage Bonds, Series U, for cash in accordance with the foregoing report and as set forth in its petition; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to mortgage its present and future property, tangible and intangible including franchises, as security for the First Mortgage Bonds; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire shall submit to this Commission the class and number of shares of Preferred Stock to be issued, and

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the purchase price thereof and dividend rate thereon, and the principal amount, term, purchase price and rate of interest of said First Mortgage Bonds. Following this required submission, a Supplemental Order will issue approving the terms of the issue and sale of the securities, including the class and number of shares of Preferred Stock and the price thereof and dividend rate thereon, and the principal amount, term, purchase price, and rate of interest of said First Mortgage Bonds; and it is

FURTHER ORDERED, that the proceeds from the sale of said securities shall be used for the purpose of discharging and repaying all outstanding short-term notes of said Company, to pay for the purchase and construction of additional property, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire furnish this Commission with copies of its Registration Statement filed with the Securities and Exchange Commission and of any amendments thereof; and it is

FURTHER ORDERED, that on January first and July first in each year, Public Service Company of New Hampshire shall file with this Commission a detailed statement, duly sworn by

its financial Vice President or its Treasurer, showing the disposition of the proceeds of said securities being authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this sixth day of October, 1975.

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NH.PUC*10/08/75*[77538]*60 NH PUC 486*Public Service Company of New Hampshire

[Go to End of 77538]

Re Public Service Company of New Hampshire

DF 75-202, Order No. 12,030

60 NH PUC 486

New Hampshire Public Utilities Commission

October 8, 1975

ORDER authorizing an increase in an electric company's common stock and the formation of a preferred stock class.

SECURITY ISSUES, § 96 — Common and preferred stock — Shareholder approval — Purpose of issue.

[N.H.] Where the stockholders had voted in favor of a new issuance in order to finance an electric utility's construction program, the commission approved additional common stock and a new class of preferred stock.

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a corporation duly organized and existing under the laws of the State of New Hampshire, and operating as an electric public utility under the jurisdiction of this Commission seeks authority pursuant to RSA 369. as follows:

A. That this Commission find that the increase in the authorized common capital stock, \$5 par value, of the Company from

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7,500,000 shares to 12,000,000 shares, and the authorization of 2,000,000 shares of a new class of preferred stock, \$25 par value, is consistent with the public good;

B. That this Commission approve and authorize the said increase of the authorized common capital stock, \$5 par value, and authorize 2,000,000 shares of a new class of preferred stock, \$25 par value; and

WHEREAS, the Company filed a petition on October 6, 1975 stating that the proposed increases in the authorized preferred and common stock are necessary in order for the Company to finance its construction program; and

WHEREAS, the Company filed certification that stockholders voted to authorize the capital changes; and

WHEREAS, the Commission, after investigation finds that the increase in common capital stock, \$5 par value, and the authorization of a new class of preferred stock, \$25 par value, is consistent with the public good; it is

ORDERED, that Public Service Company of New Hampshire, be and hereby is, authorized to increase its authorized common capital stock, \$5 par value, from 7,500,000 shares to 12,000,000 shares, and authorized to establish a new class of 2,000,000 shares of preferred stock, \$25 par value.

By order of the Public Utilities Commission of New Hampshire this eighth day of October, 1975.

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NH.PUC*10/14/75*[77539]*60 NH PUC 487*New England Telephone and Telegraph Company

[Go to End of 77539]

Re New England Telephone and Telegraph Company

DE 75-197, Order No. 12,034

60 NH PUC 487

New Hampshire Public Utilities Commission

October 14, 1975

AUTHORIZATION for the placement of submarine telephone cables in public waters.

TELEPHONES, § 2 — Construction and equipment — Underwater plant — Island resident.

[N.H.] In order to provide service to a resident of an island, a telephone company was authorized to install underwater plant in public waters between private properties.

BY THE COMMISSION:

Order

WHEREAS, by petition filed September 19, 1975, New England Telephone and Telegraph Company seeks a license pursuant to RSA 371:17-20 to place and maintain submarine plant crossing state owned public waters of Squam Lake in the Town of Holderness; and

WHEREAS, the petition represents that the proposed construction will cross approximately four thousand (4,000) feet of the Lake, from private property of Nicholas Coolidge on Long Island in Holderness to private property of Robert Coolidge on Long Island and to provide service to the said Robert Coolidge in the New England Ashland Exchange; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission,

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it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to place and maintain submarine plant crossing state owned public waters of Squam Lake in the Town of Holderness, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of October, 1975.

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NH.PUC*10/15/75*[77540]*60 NH PUC 488*Public Service Company of New Hampshire

[Go to End of 77540]

Re Public Service Company of New Hampshire

DF 75-189, Supplemental Order No. 12,035

60 NH PUC 488

New Hampshire Public Utilities Commission

October 15, 1975

EXAMINATION of an electric company's stock and bond issuance following negotiations with underwriters.

1. SECURITY ISSUES, § 109 — Preferred stock — Sale price and interest rate — Underwriters.

[N.H.] Pursuant to an agreement between an electric utility and underwriters, the company was authorized to issue preferred stock at a dividend rate of 11 per cent per year and at a price of \$25 per share. p. 488.

2. SECURITY ISSUES, § 95 — First mortgage bonds — Underwriters — Public good.

[N.H.] Finding it to be for the public good, the commission approved the issuance of first mortgage bonds in accordance with an underwriting agreement. p. 489.

BY THE COMMISSION:

Supplemental Order

WHEREAS, our order No. 12,026 dated October 6, 1975 (60 NH PUC 484) issued in the above entitled proceeding, authorized Public Service Company of New Hampshire, inter alia, to issue and sell not exceeding fifteen million dollars (\$15,000,000) in par value of Preferred Stock, subject to further order of this Commission: and

[1] WHEREAS, in compliance with said Order No. 12,026, following negotiation with underwriters, the Company has submitted to this Commission the details concerning the class of Preferred Stock and the number of shares to be sold, and the price, dividend rate and other terms of said Preferred Stock, which contemplate the issue and sale of six hundred thousand (600,000) shares of Preferred Stock, \$25 par value, either to the public, through an offering by underwriters on behalf of the Company, or to underwriters who will make a public offering thereof, or both, as set forth in the Underwriting Agreement between the Company and the underwriters, a copy of which is to be filed with the Commission, said Preferred Stock to be sold bearing a dividend rate of eleven percent (11%) per year, at a price to the Company of twenty-five dollars (\$25) per share, with compensation to the underwriters in the aggregate

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amount of six hundred sixty thousand dollars (\$660,000); and

WHEREAS, after due consideration, it appears that the issue and sale of said Preferred Stock upon the terms, conditions and price hereinabove set forth or referred to, is consistent with the public good; and

WHEREAS, said Order No. 12,026 also authorized Public Service Company of New Hampshire, inter alia, to issue its First Mortgage Bonds, Series U, in the principal amount of not exceeding fifteen million dollars (\$15,000,000) subject to further order of this Commission; and

[2] WHEREAS, in compliance with said Order No. 12,026 following negotiation with underwriters, the Company has submitted to this Commission details concerning the principal amount of said Bonds to be sold, the term and the price thereof, and the interest rate thereon, said principal amount being fifteen million dollars (\$15,000,000), said term being ten (10) years from October 15, 1975, said price being ninety-eight and nine tenths percent (98.9%) of the principal amount, and said interest rate being ten and three quarters percent (10 3/4%) per annum, all in accordance with the Underwriting Agreement, a copy of which is to be filed with the Commission, establishing a cost of money to the Company of ten and ninety three hundredths percent (10.93 %) to maturity; and

WHEREAS, after due consideration, it appears that the issue and sale of the Bonds

hereinabove described under the terms and conditions of the Company's First Mortgage, dated as of January 1, 1943, together with all Indentures supplemental thereto, including the Twenty-Fourth Supplemental Indenture, to be dates as of October 15, 1975, upon the terms presented to this Commission, including the term, price, and interest rate hereinabove set forth or referred to, is consistent with the public good; it is

ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell at a price of twenty-five dollars (\$25) per share in cash six hundred thousand (600,000) shares of its Preferred Stock, \$25 par value 11% Dividend Series, with compensation to the underwriters in the aggregate amount of six hundred sixty thousand dollars (\$660,000), said Stock to be sold at said price of twenty-five dollars (\$25) per share either to the public, through and offering by underwriters on behalf of the Company, or to underwriters who will make a public offering thereof, or both, all as set forth in the Underwriting Agreement between the Company and the underwriters; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell for cash its First Mortgage Bonds, Series U due 1985, in the principal amount of fifteen million dollars (\$15,000,000) at a price of ninety-eight and nine tenths percent (98.970) of the principal amount, said Bonds to bear interest at the rate of ten and three quarters percent (10 3/4%) per annum; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized to mortgage its present and future property, tangible and intangible including franchises, as security for the Bonds hereinabove authorized; and it is

FURTHER ORDERED, that all other provisions of said Order No. 12,026 of this Commission are incorporated herein by reference.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of October, 1975.

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NH.PUC*10/28/75*[77541]*60 NH PUC 490*New Hampshire Electric Cooperative, Inc.

[Go to End of 77541]

Re New Hampshire Electric Cooperative, Inc.

DR 75-172, Order No. 12,044

60 NH PUC 490

New Hampshire Public Utilities Commission

October 28, 1975

MODIFICATION of a purchased power adjustment clause.

RATES, § 303 — Fuel clauses — Modification — Expansion of supplier applicability.

[N.H.] Where an electric cooperative was purchasing power from more than one supplier and was notified of wholesale rate increases for all of the suppliers, it was permitted to amend its purchased power adjustment to cover "any power supplier" rather than just the particular supplier listed in the clause as originally filed.

APPEARANCES: Frederick S. Hall, for the petitioner; Rexford Roberts, hearing examiner for the Public Service Board of the State of Vermont.

BY THE COMMISSION:

Report

On July 28, 1975, the New Hampshire Electric Cooperative, Inc., a public utility engaged in the business of supplying electric service primarily in the State of New Hampshire, filed with this Commission certain revisions of its tariff, N.H.P.U.C. No. 6 — First Revised Pages 11C and 11C-1, providing for a revision in the purchased power adjustment provision to substitute "any power supplier" for the present reference to Public Service Company of New Hampshire only proposed to become effective August 25, 1975.

On August 19, 1975, Order No. 11,967 was issued which suspended the aforementioned filing and setting the matter for hearing at the Commission's office in Concord, 26 Pleasant Street in said State, at ten o'clock in the forenoon on Tuesday, September 9, 1975. As required by our order, the Petitioner notified the public by publication in newspapers having general circulation in the area affected.

By cooperation with the Public Service Board of the State of Vermont, arrangements with the Public Utilities Commission were made prior to the hearing for this proceeding to constitute a joint hearing before the Commission and the Public Service Board of the State of Vermont. It should be noted that a small portion of the petitioner's system serves about 260 customers in the State of Vermont of the approximately 36,000 total customers of the New Hampshire Electric Cooperative, Inc.

The purchased power adjustment clause presently in effect permits the New Hampshire Electric Cooperative, Inc. to pass power adjustments from the Public Service Company of New Hampshire through to their customers. Power is also purchased from the New England Power Company and the Green Mountain Power Company. Testimony from witnesses indicate that when the clause was initially filed a small amount of power was purchased from the latter two companies. However, these purchases have grown to the extent that they can no longer be overlooked.

A Company witness testified that notices of pending increases have been received from both New England Power and Green Mountain Power. He testified that in the event that the Federal Power Commission approves these increases the revision would allow the New Hampshire Electric Cooperative, Inc. to pass through the added costs and they would not result in an increase in the rate of return.

The Commission finds that the modified filing will merely enable the petitioner to recoup the expense it incurs as a result of its suppliers' implementation of an increase in

wholesale service rates. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the new tariff pages, N.H.P.U.C. No. 6 — First Revised Pages 11C and 11C-1, providing for a revision in the purchased power adjustment provision to substitute "any power supplier" for the present reference to Public Service Company of New Hampshire only, previously suspended, be and hereby are, permitted to become effective on the date of this order; and it is

FURTHER ORDERED, that the New Hampshire Electric Cooperative, Inc. give public notice of the revised purchased power adjustment by publishing a copy of the same in a newspaper having general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this twenty eighth day of October, 1975.

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NH.PUC*10/30/75*[77542]*60 NH PUC 491*Public Service Company of New Hampshire

[Go to End of 77542]

Re Public Service Company of New Hampshire

I-E14,374, Supplemental Order No. 12,045

60 NH PUC 491

New Hampshire Public Utilities Commission

October 30, 1975

APPROVAL of a special thermal storage load research contract between an electric company and two individuals.

BY THE COMMISSION:

Supplemental Order

WHEREAS, this Commission in Order No. 11,943 dated July 29, 1975 (60 NL PUC XXX) approved a form of special contract to be used by Public Service Company of new Hampshire in its Electric Thermal Storage Device Load Research Program; and

WHEREAS, Robert E. Mortensen and Barbara M. Mortensen and the Company have executed such a special contract; it is

ORDERED, that the contract so executed be, and hereby is, approved by the Commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of

its execution.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of October, 1975.

=====

NH.PUC*10/30/75*[77543]*60 NH PUC 492*Public Service Company of New Hampshire

[Go to End of 77543]

Re Public Service Company of New Hampshire

I-E14,374, Second Supplemental Order No. 12,046

60 NH PUC 492

New Hampshire Public Utilities Commission

October 30, 1975

RATIFICATION of a special thermal storage load research contract between an electric utility and a building concern.

BY THE COMMISSION:

Second Supplemental Order

WHEREAS, this Commission in Order No. 11,943 dated July 29, 1975 (60 NH PUC 447) approved a form of special contract to be used by Public Service Company of New Hampshire in its Electric Thermal Storage Device Load Research Program; and

WHEREAS, Olde Colonial Builders and the Company have executed such a special contract; it is

ORDERED, that the contract so executed be, and hereby is, approved by the Commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of October, 1975.

=====

NH.PUC*10/30/75*[77544]*60 NH PUC 492*Public Service Company of New Hampshire

[Go to End of 77544]

Re Public Service Company of New Hampshire

I-E14,374, Third Supplemental Order No. 12,047

60 NH PUC 492

New Hampshire Public Utilities Commission

October 30, 1975

ACCEPTANCE of a special thermal storage load research contract between an electric company and two individuals.

BY THE COMMISSION:

Third Supplemental Order

WHEREAS, this Commission in Order No. 11,943 dated July 29, 1975 (60 NH PUC 447) approved a form of special contract to be used by Public Service Company of New Hampshire in its Electric Thermal Storage Device Load Research Program; and

WHEREAS, William W. and Armanda A. Henderson and the Company have executed such a special contract; it is

ORDERED, that the contract so executed be, and hereby is, approved by the Commission in accordance with its powers under RSA

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378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of October, 1975.

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NH.PUC*10/30/75*[77545]*60 NH PUC 493*Public Service Company of New Hampshire

[Go to End of 77545]

Re Public Service Company of New Hampshire

I-E14,374, Fourth Supplemental Order No. 12,048

60 NH PUC 493

New Hampshire Public Utilities Commission

October 30, 1975

CONFIRMATION of a special thermal storage load research contract between an electric utility and two individuals.

BY THE COMMISSION:

Fourth Supplemental Order

WHEREAS, this Commission in Order No. 11, 943 date July 29, 1975 (60 NH PUC 447) approved a form of special contract to be used by Public Service Company of New Hampshire in

its Electric Thermal Storage Device Load Research Program; and

WHEREAS, Emmett H. and Theresa Massie and the Company have executed such a special contract; it is

ORDERED, that the contract so executed be, and hereby is, approved by the Commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of October, 1975.

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NH.PUC*11/13/75*[77546]*60 NH PUC 493*Hopkinton Telephone Company

[Go to End of 77546]

Re Hopkinton Telephone Company

I-F14,416, Order No. 12,057

60 NH PUC 493

New Hampshire Public Utilities Commission

November 13, 1975

PETITION by a telephone company to issue and renew short-term notes; granted.

Page 493

SECURITY ISSUES, § 107 — Short-term notes — Interest rate — Above previous authorization.

[N.H.] A telephone company was allowed to issue and renew short-term notes at an interest rate in excess of previously authorized amounts where the commission found the proposed financing was in the public interest.

BY THE COMMISSION:

Order

WHEREAS, Hopkinton Telephone Company, a New Hampshire corporation, operating as a telephone utility under the jurisdiction of this Commission, seeks authority, pursuant to RSA 369, to issue and renew short-term notes not in excess of two hundred eighty thousand dollars (\$280,000), to bear interest at the rate of one half (1/2) of one percent (1%) above prime rate per annum, which will produce an amount in excess of the terms of Supplemental Order No. 7446 of this Commission; and

WHEREAS, after investigation and due consideration of supporting data filed with said petition, this Commission finds that the proposed financing, upon the terms proposed, is in the public interest; it is

ORDERED, that the Hopkinton Telephone Company, be and hereby is, authorized to issue and sell for cash its Note, or Notes, in an aggregate principal amount not exceeding two hundred eighty thousand dollars (\$280,000) said notes to bear interest at a rate not in excess of one half (1/2) of one percent (1%) above prime rate per annum; and it is

FURTHER ORDERED, that Hopkinton Telephone Company first obtain approval of this Commission before incurring short-term indebtedness in excess of the amount allowed by the terms of Supplemental Order No. 7446 of this Commission after December 31, 1976; and it is

FURTHER ORDERED, that on January first and July first in each year, said Hopkinton Telephone Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of November, 1975.

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NH.PUC*11/13/75*[77547]*60 NH PUC 494*Merrimack County Telephone Company

[Go to End of 77547]

Re Merrimack County Telephone Company

I-F14,417, Order No. 12,058

60 NH PUC 494

New Hampshire Public Utilities Commission

November 13, 1975

AUTHORITY granted a telephone company to issue and renew short-term notes.

SECURITY ISSUES, § 107 — Short-term notes — Interest rate — Above previous authorization.

[N.H.] A telephone company was permitted to issue and renew short-term notes at an interest rate above that established by previous commission order where the commission found the present financing proposal to be in the public interest.

BY THE COMMISSION:

Order

WHEREAS, Merrimack County Telephone Company, a New Hampshire corporation operating as a telephone utility under the jurisdiction of this Commission, seeks authority, pursuant to RSA 369, to issue and renew short-term notes not in excess of two hundred and fifty thousand dollars (\$250,000) to bear interest at the rate of one half (1/2) of one percent (1%) above prime rate per annum, which will produce an amount in excess of the terms of Order No. 7446 of this Commission; and

WHEREAS, after investigation and due consideration of supporting data filed with said petition, this Commission finds that the proposed financing, upon the terms proposed is in the public interest; it is

ORDERED, that the Merrimack County Telephone Company be, and hereby is, authorized to issue and sell for cash, its Note, or Notes, in an aggregate principal amount not exceeding two hundred and fifty thousand dollars (\$250,000) said Notes to bear interest at a rate not in excess of one half (1/2) of one percent (1%) above prime rate per annum; and it is

FURTHER ORDERED, that Merrimack County Telephone Company first obtain approval of this Commission before incurring short-term indebtedness in excess of the amount allowed by the terms of Supplemental Order No. 7446 of this Commission after December 31, 1976; and it is

FURTHER ORDERED, that on January first and July first in each year, said Merrimack County Telephone Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of November, 1975.

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NH.PUC*11/19/75*[77548]*60 NH PUC 495*New England Power Company

[Go to End of 77548]

Re New England Power Company

DF 75-209, Order No. 12,061

60 NH PUC 495

New Hampshire Public Utilities Commission

November 19, 1975

ORDER approving an electric company's issuance of additional common stock.

SECURITY ISSUES, § 96 — Common stock — Additional shares — Purposes.

[N.H.] An electric company, incorporated in another state, was authorized to issue additional common stock in order to pay off its short-term debts.

APPEARANCES: Robert King Wulff and Kirk L. Ramsauer for the petitioner.

BY THE COMMISSION:

Report

By this petition filed October 29, 1975, New England Power Company (the "Company") seeks authority to issue additional Common Stock. At the hearing on the petition, held in Concord on November 12, 1975, the Company represented that it is a corporation, organized under the laws of Massachusetts,

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qualified as a foreign corporation to do business in New Hampshire.

The Company now has outstanding 5,824,896 shares of Common Stock of par value of \$20 per share; 860,280 shares of Preferred Stock of a par value of \$100 per share and 1,000,000 shares having a par value of \$25 per share; and First Mortgage Bonds, issued under an Indenture of Trust and First Mortgage, dated as of November 15, 1936, consisting of;

[Graphic(s) below may extend beyond size of screen or contain distortions.]

| | Principal Amount |
|-----------------------------|---------------------|
| Series B, 3%, due 1978 | \$ 11,000,000 |
| Series C, 2 3/4%, due 1979 | 5,000,000 |
| Series D, 2 7/8%, due 1981 | 12,000,000 |
| Series E, 3 1/4%, due 1982 | 5,000,000 |
| Series F, 3 1/4%, due 1985 | 25,000,000 |
| Series G, 4 3/8%, due 1987 | 10,000,000 |
| Series H, 4%, due 1988 | 10,000,000 |
| Series I, 4 5/8%, due 1991 | 20,000,000 |
| Series J, 4 3/8%, due 1992 | 12,000,000 |
| Series K, 4 1/2%, due 1993 | 10,000,000 |
| Series L, 6 3/8%, due 1996 | 10,000,000 |
| Series M, 6 7/8%, due 1997 | 15,000,000 |
| Series N, 7 1/8%, due 1998 | 20,000,000 |
| Series O, 7 3/8%, due 1998 | 20,000,000 |
| Series P, 8 3/8%, due 1999 | 15,000,000 |
| Series Q, 7%, due 1976 | 20,000,000 |
| Series R, 7 5/8%, due 2002 | 25,000,000 |
| Series S, 8 5/8%, due 2003 | 40,000,000 |
| Series T, 8 3/8%, due 2003 | 40,000,000 |
| Series U, 10 7/8%, due 2005 | 80,000,000 |
| | \$405,000,000 |

At August 31, 1975, the Company also had outstanding Short-Term Notes Payable in the aggregate principal amount of \$43,875,000 and proformed to give effect to the issue on September 11, 1975, of Cumulative Preferred Stock, \$25 Par Value, 11.04% Series, such notes aggregated \$18,599,000.

New England Power Company proposes to issue 625,000 additional shares of Common Stock, of the par value of \$20 per share, for a price of \$40 per share, or an aggregate amount of \$25,000,000. These shares will be sold to New England Electric system, the sole owner of all of the outstanding Common Stock of the Company. It was testified that \$40 per share is an equitable price for this Common Stock, based on current, past and prospective earnings of New England Power Company as well as the ratio of earnings to market prices of other electric utilities in New England which were used for comparative purposes.

New England Power Company proposes to apply the proceeds from the sale of said additional Common Stock to the payment of outstanding short-term promissory notes of the Company issued to pay for capitalizable expenditures or to the reimbursement of its treasury therefor.

The Company submitted in evidence its Balance Sheet as of August 31, 1975, as per books and pro forma to reflect the September issue of Cumulative Preferred Stock and the application of the proceeds therefrom.

The record in this proceeding shows that the total uncapitalized expenditures of New England Power Company at August 31, 1975, adjusted to reflect the September issue of Cumulative Preferred Stock, amounted to \$223,425,354. Part of this amount would be capitalized through the proposed issue and sale of the Common Stock under consideration.

Certified copies of the necessary corporate authorizations were attached to the petition.

Based on the Balance Sheet of the Company, adjusted to reflect the September issue of Cumulative Preferred Stock and the additional Common Stock, the pro forma ratio of Bonds to the total capitalization of the Company is 51.2%, Preferred Stock 14.0% and Common Equity 34.8%.

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Upon investigation and consideration of the evidence submitted, this Commission is of the opinion that the granting of the several authorizations sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, six hundred twenty-five thousand (625,000) shares of Common Stock of the par value of twenty dollars (\$20) per share, at a price of forty dollars (\$40) per share; and it is

FURTHER ORDERED, that the proceeds from the sale of said Common Stock be applied to the payment of outstanding short-term promissory notes of the Company issued to pay for capitalizable expenditures or to the reimbursement of its treasury therefor; and it is

FURTHER ORDERED, that on or before January first and July first in each year, said New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said Common Stock, until the expenditure of the whole of said proceeds shall have fully accounted for.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of November, 1975.

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NH.PUC*12/04/75*[77549]*60 NH PUC 497*New England Telephone and Telegraph Company

[Go to End of 77549]

Re New England Telephone and Telegraph Company

DE 75-218, Order No. 12,074

60 NH PUC 497

New Hampshire Public Utilities Commission

December 4, 1975

GRANT of authority to place telephone cable under railroad tracks.

CONSTRUCTION AND EQUIPMENT, § 5 — Underground cable — Telephone — Under rail tracks.

[N.H.] A telephone company was permitted to install conduit and cable under a segment of a railroad track where the cables would not affect the rail service.

BY THE COMMISSION:

Order

WHEREAS, by petition filed November 14, 1975, New England Telephone and Telegraph Company seeks permission to install conduit and cable under the tracks of the Concord-Lincoln line in the Town of Plymouth, New Hampshire; and

WHEREAS, the petition describes the exact location of the crossing to be used by the petitioner; and

WHEREAS, after investigation and consideration of all the facts before the Commission, it appears that there will be no interference with rail service over the segment of the Concord-Lincoln line affected by this construction; it is

ORDERED, that the New England Telephone and Telegraph Company be, and hereby

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is, authorized to install conduit and cable under the tracks of the Concord-Lincoln line in the Town of Plymouth, all in accordance with the plans on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fourth day of December,

1975.

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NH.PUC*12/09/75*[77550]*60 NH PUC 498*New Hampshire Electric Cooperative, Inc.

[Go to End of 77550]

Re New Hampshire Electric Cooperative, Inc.

DE 75-223, Order No. 12,080

60 NH PUC 498

New Hampshire Public Utilities Commission

December 9, 1975

REPLACEMENT of overhead transmission lines with underwater cables.

ELECTRICITY, § 6 — Wires and cables — Underwater — Removal of overhead lines.

[N.H.] Finding the present overhead electric lines to be hazardous to the public, the commission ordered them removed and replaced by submarine cables in public waters.

BY THE COMMISSION:

Order

WHEREAS, by petition filed November 5, 1975, New Hampshire Electric Cooperative, Inc. seeks a license pursuant to RSA 371:17-20 to install, own and maintain an underwater cable across Lake Winnepesaukee in the Town of Moultonboro, New Hampshire; and

WHEREAS, the petition represents that the proposed construction will cross approximately 550 feet of the Lake from pole no. 39/67 on Moultonboro Neck to pole no. 39/65 on Black Island in Moultonboro in order to remove presently existing overhead power lines which are hazardous to the public; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to the New Hampshire Electric Cooperative, Inc. to install, own and maintain an underwater cable under Lake Winnepesaukee in the Town of Moultonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this ninth day of December,

1975.

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NH.PUC*12/09/75*[77551]*60 NH PUC 499*Public Service Company of New Hampshire

[Go to End of 77551]

Re Public Service Company of New Hampshire

I-E14,374, Fifth Supplemental Order No. 12,081

60 NH PUC 499

New Hampshire Public Utilities Commission

December 9, 1975

APPROVAL of a special thermal storage load research contract between an electric utility and two individuals.

BY THE COMMISSION:

Fifth Supplemental Order

WHEREAS, this Commission in Order No. 11,943 dated July 29, 1975 (60 NH PUC 447) approved a form of special contract to be used by Public Service Company of New Hampshire in its Electric Thermal Storage Device Load Research Program; and

WHEREAS, Robert J. Bottoms and Aileen Bottoms and the Company have executed such a special contract; it is

ORDERED, that the contract so executed be, and hereby is, approved by the Commission in accordance with its powers under RSA 378:18 and that such contract is approved as of the day of its execution.

By order of the Public Utilities Commission of New Hampshire this ninth day of December, 1975.

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NH.PUC*12/11/75*[77552]*60 NH PUC 499*New England Telephone and Telegraph Company

[Go to End of 77552]

Re New England Telephone and Telegraph Company

DR 75-85, Order No. 12,082

60 NH PUC 499

New Hampshire Public Utilities Commission

December 11, 1975

TRANSFERRAL of telephone customers from one service exchange to another.

SERVICE, § 445 — Telephone — Exchange areas — Transfer of customers.

[N.H.] Telephone customers were transferred from one exchange to another where the majority of customers had supported the change since it would expand their toll free calling area.

APPEARANCES: Robert Weus for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, as amended, New England Telephone and Telegraph

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Company seeks authority to transfer customers from the South Hinsdale locality and served from Northfield, Massachusetts to the Winchester, New Hampshire exchange. The South Hinsdale locality is provided telephone service from the Northfield, Massachusetts central office building. The local or toll free calling area of the South Hinsdale locality is comprised of South Hinsdale, N.H., Northfield, Mass., and South Vernon, Vermont. The company seeks this transfer because in mid 1974 certain customers in the South Hinsdale locality requested to have their service transferred to the Winchester, New Hampshire exchange.

All of the customers in the South Hinsdale locality were polled regarding the transfer to the Winchester, New Hampshire exchange. Initially just over 50 percent of those customers favored the change. The objection of the others had to do with the retention of toll free calling to Northfield, Massachusetts which in the company's original proposal would not be available. However, the company has agreed to permit these customers in the South Hinsdale locality to retain their toll free calling to the Northfield, Massachusetts exchange although their service changed from the Northfield, Massachusetts central office building to the Winchester, New Hampshire exchange. A poll was taken on this revised plan and just over 80 percent of those customers voting were in favor of the change.

All the customers in the South Hinsdale locality were advised of this hearing. Each of them received a direct postcard notice from the New England Telephone and Telegraph Company dealing with the results of the poll and giving the date and location of this hearing.

The change hereinabove described would eliminate toll calls from South Hinsdale, N.H. to the Winchester municipal offices and would also enlarge the toll free calling area of South Hinsdale customers to include the Fitzwilliam, Keene, Spofford and Troy exchanges. This change is consistent with the wishes of the majority of those in the area and the Commission after hearing the testimony feels that such change is in the public interest. Our order will issue accordingly.

Order

Based upon the foregoing report, which is made a part hereof; it is

ORDERED, that the New England Telephone and Telegraph Company be, and hereby is, authorized to transfer customers from the South Hinsdale locality and served from Northfield, Massachusetts to the Winchester, New Hampshire exchange; and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company enlarge the toll free calling area of the Winchester exchange to include the Northfield, Massachusetts exchange; and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company notify the South Hinsdale customers of the transfer and the date the transfer will become effective, such notification to include the new rates appropriate to the service to be rendered.

By order of the Public Utilities Commission of New Hampshire this eleventh day of December, 1975.

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NH.PUC*12/12/75*[77553]*60 NH PUC 501*Public Service Company of New Hampshire

[Go to End of 77553]

Re Public Service Company of New Hampshire

DE 74-69, Order No, 12,083

60 NH PUC 501

New Hampshire Public Utilities Commission

December 12, 1975

VALUATION of property subject to a condemnation proceeding.

EMINENT DOMAIN, § 8 — Condemnation — Compensation — Valuation.

[N.H.] In determining the damages an electric company was to pay owners of land taken through condemnation, the value of the land was deemed to be that amount testified to by the company appraiser, since the owners's higher estimates were merely based on conjecture and not supported by any plans or figures.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr. Guardian Ad Litem for those under a disability and where no guardian has been appointed; E. Paul Kelly, Guardian Ad Litem, and Victor Jones and Floyd Jones, pro se for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The Commission granted necessity for the taking of Parcel No. 2 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975 (60 NH PUC 371). A duly noticed hearing on the issue of damages was held at the office of the Commission on June 10, 1975.

David Colt, the Company appraiser, who examined the subject premises was duly qualified (see Exhibit K). No one contested, and the Commission accepted his qualifications. Exhibit F, a market and area data study (Volume 2) compiling Mr. Colt's general study of the area was duly qualified and accepted.

Parcel No. 2, according to Colt, is wooded and rolling, about 11/2 acres with a highest and best use as residential and interim use as woodland. Colt placed a market value upon the land of \$3,750 and submitted his written appraisal as an exhibit (Exhibit 4).

Victor and Floyd Jones, owners of Parcel No. 2, appeared and questioned Mr. Colt about his appraisal. They objected to the taking, suggesting the property is subdividable into two house lots and thus more valuable than Mr. Colt's appraisal; but they had no plan or figures to support their opinion. Floyd Jones attempted a comparison with other property he held, but the Commission feels the comparison was made with land not comparable to parcel No. 2 described in these proceedings.

The Commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975 and noted the location of Parcel No. 2 during its view with assistance from company representatives, the helicopter pilot and maps that were used during the view.

Guardian Ad Litem, George Findell, Jr., filed the necessary reports to protect the interests of those he was representing in this case.

The Commission finds that the land in question, Parcel No. 2, is valued at \$3,750. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of three thousand seven hundred fifty dollars (\$3,750) in damages

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to the record owners of Parcel No. 2 in accordance with title summaries and other material submitted in this case and contained in the Commission files and made a part of these proceedings; and it is

FURTHER ORDERED, that the Public Service Company of New Hampshire shall notify all of the parties interested in Parcel No. 2 of the action that this Commission has taken.

By order of the Public Utilities Commission of New Hampshire this twelfth day of December, 1975.

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NH.PUC*12/12/75*[77554]*60 NH PUC 502*Public Service Company of New Hampshire

[Go to End of 77554]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,084

60 NH PUC 502

New Hampshire Public Utilities Commission

December 12, 1975

ASCERTAINMENT of damages awarded property owners pursuant to a condemnation proceeding.

EMINENT DOMAIN, § 8 — Condemnation — Compensation — Valuation.

[N.H.] The commission accepted an electric company's appraisal report on condemned land which established minimal value due to a federal tax lien and very limited use of the land.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson and Russell Winslow for the petitioner; George Findell, Jr., Guardian Ad Litem for those under a disability and where no guardian has been appointed; E. Paul Kelly, Guardian Ad Litem for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

This Commission granted the necessity for the taking of parcel no. 135 (as required by RSA 371) by its Order No. 11,781 dated March 19, 1975 (60 NH PUC 371). A duly noticed hearing on the issue of damages was held on June 10, 1975.

No one appeared to contest the issue of damages. The parcel is owned by Arthur, John and Raymond Evans (a two thirds interest) and by the heirs of Ella Evans (a one third interest). The one third interest is unknown and therefore is represented by Guardian Ad Litem, E. Paul Kelly. Mr. Kelly submitted his guardian's report to protect the interests of the parties in this proceeding who are unknown or whose residences are unknown.

Parcel No. 135 is flat land, over 1,000 feet from any road, covered with marsh grass and having the highest and best use as recreational land according to Mr. Colt. A written appraisal report (Exhibit I) was submitted indicating the value of the land at \$150.

Raymond Evans' interest in this land is subject to a federal tax lien of \$3,858 and also to a local tax of \$495.

The Commission took a view of the premises during a helicopter trip of the entire exclusion area on Thursday, June 12, 1975 and noted the location of parcel no. 135

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during its view with assistance from company representatives, the helicopter pilot and maps that were used during the view.

The Commission finds that the value of the premises is \$150. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Public Service Company of New Hampshire shall pay the sum of one hundred fifty dollars (\$150) in damages to the record owners of Parcel No. 135 in proportion to their ownership interests in accordance with title summaries and other material submitted in this case and contained in the Commission files and made a part of this proceeding; it is

FURTHER ORDERED, that the Public Service Company shall notify all of the parties interested in Parcel No. 135 of the action that this Commission has taken.

By order of the Public Utilities Commission of New Hampshire this twelfth day of December, 1975.

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NH.PUC*12/12/75*[77555]*60 NH PUC 503*Public Service Company of New Hampshire

[Go to End of 77555]

Re Public Service Company of New Hampshire

DE 74-69

60 NH PUC 503

New Hampshire Public Utilities Commission

December 12, 1975

RECOGNITION of sale of land to an electric company following condemnation proceedings.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., Guardian Ad Litem for those under a disability where no guardian has been appointed; E. Paul Kelly, Guardian Ad Litem for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

This Commission granted the necessity for the taking of Parcel No. 1 (as required by RSA 371) by its order No. 11,781 dated March 19, 1975 (60 NH PUC 371). A duly noticed hearing on the issue of damages was held on June 10, 1975. Subsequent to the Commission's Order of Notice and prior to these hearings, the Company acquired Parcel No. 1. The Company's warranty deed was filed in this case as Exhibit E. Guardians Ad Litem, E. Paul Kelly and George Findell, Jr. both filed reports covering the interest of the parties they represent in these proceedings. No order is necessary because just compensation has been paid by the Company to the willing seller upon delivery of the deed.

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NH.PUC*12/15/75*[77556]*60 NH PUC 504*Public Service Company of New Hampshire

[Go to End of 77556]

Re Public Service Company of New Hampshire

DE 74-69, Order No. 12,085

60 NH PUC 504

New Hampshire Public Utilities Commission

December 15, 1975

DETERMINATION of value of land taken by condemnation.

EMINENT DOMAIN, § 8 — Condemnation — Consideration — Valuation.

[N.H.] Because land that was the subject of a condemnation proceeding was mere marshland with potential only for recreational use, the commission awarded damages to the owners in the amount of \$100 based upon an electric company's appraisal.

APPEARANCES: Lawrence E. Spellman, Kenneth Robinson, and Russell Winslow for the petitioner; George Findell, Jr., Guardian Ad Litem for those under a disability and where no guardian has been appointed; E. Paul Kelly, Guardian Ad Litem for persons who are unknown or whose residences are unknown.

BY THE COMMISSION:

Report

The Commission granted the necessity for the taking of Parcel No. 136 (as required by RSA 371) by Order No. 11,781 dated March 13, 1975 (60 NH PUC 371). A duly noticed hearing on the issue of damages was held on June 10, 1975.

A one-fourth ownership interest in Parcel No. 136 belongs to Elmer Wiggins; another one fourth to Guy Brewster and the remaining interest in Ethel Fall and four Carlisle heirs. No one

appeared on behalf of any of these parties to represent their interest in the proceeding.

A deed representing the interest of Elmer R. Wiggins as conveyed to the Public Service Company of New Hampshire was dated June 18, 1975 and received at the office of the Commission on June 25, 1975. A deed representing the interests of the three Carlisle heirs (Walter, Daniel and Milton) as conveyed to the Public Service Company of New Hampshire was dated July 14, 1975, and received at the office of the Commission on July 25, 1975. An initial guardian's report was submitted at the office of the Commission on June 9, 1975 followed by a supplemental guardian's report submitted on July 8, 1975.

Company appraiser Colt testified that Parcel No. 136 is a two acre parcel of typical marsh land with a highest and best use as recreational land. He testified that the value of the property taken is \$100 (See Exhibit J).

The Commission took a helicopter view of the entire exclusion area on Thursday, June 12, 1975 and noted the location of Parcel No. 136 during its view with assistance from company representatives, the helicopter pilot and maps that were used during the view.

The Commission finds that the damages for the taking of the land in question, Parcel No. 136, is \$100. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Public Service Company of New Hampshire be, and hereby is, ordered to pay the sum of one hundred dollars (\$100) in damages to the outstanding ownership interests of record regarding Parcel No. 136, all in accordance with title summaries and other material submitted in this case and contained in the Commission files and made a part of this proceeding; and it is

FURTHER ORDERED, that the Public Service Company of New Hampshire shall

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notify all of the parties interested in Parcel No. 136 of the action that this Commission has taken.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of December, 1975.

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NH.PUC*12/17/75*[77557]*60 NH PUC 505*Woodsville Water and Light Department

[Go to End of 77557]

Re Woodsville Water and Light Department

I-R14,385, Supplemental order No. 12,087

60 NH PUC 505

New Hampshire Public Utilities Commission

December 17, 1975

RESCISSION of suspension of a water company's rate increase.

BY THE COMMISSION:

Supplemental Order

WHEREAS, Woodsville Water and Light Department, a public utility engaged in the business of supplying electric service in the State of New Hampshire, on August 6, 1975, filed with this Commission tariff, N.H.P.U.C. No. 3 — Electricity, providing for an increase in rates in the amount of twenty-eight thousand six hundred and six dollars (\$28,606), effective September 15, 1975; and

WHEREAS, the filed tariff was suspended by Order No. 11,998 dated September 12, 1975 pending further consideration and investigation of the Commission; and

WHEREAS, after investigation and consideration by the Commission; it is

ORDERED, that Order No. 11,998 be, and hereby is, rescinded and that tariff, N.H.P.U.C. No.3 — Electricity be and hereby is permitted to become effective on December 31, 1975 for all its customers for all current bills rendered on and after February 1, 1976.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of December, 1975.

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NH.PUC*12/29/75*[77558]*60 NH PUC 505*Chester Telephone Company, d/b/a Granite State Telephone Company

[Go to End of 77558]

Re Chester Telephone Company, d/b/a Granite State Telephone Company

I-R14,342, Supplemental Order No. 12,094

60 NH PUC 505

New Hampshire Public Utilities Commission

December 29, 1975

CLARIFICATION of a prior commission order on a telephone rate reduction.

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Orders, § 9 — Clarification — Issues not covered.

[N.H.] The commission supplemented a prior order authorizing reduced telephone rates by asserting that while it had computed the rate of return on average equity, it had not made a specific rate base determination.

BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 11,786, dated March 24, 1975, (60 NH PUC 378), this Commission authorized tariff changes submitted by Chester Telephone Company, d/b/a Granite State Telephone Company, to become effective upon less than the statutory period of notice; and

WHEREAS, these tariff changes resulted in reduction of charges to the Company's customers, agreed upon by the Company after investigation by this Commission; and

WHEREAS, this Commission was aware of the limitations under IRS Sec. 46 (e) (1), now redesignated as IRC Sec.46 (f) (1) by the Tax Reduction Act of 1975; and

WHEREAS, following said limitations this Commission computed rate of return on average equity using net income before post 1970 investment credits and, since return on equity was the criteria used in our investigation and consideration of the tariff changes, and thus, no rate base determination was made in which cost of service or rate base was reduced by any portion of said credits; it is

ORDERED, that this clarification be issued and the Commission hereby supplements its prior order to indicate that no rate base determination was made in which cost of service or rate base was reduced by any portion of said credits.

By order of the Public Utilities Commission of New Hampshire this twenty ninth day of December, 1975.

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NH.PUC*12/31/75*[77559]*60 NH PUC 506*Treatment of Wholesale Fuel Charge by Electric Utilities

[Go to End of 77559]

Re Treatment of Wholesale Fuel Charge by Electric Utilities

I-E14,423 Order No. 12,097

60 NH PUC 506

New Hampshire Public Utilities Commission

December 31, 1975

INVESTIGATION into the proper treatment of wholesale fuel charges.

RATES, § 332 — Electric — Special charges — Energy and fuel charges.

[N.H.] It is proper for an electric company to fold into its energy charges a portion of its fuel charges as established in a Federal Power Commission ruling.

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire by letter dated November 21, 1975 filed with the Federal Power Commission (FPC) proposed amendments to its rate schedules presently in effect for its New Hampshire electric utility wholesale for resale customers as follows:

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Concord Electric Company Town of Ashland, New Hampshire The New Hampton (New Hampshire) Village Precinct Exeter & Hampton Electric Company New Hampshire Electric Cooperative, Inc. Town of Wolfeboro, New Hampshire;

and

WHEREAS, said filing contemplates among other matters the folding into the rate per KWH for energy a substantial portion of the fuel charge presently imposed by the fuel charge provisions of the said presently effective rate schedules; and

WHEREAS, by order issued by the FPC in Docket No. ER76-285 on December 19, 1975 the Public Service Company of New Hampshire is permitted to fold into its wholesale rates a substantial portion of said fuel charge; and

WHEREAS, suppliers of electricity to said New Hampshire electric utilities other than Public Service Company of New Hampshire may have already or may in the future fold into the energy charges of their rates a portion of fuel charges; it is

ORDERED, that until otherwise directed by this Commission said New Hampshire electric utilities, to the extent that they are under jurisdiction of this Commission, be, and hereby are, authorized and ordered to treat under their respective tariffs any such fold-in as if it were a fuel charge for billing purposes; and it is

FURTHER ORDERED, that all other New Hampshire electric retail utilities similarly effected be, and hereby are, authorized and ordered to treat under their respective tariffs any such fold-in as if it were a fuel charge for billing purposes.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of December, 1975.

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