

DW 02-128

HAMPSTEAD AREA WATER COMPANY

Petition for Rate Increase

Order Suspending Proposed Tariff Revisions for a Permanent Rate Increase and Establishment of Single Tariff, and an Order of Notice Establishing a Prehearing Conference

O R D E R N O. 24,071

October 25, 2002

On September 27, 2002, Hampstead Area Water Company (Hampstead or Petitioner) filed with the New Hampshire Public Utilities Commission (Commission) a Petition including financial schedules and supporting testimony for an increase in permanent rates for all three of its divisions (Hampstead Area Water Company, Walnut Ridge Water Company and Lancaster Farm) as well for a consolidated rate for all three. The three divisions were separate companies until recently merged as approved by Commission Order No. 23,954 on April 19, 2002. Hampstead proposes an overall annual revenue increase of \$163,152 or 29.05%, to be applied on a consolidated basis for the three areas. The rates proposed would consist of a quarterly customer charge of \$41.11 and a consumption rate of \$1.69608 per 100 cubic feet of water.

The filing raises, inter alia, issues regarding RSA 378 and rates and charges, as well as issues regarding plant additions, operation and maintenance costs, rate of return, the efficacy of instituting consolidated rates for the three divisions, franchise expansion costs, approval for future

projects, and a proposed effective date for the proposed rates of October 1, 2002. A full investigation is necessary to determine whether the proposed increase is in the public good.

**Based upon the foregoing, it is hereby**

**ORDERED**, that Hampstead Area Water Company's proposed Tariff, First Revised Page No. 19 issued in lieu of Original Pages, 19, 20, 21, 22, 23, and 24 is hereby suspended; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rule Puc 203.05, a prehearing conference to address procedural matters governing the course of this proceeding be held before the Commission at its offices at 8 Old Suncook Road, Concord, New Hampshire on November 20, 2002 at 10:00 a.m. at which each party will provide a preliminary summary of its position with regard to the Petition. Absent objection five days before the hearing, the Prehearing Conference will be recorded on tape rather than by a stenographer; and it is

**FURTHER ORDERED**, that, immediately following the Prehearing Conference, Hampstead, staff and the Intervenors hold a First Technical Session to review the Petition and allow Hampstead to provide any updates or amendments to its filing; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rule Puc 203.01, Hampstead notify all persons desiring to be heard at said hearing on the question of whether the proposed revenue increase

is in the public good, by causing a copy of this order to be published once in a newspaper having general circulation in that portion of the state in which operations are conducted, such publication to be no later than November 5, 2002; and it is

**FURTHER ORDERED**, that Hampstead serve a summary of its proposed rate change and a copy of this Order of Notice in accordance with N.H. Admin. Rules Puc 1601.05(j), on current and known prospective customers and the town Clerk(s) of the areas served by first class U.S. Mail, postmarked no later than November 20, 2002; and it is

**FURTHER ORDERED**, that, pursuant to N.H. Admin. Rules Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission an original and eight copies of a Petition to Intervene with copies sent to Hampstead and the Office of Consumer Advocate on or before November 15, 2002 such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interests may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.02 (a) (2); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before November 20, 2002.

By order of the Public Utilities Commission of New  
Hampshire this twenty-fifth day of October, 2002.

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Thomas B. Getz  
Chairman

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Susan S. Geiger  
Commissioner

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Nancy Brockway  
Commissioner

Attested by:

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Debra A. Howland  
Executive Director & Secretary