

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 07-115

FRYEBURG WATER COMPANY

**Order Suspending Permanent Rates
and
Scheduling Prehearing Conference**

ORDER NO. 24,816

January 11, 2008

Fryeburg Water Company is a New Hampshire and Maine regulated public utility with its principal place of business in the town of Fryeburg, Maine, serving approximately 700 customers in that community. Fryeburg also serves approximately 67 New Hampshire customers in the adjacent town of East Conway, and is therefore subject to RSA 362:2 and 362:4 governing the provision of water service within New Hampshire. On November 20, 2007, Fryeburg filed a copy of a Maine Public Utilities Commission order, including financial schedules, approving a stipulation regarding Fryeburg Water Company's rates. The Maine order approved an increase in annual revenue for the Company of \$84,000. The approved increase in revenue will raise general rates for the Maine customers by 16.02 percent, and 24.71 percent for fire protection rates. In its New Hampshire petition, Fryeburg is requesting that comparable rates be approved for its customers in East Conway. According to Fryeburg, the increase in rates is driven primarily by investments in plant assets as well as increases in operating costs.

The filing raises, inter alia, issues related to: whether the proposed permanent rates to be applied to the East Conway customers are lawful, just and reasonable as required by RSA 378; whether test year expenses and *pro forma* adjustments are reasonable; whether the

calculation of rate base represents prudent investment in property that is used and useful in the provision of service to the public; and the determination of a reasonable rate of return.

Based upon the foregoing, it is hereby

ORDERED, that the application of Fryeburg's rates to the East Conway customers be suspended pending notification and investigation as to the applicability of said rates to the East Conway customers; and it is

FURTHER ORDERED, that a prehearing conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the New Hampshire Public Utilities Commission located at 21 South Fruit Street, Concord, New Hampshire on February 6, 2008, at 10:00 am at which each party and Commission Staff will provide a preliminary summary of its positions with regard to the Petition; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Fryeburg, Commission Staff and Intervenors hold a technical session to review the issues and recommend a proposed procedural schedule for consideration of permanent rates; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, Fryeburg notify all persons desiring to be heard at this hearing by distributing a copy of this Order of Notice to each of its East Conway customers as well as by publishing a copy of this Order of Notice no later than January 21, 2008, in a newspaper of general circulation in the East Conway area, publication to be documented by affidavit filed with the Commission on or before February 6, 2008; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Fryeburg and the Office of the Consumer Advocate on or before

February 1, 2008 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 203.17 and RSA 541-A:32, I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before February 6, 2008.

By order of the Public Utilities Commission of New Hampshire this eleventh day of January, 2008.

Thomas B. Getz
Chairman

Graham J. Morrison
Commissioner

Clifton C. Below
Commissioner

Attested by:

Debra A. Howland
Executive Director & Secretary

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.