

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 14-174

PENNICHUCK EAST UTILITY, INC.

Request to Expand Franchise in the Town of Hooksett

Summary of Order *Nisi* No. 25,708 Granting Petition

August 27, 2014

Pennichuck East Utility, Inc. (PEU), is a regulated public utility pursuant to RSA 362:2 and RSA 362:4 and provides water service to over 7,000 customers in 18 towns in southern New Hampshire. On June 20, 2014, PEU filed a petition to expand its existing franchise to serve two rest areas along Interstate 93 in the Town of Hooksett. The Hooksett Village Water Precinct (HVWP) presently serves the rest areas but seeks to transfer that responsibility to PEU.

The rest areas are owned by the State of New Hampshire and are served by a 6” water main that runs under Interstate 93. PEU has owned this main since November 2005. If the Commission approves PEU’s franchise request, the responsibility of providing water to the area will be simplified. Instead of HVWP providing water to the rest areas through PEU’s water main, HVWP will deliver water to a newly-constructed meter pit located on Route 3A. PEU will then serve the rest areas in addition to its existing franchise.

Granite State Hospitality is redeveloping the rest areas pursuant to a 35-year lease agreement with the New Hampshire Department of Transportation (NHDOT). The redevelopment, expected to be complete by April 2015, will include a full service visitor center with dining, convenience shopping, state liquor and wine outlet, and fuel sales.

PEU proposes to charge its existing consolidated General Service - Metered (G-M) and Private Fire Protection Service (FM - NM) rates in the proposed franchise area. The Liquor Commission will be metered and billed separately from Granite State Hospitality for its water usage.

HVWP, the NHDOT and the New Hampshire Liquor Commission support PEU's franchise request. The Commission's Staff recommends that the Commission approve PEU's request.

By order *nisi* dated August 27, 2014, the Commission granted PEU's petition to expand its franchise because PEU has the requisite managerial, technical, and financial, expertise to operate a regulated water utility and to provide water service to the proposed franchise area, and there is suitable water available for the expansion. The Commission also authorized PEU to charge its current tariff rates in the expanded franchise area on a service-rendered basis as of the effective date of its order. The Commission has previously found these rates to be just and reasonable for PEU's systems.

In order to ensure that all interested parties receive notice of this docket and have an opportunity to request a hearing, the Commission delayed the effectiveness of its approval until September 26, 2014. All persons interested in responding to the Commission's approval may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than September 12, 2014. Any party interested in responding to such comments and requests for hearing shall do so no later than September 19, 2014. Following consideration of any comments and requests for hearing received, the Commission may further extend the effective date of its approval. The Commission's approval shall become final and effective September 26, 2014, unless the Commission orders otherwise.