

DW 04-048
Statement of the Office of Consumer Advocate
November 16, 2007

The OCA does not take a position with respect to whether the Commission should approve the petition. However, the OCA raises the following concerns for the Commission's consideration if the petition is approved:

1. The interests of customers of Pennichuck Water Works that live outside of Nashua require special consideration by the Commission. These customers are not represented by Nashua's municipal government. We urge the Commission to ensure that comparable rates and service quality are provided to all customers throughout the communities that would be served by Nashua. We urge the Commission to also require a customer advisory board to represent customers served outside of the city, which should have regular access to Nashua's Mayor and City Council, the contractors operating the system, and this Commission if necessary.
2. The customers of the remaining jurisdictional Pennichuck Companies, Pennichuck East Utility and Pittsfield Aqueduct Company, may lose some cost efficiency due to costs currently shared with PWW if the petition is approved. We urge the Commission to take this into consideration in its deliberations, and endeavor to protect the remaining Pennichuck customers from increased costs due to any lost efficiencies.
3. If the petition is granted, the remaining Pennichuck customers should not be required to pay the costs incurred by the company in this docket. Instead, Nashua should reimburse Pennichuck as part of the cost of the transaction to the extent authorized by law.
4. If the petition is denied, there remains the issue of who should be responsible for the prudent costs Pennichuck incurred in opposing the petition. The OCA believes that those costs should not be passed on to Pennichuck's ratepayers as a whole, but instead should be allocated between Pennichuck's stockholders and Nashua.

The OCA appreciates the opportunity to provide this statement.