



McLane, Graf,
Raulerson & Middleton
Professional Association

11 South Main Street, Suite 500 | Concord, NH 03301
Tel: 603.226.0400 | www.mclane.com

OFFICES IN:
MANCHESTER
CONCORD
PORTSMOUTH
WOBURN, MA

PATRICK H. TAYLOR
Email: patrick.taylor@mclane.com
Licensed in MA and NH

May 14, 2012

ENTERED

MAY 4 1 2012

NH PUBLIC
UTILITIES COMMISSION

Ms. Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: DW 12-085; Aquarion Water Company of New Hampshire, Inc.

Dear Ms. Howland:

Enclosed for filing with the Commission are the following materials regarding a request for an increase in rates on behalf of Aquarion Water Company of New Hampshire ("Aquarion" or the "Company"):

A. An original and six copies of the Company's permanent rate filing, including the pre-filed testimony of witnesses Harry Hibbard, Carl McMorran, and Troy Dixon; proposed revised tariff pages; a Report of Proposed Rate Changes; a proposed notice to customers pursuant to Puc 1203.02(c); and schedules supporting the Company's filing.

B. An original and five copies of materials submitted in compliance with the filing requirements set forth in Puc 1604.01;

C. An original and six copies of a Petition for Temporary Rates, a Report of Proposed Rate Changes – Temporary Rates, pre-filed testimony of Troy Dixon regarding temporary rates, and schedules supporting the Company's petition.

D. A computer disk containing electronic copies of the Company's permanent rate filing, as well as all documents supporting the Company's petition for temporary rates. The petition itself will be served electronically via e-mail contemporaneously with the filing of the enclosed materials.

The enclosed permanent rate filing seeks an increase of \$1,113,931 in annual revenues, which would result in an overall increase of 18.3%. The Company's petition for temporary rates

Ms. Debra A. Howland
May 14, 2012
Page 2

seeks an increase of \$732,078 in annual revenues, which would result in an overall increase of 12.03%. The Company is filing this case because, under the rates currently in effect, it is unable to earn the rate of return authorized by the Commission in its Order No. 25,019 in Docket DW 08-098. In particular, for the test year ended December 31, 2011, the Company's overall rate of return was 5.23%, or 249 basis points below the currently allowed rate of 7.72%, and the Company's return on common equity for the same period was 3.86%, or 589 basis points below its currently allowed return on equity of 9.75%.

The Company requests that the Commission schedule a prehearing conference and hearing on temporary rates at the earliest date that the Commission can reasonably accommodate. The Company's temporary rate petition requests that temporary rates be authorized effective for service rendered on or after July 1, 2012.

Please let me know if the Commission has any questions at all regarding the enclosed materials.

Sincerely,



Patrick H. Taylor

cc: Service List
Steven V. Camerino, Esq.
Harry C. Hibbard
Troy Dixon