

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DG 12 - 242

Re: Concord Steam Corporation

Petition for Temporary Rates

Concord Steam Corporation ("Concord Steam" or the "Company"), pursuant to RSA 378:27, petitions the New Hampshire Public Utilities Commission (the "Commission") to fix, determine and prescribe, effective with service rendered November 1, 2012, reasonable temporary rates pending the Commission's final decision on the Company's request for permanent rate relief in this docket.

In support of this request, Concord Steam states as follows:

1. On July 27, 2012, and in accordance with Puc Rule 1604.05, Concord Steam filed a Notice of Intent to file Rate Schedules with the Commission.
2. Contemporaneous with this Petition for Temporary Rates, Concord Steam is filing a revised tariff page to NHPUC No. 2 – Steam, proposing an increase in the Company's permanent rates. If approved, such rates will produce an increase of \$549,600 in its revenues from usage. The Company also proposes to recover \$312,984 in certain production costs in its 2012 cost of energy filing¹ for a total increase of \$862,584, representing an overall increase of 20.6% over Concord Steam's current operating

revenues for the test year ending December 31, 2011 and a total revenue requirement of \$4,964,121. A discussion of the costs that the Company proposes to recover through its cost of energy charge, as well as the Company's reasons for proposing a change in the manner of how those costs are recovered, is set forth in the testimony supporting the Company's request for a permanent increase in usage rates.

3. The Company's last authorized overall rate of return was 7.19%, based on an 8.0% return on equity.

4. The Company did not earn its allowed rate of return during the test year. As of December 31, 2011, the Company's overall rate of return was negative 6% on a weather normalized basis, well below the currently allowed rate of 7.19%.

5. Unless temporary and, ultimately, permanent rate relief is granted, the Company will not earn a reasonable rate of return on the cost of its property used and useful in the public service. The continuation of current rates will result in the confiscation of the Company's property.

6. The reports on file with the Commission and supporting documentation filed in connection with the Company's permanent rate request and with this Petition demonstrate that the Company is earning substantially below its allowed rate of return. The Company therefore requests that this Commission order a temporary rate increase, applied to all customers in order to generate an increase of \$549,600 in revenues from usage and a transfer of cost recovery of \$312,984 of production costs to the Cost of Energy, for a total increase of \$862,584 or 20.6% in operating revenues annually.

¹ To the extent that the Commission, upon reviewing these costs, determines that they are not appropriately included in the cost of energy charge at this time, the Company requests that they be included in the base rate increase sought in this proceeding.

7. The temporary rates proposed herein are just and reasonable, and therefore should be granted.

WHEREFORE, the Company respectfully requests that the Commission:

- A. Grant this Petition for Temporary Rates, allowing the Company an increase in the amount of \$507,713 in annual operating revenue to be effective with service rendered as of November 1, 2012;
- B. Order that the proposed temporary rate increase be implemented through an equiproportional increase in all usage rates;
- C. Order such temporary rates to allow the Company to recover production costs of \$312,984 in the Cost of Energy;
- D.. Order such temporary rates to remain in effect until a determination of the Company's request for a permanent rate increase; and
- E.. Grant such other relief as is just and equitable.

Respectfully submitted,
CONCORD STEAM CORPORATION

Date: September 5, 2012

By: 
Peter Bloomfield, President
Concord Steam Corp
PO Box 2520
Concord, NH 03302

Certificate of Service

I hereby certify that a copy of this Petition for Temporary Rates has been hand delivered to the Consumer Advocate this 5th day of September, 2012.


Peter Bloomfield