

STATE OF NEW HAMPSHIRE

before the

PUBLIC UTILITIES COMMISSION

Request for Franchise Approval and Permanent Rates

Millbrook Village Water System

Docket No. DW 14-176

STIPULATION AGREEMENT

I. PARTIES AND SCOPE OF STIPULATION

A. This stipulation agreement relating to Millbrook Village Water System's (Millbrook Village) request for franchise approval and permanent rate filing is entered into, by and among Staff of the New Hampshire Public Utilities Commission (Staff), Millbrook Village, and Mr. John Gray, (jointly, Settling Parties) representing all of the full participants in this docket.

B. This stipulation constitutes the Settling Parties' recommendation to the Commission with respect to this docket.

C. The Settling Parties agree that the terms of the stipulation are intended to resolve the issues specified herein only. The stipulation shall not be deemed an admission by the Settling Parties that any allegation or contention in this proceeding, other than those specifically agreed to herein, is true and valid. This stipulation shall not be deemed to foreclose the Staff, or other parties from taking any position in any future proceeding.

D. The Settling Parties agree and recommend that the stipulation and attachments be admitted as full exhibits and given whatever weight the Commission deems appropriate.

II. STIPULATION TERMS

A. Franchise Approval

The Settling Parties agree and recommend the Commission approve a franchise for Millbrook Village in a limited area of the Town of Thornton. This franchise area is to consist of the developments known as Mill Brook Village; Brookside Hollow; and The Falls at Mill Brook, as shown on Attachment A. The Millbrook Village franchise area contains a total of 37 current customers taking water service, with a potential full build-out of 64 customers.

B. Revenue Requirement; Rate Base; Rate of Return

The Settling Parties agree and recommend the Commission approve an initial revenue requirement of \$23,568 based on a total rate base of \$70,259, total operating expenses of \$16,823, and an overall rate of return of 9.60% yielding an operating income requirement of \$6,745. See schedules provided as Attachment B.

C. Customer Rate Impact

Millbrook Village provides unmetered service. The Settling Parties agree and recommend the revenue requirement be distributed among the current 37 customers equally, at \$636.96 annually or \$159.24 quarterly. The Settling Parties agree that this rate is just and reasonable and that the approval of this rate by the Commission is in the public interest.

D. Effective Date

The Settling Parties agree and recommend that the proposed revenue requirement of \$23,568 and resulting rates be effective for service rendered on and after January 1, 2015.

E. Adjustment to Rate Without Rate Proceeding

The Settling Parties acknowledge that, while the Millbrook Village water system has been constructed to provide water service to 64 end-users, there are currently 37 customers

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taking service. Since no real estate has been sold in Millbrook Village's proposed franchise area since 2008, the Settling Parties agree and recommend a water rate based on the 37 current customers. However, the Settling Parties agree and recommend that, in the event any new customers connect to the system and begin taking service, Millbrook Village agrees to file a revised tariff rate page within 15 days of any customer being connected. A new water service rate shall be calculated and filed using the revenue requirement recommended in this Settlement Agreement, \$23,568, divided by the new number of customers, and then divided by four for the new quarterly rate. This new rate is to be effective for service rendered on and after the first day of the quarter within which one or more new customers are connected. The Settling Parties agree and recommend that the revenue requirement in this stipulation will not change as a result of this provision, and that Millbrook Village is not entitled to seek recovery of any additional costs it may have occurred since the January 1, 2015 effective date of rate recommended herein. For clarification, the Settling parties intend that the customer rate under this provision will change in the future solely based on the number of customers taking service. Nothing in this provision precludes Millbrook Village from filing a full rate proceeding at any time, consistent with applicable law and regulations of the Commission.

F. Initial Tariff

Within 21 days of an order approving this stipulation, Millbrook Village will file its initial tariff with the Commission.

G. Affiliate Agreement(s)

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Within 21 days of an order approving this stipulation, and to the extent necessary and required by law, Millbrook Village agrees to file affiliate agreements with the Commission, pursuant to RSA 366.

III. MISCELLANEOUS

A. The Settling Parties agree that this stipulation may be executed in multiple counterparts, which together shall constitute one stipulation.

B. The Settling Parties agree that the Commission's acceptance of the stipulation does not constitute continuing approval or, or precedent for, any particular issue in this proceeding other than those specified herein.

IN WITNESS WHEREFORE, the signatories below have executed this stipulation, each being fully authorized to do so, as of the day indicated below.

MILLBROOK VILLAGE WATER SYSTEM

Date: November ____, 2014

By: _____
James R. Ingram, Principal

**STAFF OF THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
By its Attorney,**

Date: ^{December} ~~November~~ 1, 2014

By: R. E. P. Hollenberg
Rorie E. P. Hollenberg, Esq.

Date: November ____, 2014

By: _____
John Gray, Intervenor

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MILLBROOK VILLAGE WATER SYSTEM

Date: November 24, 2014

By: 
James R. Ingram, Principal

STAFF OF THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
By its Attorney.

Date: November ____, 2014

By: _____
Rorie E. P. Hollenberg, Esq.

Date: November ____, 2014

By: _____
John Gray, Intervenor

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MILLBROOK VILLAGE WATER SYSTEM

Date: November ____, 2014

By: _____
James R. Ingram, Principal

STAFF OF THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
By its Attorney,

Date: November ____, 2014

By: _____
Rorie E. P. Hollenberg, Esq.

Date: November 20, 2014

By:  _____
John Gray, Intervenor