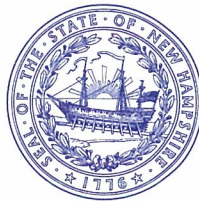


THE STATE OF NEW HAMPSHIRE

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August 1, 2014

NHPUC 1AUG14PM1:26

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, NH 03301

Re: DW 14-186 City of Somersworth
Extension of Water Service in the City of Dover

Dear Ms. Howland:

On July 14, 2014, the City of Somersworth (Somersworth) filed a petition pursuant to RSA 362:4 III-a and RSA 374:22 to extend water service in the City of Dover (Dover). Somersworth is seeking after the fact approval to establish a new franchise area to serve three residential properties which have been customers of Somersworth for many years. Somersworth indicates that it has been unable to locate evidence of Commission approval for this franchise. Staff has reviewed Somersworth's filing, and believes that Somersworth has demonstrated that it possesses the requisite technical, managerial, financial and legal capabilities to serve the proposed expansion in Dover. Therefore, Staff recommends that the Commission approve Somersworth's petition in this case. The following is a more detailed explanation of Staff's analysis.

Somersworth included a map with its petition, indicated as Exhibit 2, which detail the location of the three properties in Dover being served; 167 Varney Road, 170 Varney Road and 193 Blackwater Road. The petition also indicates that the Somersworth City Council has voted to approve this extension. Exhibit 3 to the petition is Somersworth Resolution #46-14 indicating Somersworth's support. A letter from the Somersworth City Manager, Exhibit 5, states that Somersworth's Division of Water has indicated that the water system has sufficient capacity to accommodate the new customers in the proposed franchise area and will create no adverse effect on the existing water system or its current customers. Exhibit 4 to the petition is City of Dover Resolution #R-2014.05.14-044 indicating Dover's support.

Somersworth has asserted in its petition that service to the customers in the proposed franchise area of Dover has been and will continue to be provided under the same tariff

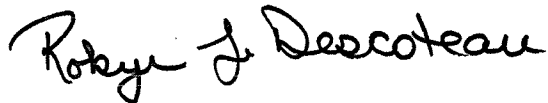
DW 14-186
City of Somersworth
Extension of Water Service in the City of Dover

provisions as service is provided within the City of Somersworth. Staff therefore believes that Somersworth's provision of water service outside its municipal boundaries should remain exempt from Commission regulation going forward.

In prior Commission rulings approving other franchise expansions by Somersworth, the City has demonstrated that it possesses the requisite managerial, technical, financial, and legal expertise to provide water service¹. Based upon its review of the information presented in the instant docket, Staff continues to believe that Somersworth possesses the requisite expertise to competently operate and maintain the proposed Dover Extension. In addition, Staff believes that the correspondence received from the Somersworth City Manager, dated July 8, 2014, satisfies the requirements of RSA 374:22, III regarding the suitability and availability of water to serve the Dover Extension. Thus, Staff recommends that the Commission approve Somersworth's proposed franchise expansion within the City of Dover.

In conclusion, Staff recommends that the Commission approve all aspects of Somersworth's petition by the issuance of an Order *nisi*. If you have any further questions regarding this matter, please do not hesitate to contact me.

Sincerely,



Robyn J. Descoteau
Utility Analyst, Gas & Water Division

Cc: service list

¹ DW 12-272 City of Somersworth, Order No. 25,420 (October 5, 2012); DE 85-268 Somersworth Water Commission, Order No. 17,932 (August 30, 1985).

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 14-186-1 Printed: August 01, 2014

FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:

DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.

c) Serve a written copy on each person on the service list not able to receive electronic mail.