

BEFORE THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Abenaki Water Company, Inc.

Petition for Permanent and Temporary Rate Increases

NHPUC Docket No. DW 15-199

PETITION FOR PERMENANT RATE INCREASES

NOW COMES Abenaki Water Company, Inc., by and through Upton & Hatfield, LLP, and petitions for permanent rate increases as follows:

1. Abenaki Water Company (“Abenaki” or “Company”) respectfully requests that the Commission approve rate increases and consolidation of water rates for its Belmont and Bow customers in this proceeding. The Company also requests an increase in the sewer rates of its Belmont customers. In addition, the Company also proposes to recover deferred sewer treatment expense from its Belmont sewer customers via a separate sewer surcharge and to put in place a mechanism to increase sewer rates when the City of Laconia increases its sewer treatment rates to the Company.

2. The Company proposes to consolidate water rates because it will benefit the Company and its customers. The Company will have a larger base of water customers to spread over capital costs and increased expenses. This will provide customers with increased rate stability over time as the Company continues to make strategic investments to improve its water systems, improve operations, create greater efficiencies and reduce cost.

3. The Company proposes to increase its annual water revenues on a consolidated basis by \$45,393 from its Belmont and Bow water customers. On a per customer basis, for a single family home in Belmont, the average monthly water bill (3,000 gallons) will increase by

\$11.25, from \$53.75 to \$65.00. For a single family home in Bow, the average monthly water bill (3,000 gallons) will increase by \$14.09, from \$50.91 to \$65.00. The increase is due to 2014 capital improvements and organization costs, 2015 planned capital improvements, and increases in operating expenses, depreciation and amortization and taxes.

4. The Company proposes to increase its annual revenues from sewer by \$39,246 from its Belmont sewer customers. On a per customer basis, for a single family home, the average monthly bill (3,000 gallons) will increase by \$16.22, from \$34.55 to \$50.77. The increase is due to 2014 capital improvements and organization costs, and increases in operating expenses, depreciation and amortization and taxes.

5. The Company has received notice from the City of Laconia that sewer treatment expense would be increasing effective September 1, 2014. Since that time, the Company has been deferring and accumulating the costs differential between the old rates and the new rates. The Company seeks to recover the balance of the cost differential via a separate sewer surcharge over a 12 month period. The Company seeks approval of a mechanism to “pass through” future City of Laconia sewer expense increases at cost.

6. The Company submits the following testimony in support of the requested changes: (a) Donald J.E. Vaughan, P.E., President and CEO of New England Service Company, Inc. (“NESC”) and Chairman of the Abenaki Water Company, Board of Directors; (b) Deborah O. Carson, Treasurer for NESC and Abenaki Water Company; and (c) Alex L. Crawshaw, President of Abenaki Water Company.

7. RSA 378:7 authorizes the Commission to fix rates after a hearing upon determining that the rates, fares, and charges are just and reasonable. In determining whether rates are just and reasonable, the Commission must balance the customers’ interest with the

investors' interest in obtaining a reasonable return on their investment. *Appeal of Eastman Sewer Co.*, 138 N.H. 221, 225 (1994). For the reasons explained in the testimony in support of this Petition, the requested changes are both just and reasonable.

8. The Company intends to file a separate request for approval temporary in this proceeding in a separate filing.

WHEREFORE Abenaki Water Company respectfully requests that the Commission:

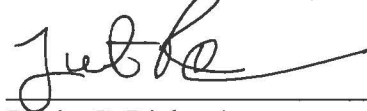
- A. Approve Permanent Rate Increase;
- B. Approve consolidation of water rates;
- C. Grant such other relief as justice may require.

Respectfully submitted,

Abenaki Water Company

By Its Counsel,

UPTON & HATFIELD, LLP




By:

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Date: July 23, 2015

CERTIFICATION

I hereby certify that a copy of the foregoing was this day forwarded to all persons on the Commission's official service list in this proceeding by electronic mail.


Justin C. Richardson