

CONSUMER ADVOCATE
D. Maurice Kreis

STATE OF NEW HAMPSHIRE



TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-1172

ASSISTANT CONSUMER ADVOCATE
Pradip K. Chattopadhyay

25 JAN '18 PM 1:32

OFFICE OF THE CONSUMER ADVOCATE

21 S. Fruit St., Suite 18
Concord, N.H. 03301-2429

Website:
www.oca.nh.gov

January 25, 2018

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

Re: Docket No. DW 17-165
Abenaki Water Co. Rosebrook Water System
Petition for Change in Rates

Dear Ms. Howland:

As you know, the Commission conducted a prehearing conference in the above-referenced proceeding today. Consistent with the usual practice, the Commission did not address the question of what procedural schedule should apply to the docket, leaving that for the parties to resolve by agreement at the technical session following the prehearing conference.

Unfortunately, the parties and Staff did not reach agreement. Accordingly, I am writing to provide the OCA's recommendation on how the Commission should rule in its prehearing conference order.

N.H. Code Admin. Rules Puc 1604.02 requires a utility seeking a rate increase to set forth in its filing the specifics of the rate relief the utility is requesting along with prefiled testimony supporting the request. Essentially, the utility's entire case-in-chief must be on file when the Commission issues its Order of Notice and begins the adjudicative process. But, at the prehearing conference, Abenaki Water Co. (Abenaki) made clear that it intends to file additional testimony that will support a substantial increase in the return on equity (ROE) to which the company believes itself entitled.

It is unfair, inconsistent with the Commission's rules, and violative of the due process rights of other parties for the Commission to move forward with this docket when the Company clearly intends to make substantial modifications to its proposal and the basis therefor. The Company's temporary rate request – itself filed in anomalous fashion – cannot be fairly considered when

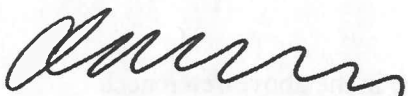
neither the Commission nor the other parties have any real notion of what revenue requirement the utility believes itself entitled to receive via permanent rates.

Accordingly, the Commission should put this case on hold pending the submission of the utility's ROE testimony, at which time the Commission should schedule a second prehearing conference at which the parties have an opportunity to be heard on what specific procedural schedule is appropriate.

During the technical session, it became clear that Abenaki does not actually intend to file ROE testimony in this docket. Rather, Abenaki intends to file a separate petition, jointly with certain other water companies, for the Commission to conduct a separate proceeding to determine the appropriate ROE for some or all small water utilities in New Hampshire. The OCA has grave reservations about the legality and propriety of this approach but we are reserving judgment until we see the petition and learn what the petitioners are actually seeking. As you know, various ratepayers and ratepayer organizations have requested or are in the process of requesting intervenor status in the instant rate case; presumably they will have concerns about needing to participate in two separate dockets in order to vindicate their interests.

I urge the Commission to proceed with caution in these circumstances. Please feel free to contact me if there are any concerns or questions about the foregoing.

Sincerely,



D. Maurice Kreis
Consumer Advocate

cc: Service list via e-mail