

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 19-035

PENNICHUCK EAST UTILITY, INC.

Petition for Approval of 2019 Qualified Capital Project Adjustment Charge

Summary of Order *Nisi* No. 26,313 Granting Petition

On December 6, 2019, the Commission approved a Qualified Capital Project Adjustment Charge (QCPAC) for Pennichuck East Utility, Inc. (PEU). The Commission approved a 2.98 percent surcharge to be applied to customer bills on a service-rendered basis as of July 22, 2019. As a result, an average residential customer using 7.29 hundred cubic feet of water per month will pay \$2.25 under the QCPAC, in addition to existing monthly rates of \$75.45. The Commission also approved a two-month recoupment charge to recover the revenues that would have been collected between July 22, 2019, and the effective date of the Commission's Order. The Commission preliminarily approved a budget of \$2,058,625 for QCPAC projects proposed for construction in 2019, and accepted the estimated 2020 and 2021 QCPAC project budgets of \$2,470,580 and \$3,328,000 for informational purposes.

The Commission further granted PEU authority to include the annual interest incurred on its Fixed Asset Line of Credit in its annual long-term debt issuances, which will later be eligible for recovery through future QCPAC proceedings. Because the order permits PEU to collect charges on a service-rendered basis, it modifies Order No. 26,179 (October 4, 2018) and the settlement agreement underlying that order, which permitted PEU to collect charges on a bills-rendered basis. With the exception of any information for which either PEU requested or the Commission granted confidential treatment, the Order, along with the petition and other filings are posted at <http://www.puc.state.nh.us/Regulatory/Docketbk/2019/19-035.html>.

The Commission delayed the effectiveness of its approval of PEU's request to ensure the public receives notice of the Commission's determination and has an opportunity to request a hearing. All persons interested in responding to the Commission's action may submit their comments or file a written request for a hearing, which states the reason and basis for a hearing, no later than December 23, 2019. Any person(s) responding to such comments and requests for hearing shall do so no later than December 30, 2019. Following consideration of any comments and request for hearing received, the Commission may further extend the final effective date of its Order. Unless the Commission orders otherwise, the Order shall become final and effective on January 6, 2020.