

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

IR 21-024

**ABENAKI WATER COMPANY, INC.
ROSEBROOK WATER SYSTEM**

**Investigation into Water Pressure Issue
in the Rosebrook Water System**

ORDER OF NOTICE

The Commission opens this docket pursuant to RSA 365:5 to further investigate a water pressure issue in the Rosebrook Water System owned and operated by Abenaki Water Company, Inc. (Abenaki, or the Company) in Carroll. The investigation shall include a review of the Company's efforts to resolve the long-standing pressure issue, including steps taken toward financing engineering designs for, and implementation of, a potential solution, as directed in prior orders of the Commission. This order of notice and any subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at

<https://www.puc.nh.gov/Regulatory/docketbk/2021/21-024.html>.

In Docket DW 17-165, the Commission issued Order No. 26,205 (December 27, 2018), in which it approved a settlement agreement providing for a potential second step adjustment (Step II Adjustment) that would permit Abenaki to recover, through the rates it charges to customers, up to \$100,000 in engineering design costs to fix a significant, long-standing water pressure problem in the Rosebrook Water System. The settlement agreement required Abenaki to file a request for the Step II Adjustment by September 30, 2019. Under the terms of the settlement, recovery of costs through a Step II Adjustment would be subject to the Commission's approval of the resulting engineering designs.

At the request of the Company, the Commission extended the deadline for Abenaki to seek a Step II Adjustment to December 31, 2019 in Order No. 26,300 (October 23, 2019). In that order, the Commission noted that the New Hampshire Department of Environmental Services (DES) had issued a letter to Abenaki on June 7, 2019, in which DES stated that the “extreme water pressure situation” in the Rosebrook Water System was a “significant deficiency” requiring immediate action.¹

On December 30, 2019, Abenaki filed a motion requesting another extension of the filing deadline for a Step II Adjustment to December 31, 2020. After a hearing on Abenaki’s motion held on July 16, 2020, and further filings made by the Company and the Omni Hotel regarding the recovery of rate case expenses, as well as the Step II Adjustment, the Commission denied Abenaki’s request for an extension in Order No. 26,426, which issued on November 25, 2020.

In Order No. 26,426, the Commission found that Abenaki had failed to demonstrate that another extension of time was warranted, as required under Rule Puc 202.04 of the New Hampshire Code of Administrative Rules. Further, the Commission rejected Abenaki’s arguments that an extension was necessary to obtain financing to complete the required engineering work. The Commission found no evidence in the record to show that Abenaki had made an effort to complete the required engineering designs or otherwise resolve the excessive water pressure issue existing in the Rosebrook Water System. Accordingly, the Commission determined that it would issue an order of notice to open “an investigation into the pressure problem in the Rosebrook system and the Company’s resolution of that problem, including its efforts to fund the engineering and implementation of a solution.” *Id.* at 8.

¹ The Commission notes that a follow-up letter to Abenaki, dated December 1, 2020 (Letter of Deficiency #DWGB 20-032), is posted on the DES website stating that the water pressure deficiency remains uncorrected.

On December 20, 2020, the Company filed a response to Order No. 26,426, contending that the pressure problem “has been known for years” and that “[n]o prior owner/manager addressed the problem.” *Letter of Stephen P. St. Cyr on behalf of the Company* at 1 (December 24, 2020). The Company noted in its response that it had testified before the Commission that it has spent approximately \$81,000 so far on the pressure problem, and that it is now in the process of preparing a Form E-22, Report of Proposed Expenditures totaling \$145,000 to prepare plans and specifications by August 1, 2021. *Id.* at 2. Further, the Company stated in its December 20 letter that it “intends to generally implement Horizons’ 2018 proposal reflected in Staff’s Recommendation dated July 15, 2019” and “anticipates filing a petition for financing of these engineering costs in early 2021”. *Ibid.*

The filings in this docket raise, *inter alia*, issues related to whether Abenaki has fulfilled its duty under RSA 374:1 to provide, in its Rosebrook Water System, service and facilities that are reasonably safe and adequate; whether Abenaki has exercised reasonable efforts to comply with Commission orders; and whether Abenaki should be subject to a fine under RSA 365:41 or other potential remedies under RSA chapter 374 and other applicable statutes and rules, including appropriate action by the attorney general pursuant to RSA 374:41. The Commission’s Safety Division, aided by the Gas and Water Division, is directed to investigate the Rosebrook pressure issue, including the Company’s efforts to resolve that issue, and to produce an investigative report with recommendations to be considered by the Commission. The investigation shall at a minimum: 1) review the prior filings in this docket; 2) investigate the safety and adequacy of the existing Rosebrook system; 3) evaluate the proposed preferred remedies of the existing water pressure within the distribution system; 4) evaluate potential

alternative solutions; 5) conduct field investigations as necessary; and, lastly, 6) file a recommendation to the Commission no later than July 16, 2021 of its findings.

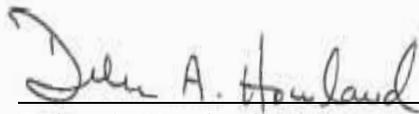
Based upon the foregoing, it is hereby

ORDERED, that, Staff shall make inquiries of the Company and, as needed, of other stakeholders and persons with information that would benefit its investigation, with responses afforded protective treatment, as appropriate, pursuant to RSA 91-A; and it is

FURTHER ORDERED, that Staff shall file a report of its findings and a recommendation for further action, if needed, to the Commission no later than July 16, 2021; and it is

FURTHER ORDERED, that the Executive Director shall publish this order of notice on the Commission's website no later than one business day after the date of issue.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of February, 2021.



Debra A. Howland
Executive Director

Service List - Docket Related

Docket# : 21-024

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