

STATE OF NEW HAMPSHIRE
Before the
PUBLIC UTILITIES COMMISSION

Docket No. DW 23-088
Pennichuck Water Works, Inc.
Pennichuck East Utility, Inc.
Pittsfield Aqueduct Company, Inc.

Motion for Waiver of Certain N.H. Code Admin. Rules Puc 1607.04 Rate Base Schedules

DEPARTMENT OF ENERGY OBJECTION TO MOTION FOR WAIVER

NOW COMES, the Department of Energy (DOE) pursuant to New Hampshire Code Admin. Rules 203.07(e) and RSA 541-A, and objects to the Motion for Waiver (Motion) filed by Pennichuck Water Works, Inc. (PWW), Pennichuck East Utility, Inc. (PEU) and Pittsfield Aqueduct Company, Inc. (PAC) (collectively, the Petitioners) to waive certain filing requirements of N.H. Code Admin. Rule Puc 1607.04 relative to the required filings associated with a Notice of Rate Change. In the Motion, the Petitioners indicate that they intend to soon file a “combined general rate case” (Motion at 3). In connection with this “combined general rate case”, the Petitioners request a waiver of the requirement to file certain documents mandated by N.H. Code Admin. Rules Puc 1607.4. The rule requirements identified for waiver are as follows:

Puc 1604.07(a)(9) - Schedule 2B- Material and Supplies
Puc 1604.07(a)(10) - Schedule 2C - Contributions in Aid of Construction, and
Puc 1604.07(a)(14) - Schedule 3 Attachment - Name of Account.

The Petitioners argue that the content of the enumerated schedules does not relate to the calculation of a revenue requirement, and further claim that it is “more beneficial” for the parties and the DOE audit staff, “to spend their time, reviewing schedules and data that are actually needed in analyzing the Companies’ revenue requirement.” Motion at 3.

The Petitioners claim that the preparation of these schedules is time-consuming. They also claim that the requirement for these schedules was waived by the approval of a settlement agreement in Docket No. 19-084, the 2019 PWW rate case, because Schedules 2B, 2C and 3 were not attached to the settlement agreement. Motion at 3.

The Petitioners argue that it is in the public interest to waive the cited provisions of Puc 1607.04 because this can be produced through discovery during the investigation of the docket.

In support of the DOE's objection, the DOE states as follows:

1. On October 9, 2023, the Petitioners filed the Motion to waive the requirement that they file certain schedules required by Puc 1607.04 as noted above.
2. On October 13, 2023, the Petitioners filed a notice (Notice) of the intent to file a combined general rate case for PWW, PEU and PAC.
3. The Commission approved the City of Nashua's acquisition of Pennichuck Corporation water utility assets in Order No. 25,292 *Approving Acquisition and Settlement Agreement*, (Order No. 25,292), in Docket No. DW 11-026. Since that time, PWW, PEU, and PAC have existed as independently regulated water utilities, and each has filed separate rate cases.
4. Most recently, PWW filed a rate case (Docket No. DW 22-032), which was approved by the Commission on July 27, 2023 (Order No. 26,862). In filing Docket No. DW 22-032, PWW included Schedule 2B, Schedule 2C, and Schedule 3, and related support, in its initial rate case filing.
5. PWW, PEU, and PAC are each financed through short- and long-term debt, unlike other public utilities which have a capital structure. The unique financial structure of PWW, PEU, and PAC, however, does not obviate the DOE's need for a complete rate

case filing, especially in this instance in which the Petitioners propose to adopt a combined rate for PWW, PEU, and PAC.

6. Puc 1604.07 establishes the information and schedules that regulated utilities must file with the Commission and that data contained in Schedules 2B, 2C and 3 is necessary for the DOE's review and analysis of any rate case. In this case, where the Petitioners propose to combine three separate utilities in a single rate case filing, it is imperative that the filing include schedules describing the combined Materials and Supplies, Contributions in Aid of Construction and Names of Accounts to allow the DOE to conduct a thorough analysis of the case. As the Petitioners are intending to file a combined rate case, it is logical to assume that they would compile this data for their internal financial accounting and due diligence purposes.
7. The schedules sought to be excluded from the filing will likely raise discovery issues and should be available as provided by other regulated utilities, and as provided by PWW, PEU and PAC in prior rate cases for the individual companies. The analysis of the combination will require more, not less, information, for the DOE to assist in the completion of the rate case record as required by NH RSA 12-P:2, IV. Granting a waiver of 1604.07 as requested by Petitioners would negatively impact the DOE's analysis of the docket.
8. The Petitioners argue that a waiver is warranted under Puc 201.05 because the information contained in the named schedules does not provide information on the revenue requirement, the waiver will not impede the orderly process of the docket, and that the parties can always request the schedules in discovery. If the Petitioners can provide the schedules in discovery, the Petitioners can meet the requirements of

Puc 1604 and file the schedules in the initial rate case filing. Puc 201.05 authorizes the Commission to waive the provisions of any of its rules upon finding that waiver serves the public interest and will not disrupt the orderly and efficient resolution of matters before the commission. Omitting these schedules in their current filing and waiting until the DOE requests them in discovery, almost by definition, disrupts the orderly and efficient resolution of this matter before the Commission.

9. Finally, the DOE is concerned that, should the Commission approve this waiver, the Petitioners or other regulated utilities will seek similar waiver or waivers from Puc 1604.07 in future rate cases. As long as PWW, PEU and PAC are regulated water utilities, the DOE takes the position that PWW, PEU and PAC, each separately or collectively, should comply with the requirements of Puc 1604.7 (9), (10) and (14).

For the foregoing reasons, the DOE objects to the Petitioners' Motion.

WHEREFORE, the DOE respectfully requests that the Commission:

- (1) Deny the Petitioner's Motion to Waive Certain Requirements of Puc 1604.7; and
- (2) Order such further relief that may be is equitable and reasonable.

Respectfully Submitted,

N.H. Department of Energy

/s/ Suzanne G. Amidon

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Date: October 23, 2023

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CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

October 23, 2023

/s/ Suzanne G. Amidon

Suzanne G. Amidon