

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DW 24-029

Pennichuck East Utility, Inc.

Motion to Amend the 2024 Petition of Pennichuck East Utility, Inc. for Qualified Capital Project Adjustment Charge

Pennichuck East Utility, Inc., (“PEU” or “Company”), a corporation duly organized and existing under the law of the State of New Hampshire and operating therein as a public utility subject to the jurisdiction of the New Hampshire Public Utilities Commission (the “Commission”), moves to amend the 2024 Qualified Capital Adjustment Charge (“QCPAC”) Petition in Docket No. DW 24-029 to incorporate supplemental information in the event that the joint petition for merger and consolidated rates is approved prior to December 31, 2024 in Docket No. DW 23-101. The Company hereby moves pursuant to PUC 203.07 and 203.10(a) to amend the petition in Docket DW 24-029 because the amendment will allow for the just resolution of the 2024 QCPAC petition, provide supplemental information to the Commission and will not an undue delay the proceeding before the Commission. In support of this Motion, the Company respectfully represent as follows:

Procedural History:

1. On October 13, 2023, Pennichuck Water Works, Inc. (“PWW”), PEU and Pittsfield Aqueduct Company (“PAC”), (collectively the “Joint Petitioners”) filed a Notice of Intent to Change Rates with the Commission, which the Commission docketed as Docket No. DW 23-088. The Notice included reference to both the consolidated rates and proposed merger

or consolidation petition to be filed by the petitioners. On November 21, 2023, the Joint Petitioners filed a consolidated rate case in Docket No. DW 23-088. The Town of Bedford, Town of Litchfield, and Town of Londonderry (“Intervenors”) filed to intervene in the Docket DW 23-088.

2. On December 15, 2023, the Joint Petitioners filed the petition for approval of the consolidation or merger of PEU and PAC into PWW with the Commission. The Commission docketed this petition as Docket No. DW 23-101.

3. The Department of Energy (“Department”) filed a motion to dismiss Docket No. DW 23-088 on December 15, 2023.

4. On December 18, 2023, the Commission issued an order suspending the tariffs in consideration of and acceptance of the consolidated rate petition in DW 23-088.

5. On December 29, 2023, the Joint Petitioners filed an opposition to the Department’s Motion to Dismiss Docket No. DW 23-088 that was filed on December 15, 2023.

6. On January 5, 2024, the Commission issued a Notice of Adjudicative Proceeding and Order of Notice in Docket DW 23-101 for a pre-hearing conference scheduled for February 6, 2024.

7. On January 10, 2024, the Commission issued a Notice of Commencement of Adjudicative Proceeding and Notice of Hearing in DW 23-088 for the Motion for Dismiss on January 31, 2024.

8. On February 4, 2024, the Commission issued a procedural order in DW 23-101 rescheduling the pre-hearing conference for February 14, 2024.

9. On February 6, 2024, the Commission issued another procedural order accepting the Intervenors’ petitions in DW 23-101.

10. After hearing on January 31, 2024, the Commission issued Order No. 26,942 on February 6, 2024 in Docket No. DW 23-088 dismissing the consolidated rate petition brought by the Joint Petitioners. See Order 26,942 (Feb. 6, 2024) at 4-6. The motion to dismiss was granted without prejudice. See *Id.* at 6.

11. The Joint Petitioners assert that the merger and consolidation is related and rate relief is necessary to establish that the proposed merger is in the public interest.

12. On February 14, 2023, the Commission held a pre-hearing conference in Docket No. DW 23-101 with the Joint Petitioners, Department, OCA, and Intervenors. During this hearing the parties discussed with the Joint Petitioners filing a motion to amend the petition in Docket DW 23-101 to include the rate schedules, filings, notices, cost of service study and related docket filings from DW 23-088 into an amended petition in DW 23-101. The Joint Petitioners agreed to file the amended petition with the Commission by February 28, 2024, as well as a proposed dual track procedural schedule.

13. At a technical session following the pre-hearing conference, the parties including the Joint Petitioners, Department, OCA, and Intervenors met to discuss a proposed amendment to the petition in DW 23-101 to incorporate the consolidated rates proposed in DW 23-088.

14. On February 15, 2024, the City of Nashua filed a petition to intervene in DW 23-101, the Joint Petitioners do not object to the City's petition and welcome the City's participation in this docket.

16. On February 15, 2024, PEU filed the 2024 QCPAC petition in Docket No. 24-029. The Commission issued an acknowledgement letter on February 16, 2024.

17. On February 28, 2024, the Joint Petitioners filed an assented to proposed procedural schedule for the proposed dual track review for DW 23-101. That procedural

schedule included a dual track process for consideration of the merger and rates, as well as decision point on September 12, 2024, when the Department of Energy and parties would recommend either a settlement track or litigation track going forward. If the settlement track is accepted, then that schedule outlines approval of the merger and consolidate rates prior to the end of December 2024. If litigation is selected, then the approval of the merger and rates would be effective, if approved, after a hearing in February 2025.

18. The Commission approved the proposed procedural schedule on March 4, 2024. The schedule was later amended by procedural orders of the Commission on March 7, 2024 and March 22, 2024, but the key decision date of September 12, 2024 and proposed end dates for both tracks was not altered.

19. The Department filed a Notice of Appearance and request for service list change on March 7, 2024 in DW 24-029.

20. On March 7, 2024, the Commission issued a procedural order requesting the parties to file a procedural schedule by March 28, 2024.

21. On March 8, 2024, the Joint Petitioners filed a motion to amend the petition in Docket No. DW 23-101 to incorporate consolidated rates for PWW, PEU, and PAC.

22. On March 12, 2024, the Company filed a request to amend the service list.

23. On March 14, 2024, representatives of the Company, PWW, PAC, Department, Office of Consumer Advocate, Town of Bedford, Town of Londonderry, Town of Litchfield and City of Nashua attended a kick-off technical session in Docket No. DW 23-101. During that technical session, the Company and Department also discussed the draft procedural schedules for Dockets DW 24-027 and DW 24-029,

which may be impacted by the motion to amend and the addition of proposed consolidated rates in Docket No. DW 23-101.

24. On March 22, 2024, the Company filed a motion to amend the procedural order to extend the time for filing the procedural schedule until April 11, 2024.

25. On March 25, 2024, the Commission approved the motion to amend the procedural order and extended the time for filing the procedural schedule in DW 24-029 to April 11, 2024.

26. On March 29, 2024, the Commission approved the motion to amend the petition in Docket No. DW 23-101 to incorporate consolidated rates into the merger petition by Order No. 26,985 (March 29, 2024).

ANALYSIS AND RELIEF SOUGHT

27. The Company proposes to amend the instant petition in DW 24-029 to incorporate certain supplemental testimony, rate schedules and amended tariff for the 2024 QPCAP in the event that the petition for merger and consolidate rates is approved in DW 23-101 prior to December 31, 2024.

28. If the settlement track is taken by the Joint Petitioners and parties in DW 23-101, then the merger and proposed consolidated rates could be effective by January 1, 2025. Given the consolidation of the entities, this would impact the pending QCPAC petitions filed by PEU in this docket and PWW filed in Docket No. DW 24-027 on February 15, 2024. PAC customers are not subject to a QCPAC charge, but could be subject to a subsequent QCPAC for the combined entity if the merger and consolidated rates are approved by December 31, 2024.

29. If the merger and rate consolidation follow the litigation track, then the pending petitions in DW 24-027 and DW 24-029 would not be impacted because they would become effective (if approved) prior to the potential approval of consolidated rates.

30. Given the potential impacts on PAC customers and the combined QCPAC following approval of the merger and consolidated rates in DW 23-101 for PWW, PEU, and PAC customers, the Department recommended that PWW and PEU file supplemental information including testimony, schedules, and revised tariff demonstrating the proposed QCPAC charge sought by the combined PWW, rate impacts on customers post-merger, as well as the proposed 2024 capital budget for preliminary review and approval by the Commission, and 2025 and 2026 capital budgets for the combined PWW for information only

31. Pursuant to PUC 203.07 and PUC 203.10(a), the Company asks that the Commission grant this motion to amend the petition to incorporate the supplemental testimony of Mr. Donald Ware, Supplemental Exhibit DLW 1-5, and amended tariff because it will encourage the orderly and just resolution of this QCPAC proceedings in this docket before the Commission. This supplemental information will also provide the Commission and customers of PWW, PEU, and PAC of the impacts of the proposed QCPAC for the combined company if the merger and consolidated rates are approved prior to December 31, 2024.

32. The Company proposes an amendment of the petition attached with both redlined and clean form of the amended petition, supplemental testimony, supplemental exhibits and amended tariff for the combined PWW.

33. If the settlement track is selected for DW 23-101, the Company will publish a new notice to customers of PWW, PAC, and PEU after that decision in DW 23-101 on or after September 12, 2024.

34. Therefore, the Company respectfully requests that the Commission grant this Motion to Amend because it will allow the orderly and efficient review of DW 24-029, avoid undue delay and expense, and would serve the public interest.

35. The Company has conferred with the Department with respect to this motion. The Department has no objections to this motion.

WHEREFORE, PEU respectfully requests that the Commission:

- A. Grant this Motion to Amend the Petition in DW 24-029; and,
- B. Provide such other relief as is just and equitable.

Respectfully submitted,

PENNICHUCK EAST UTILITY, INC.,

By Its Attorneys

RATH, YOUNG AND PIGNATELLI, P.C.

Dated: April 9, 2024

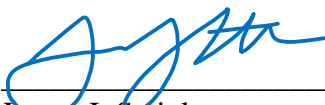
By:



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Certificate of Service

I hereby certify that on this 9th day of April 2024, a copy of this motion has been served electronically with the Docket's Service List.



James J. Steinkrauss