

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 07-076

CONCORD STEAM CORPORATION

Rate Proceeding

**Order Scheduling Prehearing Conference and Temporary Rate Hearing
and Suspending Proposed Tariff**

ORDER NO. 24,783

August 24, 2007

On August 1, 2007, Concord Steam Corporation (Concord Steam) filed a rate schedule reflecting an increase of \$515,698 in base rate revenues, with the rate increase spread proportionately over all three tiers of the Company's declining block rate structure. Included in Concord Steam's filing is a petition for temporary rates, which requests a temporary rate increase in the same amount as base rates to be effective with service rendered on November 1, 2007, or on the date which customers are notified, whichever is sooner. The rate increase would result in a 26.2 percent increase to currently approved base rate revenues and an 11.65 percent increase to currently approved overall revenues.

Concord Steam supplies steam service to 110 customers in Concord, one of which is a residential customer and the remainder are commercial or institutional customers. Concord Steam also cogenerates electricity for internal use and for the regional wholesale electricity market. Concord Steam asserts that it is not earning a reasonable return on the actual cost of its property used and useful in the public service and that continuation of current rates will result in the unconstitutional confiscation of its property.

The filing raises, *inter alia*, issues related to the justness and reasonableness of the proposed permanent rates pursuant to RSA Chapter 378, the basis for the proposed revenue requirement, including the appropriate return on equity and pro forma adjustments, effects on customer retention in a competitive market, sales trends, bill impacts, the design of the rates sought by Concord Steam, the appropriateness of assignment of certain expenses between base rates and energy rates, and whether temporary rates should be approved and, if so, at what level and when they should become effective. Each party has the right to have an attorney represent them at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that Concord Steam's 44th Revised Page No. 11, superceding 43rd Revised Page No. 11, be and it hereby is suspended, pursuant to RSA 378:6, I(a); and it is

FURTHER ORDERED, that a prehearing conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on September 7, 2007 at 2 p.m., at which each party will provide a preliminary statement of its position with regard to the petition for temporary rates and any of the noticed issues; and it is

FURTHER ORDERED, that, immediately following the prehearing conference, the Staff of the Commission and any intervenors hold a technical session to review the petition and allow Concord Steam to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that the following partial procedural schedule:

Responses to oral data requests propounded at the
first technical session

September 10, 2007

Testimony by Staff and intervenors regarding
temporary rates

September 13, 2007

Hearing on temporary rates and further procedural
schedule

September 17, 2007
at 10 a.m.

is established unless otherwise ordered following the prehearing conference; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, Concord Steam shall notify all persons desiring to be heard at this prehearing conference by publishing a copy of this Order of Notice no later than August 29, 2007 in a newspaper with general circulation in Concord, publication to be documented by affidavit filed with the Commission on or before September 7, 2007; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rule Puc 203.12, Concord Steam notify all customers and the Concord City Clerk of this docket by serving on them a complete and accurate summation of its proposed rate change and a copy of this order of notice by first class U.S. mail postmarked no later than August 30, 2007; and it is

FURTHER ORDERED, that pursuant to N.H. Admin Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission an original and eight copies of a petition to intervene with copies sent to Concord Steam and the Office of the Consumer Advocate on or before September 4, 2007, such petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin Rule Puc 203.17 and RSA 541-A:32, I(b); and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make such objection on or before September 7, 2007.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of August, 2007.

Thomas B. Getz
Chairman

Graham J. Morrison
Commissioner

Clifton C. Below
Commissioner

Attested by:

ChristiAne G. Mason
Assistant Executive Director & Secretary