

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 24-071

PENNICHUCK WATER WORKS, INC.

Petition for Approval of Special Contract with Tyngsborough Water District

Order Approving Extension of the First Special Contract

O R D E R N O. 27,024

June 24, 2024

In this order the Commission grants the petitioners assented to motion to extend the current special contract with Tyngsborough Water District during the pendency of the Commission's review of the parties, proposed, second special contract.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-071.html>

I. PROCEDURAL HISTORY and PENDING MOTION

On May 6, 2024, Pennichuck Water Works, Inc. (PWW) filed a request for approval of its second special contract with Tyngsborough Water District (TWD) for wholesale water supply. The current effective special contract between PWW and TWD will expire on July 28, 2028. On June 5, 2024, PWW filed a motion (the Motion) requesting a temporary extension of the expiration date of the terms of the current Contract, from July 28, 2024 for six (6) months to allow for enough time to adequately review the May 6, 2024 petition. See Motion at ¶5.

In support of the Motion, the Company indicated the extension will allow for a seamless transition for TWD from its current contract to the next and will avoid

interim general tariff rates that do not consider the unique cost to serve TWD. See Motion at ¶6.

PWW believes an extension satisfies RSA 378:18 and asserts it is in the public interest that PWW deviate from the general rate schedules during the extension period because:

- (1) TWD has another source of water supply and could decide to not take water from PWW;
- (2) TWD has its own storage which mitigates peak usage and reduces the cost to serve TWD;
- (3) TWD owns its own infrastructure which again reduces the cost to serve TWD; and
- (4) TWD is a critical large customer to PWW and its customers because TWD will contribute almost \$228,000 annually to PWW's fixed costs that, if TWD were not a customer of PWW, PWW would have to collect from PWW's other customers.

See Motion at ¶ 7. PWW indicates that the Department of Energy assents to the relief requested in the motion.

II. COMMISSION ANALYSIS

The Commission may, by order, allow utilities to charge rates which depart from their standard tariffs when special circumstances exist “which render such departure from the general schedules just and consistent with the public interest ...” See RSA 378:18. We find the facts of this case render a temporary extension of the existing Contract between PWW and TWD just and consistent with the public interest. We therefore approve an extension of the current Contract until a Commission determination is made on the proposed Second Contract or six months from the effective date of this order, whichever is sooner. If determination has not been made within six months, PWW will be required to request an additional extension.

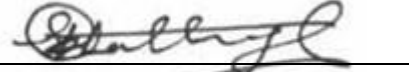
Based upon the foregoing, it is hereby

ORDERED, that the Petitioner's June 5, 2024 Motion to Extend Current First Special Contract is **GRANTED**.

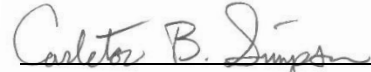
By order of the Public Utilities Commission of New Hampshire this Twenty-fourth Day of June, 2024.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket# : 24-071

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