

Stephen P. St. Cyr & Associates

17 Sky Oaks Drive
Biddeford, Me. 04005
207-423-0215
stephenpstcyr@yahoo.com

NHPUC 4MAR'16PM12:03

March 2, 2016

Debra Howland
Executive Secretary
Public Utility Commission
21 S. Fruit St., Suite 10
Concord, N. H. 03301-2429

Re: West Swanzey Water Company's request for PUC approval of unbilled revenue

Ms. Howland:

Enclosed is an original and 6 copies of West Swanzey Water Company's ("Company") request for PUC approval of unbilled revenue. The unbilled revenue was uncovered during a PUC audit for the years 2012 – 2014. The unbilled revenue was authorized by the PUC in its order no. 25,606. The "failure to bill" was simply an oversight. The Company proposes to recover the unbilled revenue over two quarterly billings via a separate surcharge beginning April 1, 2016. The PUC Staff has reviewed and assents to the Company's request. As such, the Company respectfully requests the Commission approval by no later than March 31, 2016.

The Company appreciates the PUC Staff and the Commission's consideration of this matter. If you have any questions or comments, please contact me at 207-423-0215 or email me at stephenmpstcyr@yahoo.com.

Sincerely



Stephen P. St. Cyr

Cc: Sally Brown

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Ms. Howland:

During the PUC audit of West Swanzey Water Company ("Company") for the years 2012 – 2014, the PUC audit staff uncovered that "The Company has not implemented the adjustment to the tariff, approved by Order 25,606." After reviewing the data, the Company agreed to "adjust its billing system and invoicing to reflect the current tariff rates" beginning with the April 1, 2016 invoices for the period January 1, 2016 - March 31, 2016. The Company also indicated that it would "review PUC 1203.05 and make a determination with respect to billing the unbilled amount." See audit issue #4. It has completed its review and has determined to seek approval to collect the unbilled revenue. Also, please see attached recalculation of customer billings. In addition, please see Mr. Schuler's 2/23/16 memo regarding Audit Issue #4, Unbilled Revenue Correction.

On December 19, 2013 the PUC issued Order No. 25,606 approving a step adjustment to rates. The order approved an increase of \$3,240 or 4.83% in the annual revenue requirement. The order also approved the recovery of \$2,535 in rate case expenses via a quarterly surcharge in the amount of \$8.34 per customer for four quarterly periods. A copy of the order was mailed to all customers and documented by affidavit filed with the PUC. The Company filed a compliance tariff with the Commission.

In accordance with 1203.05(e), the "failure to bill" was simply an oversight. While the Company took the necessary steps to comply with the PUC order, a couple of months passed from completing the steps to comply with the order and the time of the first bill under the new rates. When it came time to prepare and issue the first invoices under the new rates, the Company did not make the necessary changes in the system to bill under the new rates. The Company regrets the oversight. The Company proposes to recover the unbilled amount over two quarterly billings via a separate surcharge. In the highest quarterly volume period (the 2nd quarter 2014), the average residential volume was 88.5ccf, which results in a \$3.44 quarterly amount. The average quarterly amount of \$3.44 times 8 quarters represents an average total of \$27.52. The average total of \$27.52 divided by 2 quarters amounts to \$13.76. All customers are affected. The PUC Staff has reviewed and assents to the Company's request.

As such, the Company respectfully requests the Commission to determine that (1) the error was inadvertent, (2) the time period, namely 2 quarters, for the collection of the unbilled revenue does not impose undue hardship on customers and (3) the proposed collection meets the standards contained in RSA 378:7. Also, if possible, the Company would appreciate if the Commission could authorize the surcharge by no later than March 31, 2016 so that the Company can add the surcharge to its April 1, 2016 billings.

The Company appreciates the PUC Staff and Commission's consideration of this matter.

Sincerely


Stephen P. St. Cyr

Cc: Sally Brown