

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

DOCKET NO. DW 16-806
PENNICHUCK WATER WORKS, INC.

SETTLEMENT AGREEMENT-TEMPORARY RATES

I. INTRODUCTION

This Settlement Agreement (“Agreement”) is entered into this 7th day of December, 2016, by and between Pennichuck Water Works, Inc. (“PWW”), the Office of Consumer Advocate (“OCA” and the staff (“Staff”) of the New Hampshire Public Utilities Commission (“the Commission”).

II. PROCEDURAL BACKGROUND

On August 17, 2016, the Company submitted a permanent rate filing as well as a petition requesting authority to charge temporary rates. On October 25, 2016 the Commission issued an Order of Notice suspending the Company’s proposed revised tariff pages and scheduling a prehearing conference and technical session for November 21, 2016.

On November 21, 2016, the Company, Staff and OCA participated in a technical session during which they discussed the Company’s request for temporary rates and a proposed procedural schedule. The Company, Staff and OCA concluded more time was needed and agreed to suspend the technical session until December 2, 2017. The Company, Staff and OCA participated in the continued technical session on December 2, 2016 at which time the Company, OCA and Staff reached agreement on the issue of temporary rates, as set forth below.

III. TERMS OF AGREEMENT

The Company, OCA and Staff agree that, in accordance with RSA 378:27, current rates should be made effective on a temporary basis for the pendency of this proceeding. The temporary rates shall be effective for bills rendered on and after December 7, 2016. Any difference between the temporary rates agreed to herein and the permanent rates ultimately approved by the Commission in this docket is subject to reconciliation back to December 7, 2016, upon the implementation of new permanent rates.

The Company, OCA and Staff further agree to a waiver of N.H. Code Admin. Rules Puc 1203.05 requiring that rate changes be implemented on a service rendered basis, the Company having met the conditions of N.H. Code Admin Rules Puc 1203.05(c).

IV. CONDITIONS

This Agreement is expressly conditioned upon the Commission's acceptance of all its provisions, without change or condition. If the Commission does not accept this Agreement in its entirety, any party hereto, at its sole option exercised within ten (10) days of such Commission order, may withdraw from this Agreement, in which event it shall be deemed to be null and void and without effect and shall not be relied upon by the Company, Staff, OCA, or any party to this proceeding or the Commission for any purpose.

The Commission's acceptance of this Agreement shall not constitute continuing approval of, or precedent regarding, any particular principle or issue in this proceeding, but such acceptance does constitute a determination that the provisions set forth herein in their totality are just and reasonable under the circumstances.

The Commission's approval of the recommendations in this Agreement shall not constitute a determination or precedent with regard to any specific adjustments, but rather shall

constitute only a determination that the revenue requirement and rates resulting from this Agreement are just and reasonable for purposes of temporary rates in this proceeding.

The discussions that produced this Agreement have been conducted on the understanding that all offers of settlement relating thereto are and shall be confidential, shall be without prejudice to the position of any party or participant representing any such offer or participating in any such discussion, and are not to be used in connection with any future proceeding or otherwise.

IN WITNESS WHEREOF, the parties to this Agreement have caused the Agreement to be duly executed in their respective names by their fully authorized agents.

PENNICHUCK WATER WORKS, INC.

By its Attorneys,

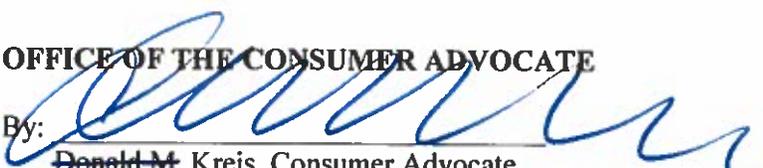
RATH, YOUNG AND PIGNATELLI, P.C.

Dated: December 7, 2016

By: 
William F. Ardinger

OFFICE OF THE CONSUMER ADVOCATE

Dated: December 7, 2016

By: 
Donald M. Kreis, Consumer Advocate
D. Maurice

**STAFF OF THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

Dated: December 6, 2016

By: 
John S. Clifford, Staff Attorney