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THE STATE OF NEW HAMPSHIRE



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NHPLIC INDV16Px2:29

November 1, 2016

Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 S. Fruit Street, Suite 10 Concord, NH 03301

Re: DA 16-830 Abenaki Water Company, Inc. Staff Recommendation for Commission to Accept Affiliate Agreement with New England Service Company, Inc. and Close Docket

Dear Ms. Howland:

On October 20, 2016, Abenaki filed with the Commission an affiliate agreement (the agreement) with New England Service Company, Inc. (NESC), pursuant to the requirements of RSA 366. Abenaki is a wholly-owned subsidiary of NESC. Abenaki proposes to lease space in a building owned by NESC for the purpose of opening an office in the City of Laconia.

Abenaki owns and operates water utilities in Bow and Belmont, a sewer utility in Belmont, and recently closed on its purchase of the assets of Rosebrook Water Company in Bretton Woods. Abenaki and NESC have entered into a lease agreement whereby Abenaki will establish an office to serve its growing New Hampshire customer base. Abenaki will lease a ground floor office suite consisting of 800 square feet, and have shared access to restrooms and a kitchen area. The initial lease term is 13 months beginning December 1, 2016, with automatic renewals annually. Abenaki is to pay \$1,000 per month during the initial term, with increases in rent each year thereafter according to the Consumer Price Index. Abenaki is responsible for the cost of its own internet, telephone, and trash service. NESC as landlord provides all other utilities.

Staff has reviewed this lease agreement and recommends the Commission accept the filing of the agreement between Abenaki and NESC and close this docket. While the costs contained in the agreement appear to be reasonable, the Commission usually reviews these costs in the context of a general rate case. In light of that, Staff believes DA 16-830 Abenaki Water Co., Inc. Affiliate Agreement with New England Service Company Staff Recommendation

closing the docket is appropriate. Staff will review the costs in greater detail at the time Abenaki files a general rate case.

If you have any questions regarding this matter, please let me know.

Sincerely,

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Mark A. Naylor Director, Gas & Water Division

cc: Service list

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov amanda.noonan@puc.nh.gov dcarson@newenglandservicecompany.com john.clifford@puc.nh.gov mark.naylor@puc.nh.gov ocalitigation@oca.nh.gov robyn.descoteau@puc.nh.gov steve.frink@puc.nh.gov

Docket #: 16-830-1 Printed: November 01, 2016

FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND

EXECUTIVE DIRECTOR NHPUC 21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.