

BEFORE THE NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Fryeburg Water Company

Docket No. DW 18 – ____

COMPLIANCE PLAN IN RESPONSE TO ORDER NO. 26,096

The Fryeburg Water Company (“Fryeburg Water”), by and through Upton & Hatfield, LLP, and submits this Plan to comply with Order No. 26,096 as follows:

I. BACKGROUND

1. Fryeburg Water is a Maine corporation and public water utility serving approximately 656 residential water customers located in Fryeburg Maine. Fryeburg Water serves also approximately 68 residential customers in East Conway, New Hampshire as a result of its acquisition of the charter of the East Conway Water Company on September 8, 1901.

2. As a Maine corporation providing service in New Hampshire, Fryeburg Water has historically provided service in New Hampshire by charging rates approved by the Maine Public Utilities Commission (MPUC). *See Petition to Operate as a Foreign Business Entity* in Docket No. DW 09 – 291 (Exhibit 1). Its rates and service in New Hampshire are subject to the terms of a February 3, 2011 Stipulation Agreement (Exhibit 2) approved by this Commission (Exhibit 3) that allows Fryeburg Water to charge the rates approved by the MPUC to its New Hampshire customers.

3. The Stipulation Agreement provides a significant benefit to customers because it allows Fryeburg Water and its 68 customers in East Conway to avoid the cost of separate rate

case proceedings while maintaining the Commission's ability to regulate service to utility customers in New Hampshire.

II. COMPLIANCE PLAN

4. Fryeburg Water is operated and supported by the Maine Water Company. The MPUC has opened an investigation into the impact of the 2017 Tax Act on the Maine Water Company in MPUC Docket No. 2018-00008. The MPUC staff has advised that it will likely apply the results of its investigation concerning Maine Water Company to Fryeburg Water. The MPUC has scheduled a technical conference to be held on April 19, 2018.

5. Fryeburg Water proposes, in lieu of a separate parallel investigations concerning the impact of the 2017 Tax Act in both New Hampshire and Maine, to apply any adjustments required by the MPUC to its New Hampshire customers in accordance with the approved Stipulation Agreement which provides for Fryeburg Water to provide notice to the Commission and to its customers in New Hampshire, subject to review by the Commission.

6. Fryeburg Water has contacted its Independent Auditors, Horton, McFarland and Veysey, LLC, who have indicated that it is likely that Fryeburg Water will file for an automatic extension for the filing of its federal income tax return to September 15, 2018 as it has done in prior years. Fryeburg Water's federal income tax return is typically completed by June 30th and it expects to file its return on or about this date. Horton, McFarland and Veysey, LLC have also indicated that Fryeburg Water's final audited financial statements are expected to be completed in early May. Fryeburg Water expects to provide its financial information to the MPUC staff for review in order to determine how to best implement the changes to its rates, if any, that may be required as a result of the 2017 Tax Act.

7. In addition, Fryeburg Water will provide the determinations made by the MPUC for review by Staff, OCA and other interested parties in this proceeding.

Respectfully submitted,

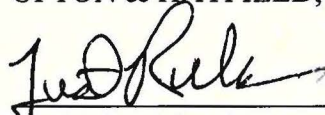
Fryeburg Water Company

By Its Counsel,

UPTON & HATFIELD, LLP

Date: March 6, 2018

By:



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