

DW 00-059

**HAMPSTEAD AREA WATER COMPANY**

**Petition for Franchise and Rate Schedule**

**Prehearing Conference Order**

**O R D E R    N O.    23,508**

**June 12, 2000**

**Appearances:** Stephen J. Norey for Hampstead Area Water Company; James L. Lenihan for the Staff of the New Hampshire Public Utilities Commission.

**I. BACKGROUND**

On March 21, 2000, Hampstead Area Water Company (Petitioner or Company) filed with the New Hampshire Public Utilities Commission a franchise petition and proposed rate schedule for the Oak Hill satellite water system located in Chester, New Hampshire.

An Order of Notice was issued by the Commission on April 20, 2000 establishing a Prehearing Conference. On May 23, 2000, a duly noticed Prehearing conference was held at the Commission offices in Concord, New Hampshire. There were no requests for intervention prior to or at the Prehearing Conference. The Order of Notice included a proposed procedural schedule governing the petition. At the Prehearing Conference, the Commission asked if the Company and Staff had any proposed changes to the schedule. Staff indicated it

would have changes but requested that the Petitioner and Staff discuss the changes during a Technical Session scheduled to be held immediately following the conclusion of the Prehearing Conference and requested that the agreed upon changes be submitted in writing to the Commission for consideration subsequent to the Technical Session. The Commission granted the request. On June 2, 2000, Staff submitted a revised proposed procedural schedule to the Commission.

## **II. POSITION OF THE PARTIES**

The Company indicated that it is providing water service at no cost to the residents at Oak Hill and has been granted franchises to serve a number of water systems in the southern New Hampshire area. The Petitioner then briefly summarized the contents of the petition.

Staff indicated that written testimony from the Company providing further background as to how the Company came to acquire and operate the system would be helpful. Staff also believes the Company should supplement the financial schedules accompanying the Petition. In particular, the Staff indicated that it would investigate the origin of the proposed rate base, the amount of a contribution-in-aid of construction, operating expenses, the proposed management agreement, and the terms and conditions of a promissory note

included in the submission.

### III. COMMISSION ANALYSIS

The Commission has reviewed the revised proposed procedural schedule submitted by Staff and the Petitioner and finds that it would allow for a thorough examination of the franchise request and the establishment of permanent rates and find it in the public good. We therefore adopt the schedule submitted on June 2, 2000, modified as follows:

Petitioner submission of written testimony	06/06/00
Staff Data Requests to the Petitioner	06/13/00
Data Responses by the Petitioner	06/27/00
Second round of Data Requests to Petitioner	07/11/00
Responses to second round of Data Requests	07/25/00
Staff Testimony	08/08/00
Data Requests by Petitioner on Staff Testimony	08/15/00
Data Responses by Staff	08/30/00
Settlement Conference	09/15/00
Hearing on the Merits	09/27/00

This schedule will allow us to evaluate both the franchise request and the establishment of permanent rates.

**Based upon the foregoing; it is hereby**

**ORDERED,** that the procedural schedule as described above is adopted.

By order of the Public Utilities Commission of New  
Hampshire this twelfth day of June, 2000.

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Douglas L. Patch  
Chairman

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Susan S. Geiger  
Commissioner

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Nancy Brockway  
Commissioner

Attested by:

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Thomas B. Getz  
Executive Director and Secretary