

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DW 16-257

BOW LAKE ESTATES WATER WORKS, INC.

Investigation into Failure to File Annual Reports

Order Rescheduling Hearing and Imposing Fine

ORDER NO. 25,885

April 22, 2016

In this order, the Commission schedules a show cause hearing for May 26, 2016, and imposes a fine of \$250.00 for failure to comply with Order No. 25,871.

Bow Lake Estates Water Works, Inc. ("Bow Lake") is a regulated public utility under RSA 362:4. Bow Lake provides water service to approximately 40 customers in a development known as Bow Lake Estates on Big Kooaukee Island in Strafford. RSA 374:15 requires every public utility to file with the Commission such reports containing facts and statistics as may be required. Pursuant to N.H. Code Admin. Rule Puc 609.04, utilities that keep their books on a calendar year must file a report with the Commission on or before March 31 of each year. Bow Lake is such a utility.

RSA 374:17 provides that any public utility that does not file reports required by the Commission at the time specified shall forfeit the sum of \$100 per day unless excused or granted an extension of time. RSA 365:42 authorizes the Commission to impose civil penalties against an officer or agent of a utility who willfully fails to comply with orders of the Commission. Such penalties are not to exceed \$100,000 and can be distributed to the benefit of the utility's ratepayers in the form of credits on their bills. In addition, RSA 365:41 permits the

Commission to levy a civil penalty not to exceed \$250,000 or 2.5% of the annual gross revenue of the utility, whichever is lower, for failure to comply with any order or requirement of the Commission. On February 25, 2016, Commission Staff requested that the Commission open a docket with respect to Bow Lake's failure to file its annual report for 2014 and to order Bow Lake to show cause why it should not be fined or have some other sanction imposed, up to and including having its franchise revoked. Stanley Oliver, Bow Lake's president, had cited the cost of preparing the reports and the inability to acquire the services of an accountant as reasons for not filing the 2014 annual report. The Commission has twice investigated and fined Bow Lake for the same failures being investigated here. *See* Order No. 24,303 (April 2, 2004) and Order No. 25,091 (April 13, 2010).

The Commission subsequently issued Order No. 25,871 (March 10, 2016) requiring Bow Lake to file its 2014 report by March 31, 2016, and ordered it to appear before the Commission on April 21, 2016, at 10:00 a.m. to show cause why it or its agents or officers should not be sanctioned and fined for its failure to file the 2014 annual report and to show cause why it should continue to retain its franchise. That order also required Bow Lake to send a copy of the March 10 order to all of its customers by mail and to submit an affidavit with the Commission no later than April 18, 2016, certifying that the company had served the order on each of its customers.

Rather than promptly filing its delinquent 2014 report, Mr. Oliver wrote to the Commission on March 23, 2016, advising that it was not possible for Bow Lake to complete its report by March 31, 2016, and advised the Commission that it would file both its 2014 and 2015 reports by May 31, 2016.¹

Bow Lake also failed to comply with the terms of the Commission's March 10 order by not mailing the order to its customers and not submitting the required affidavit to the

¹ Bow Lake's 2015 annual report was due to be filed on, or before, March 31, 2016.

Commission by the April 18 deadline. As a result of this failure, Bow Lake's customers did not receive timely notice of the April 21, 2016, hearing. The Commission therefore cancelled the April 21 hearing and has rescheduled the hearing for 10:00 a.m. on May 26, 2016. We direct Bow Lake to immediately mail this order, by first class mail, to each of its customers, and to aid in notifying the public, the Commission will publish a copy of this Order on the Commission's website.

The Commission finds that Bow Lake willfully failed to comply with the terms of the Commission's March 10 order, and hereby fines the Company \$250.00.

Based upon the foregoing, it is hereby

ORDERED, that the Commission hearing in this matter previously scheduled for April 21, 2016, at 10:00 a.m. was cancelled; and it is

FURTHER ORDERED, that Bow Lake shall appear before the Commission at a hearing to be held on May 26, 2016, at 10:00 a.m., to show cause why it or its agents should not be sanctioned for failure to file the 2014 and 2015 annual reports and fined for its failure to comply with the Commission's March 10, 2016 order; and it is

FURTHER ORDERED, that Bow Lake shall show cause at that hearing why it should retain its franchise; and it is

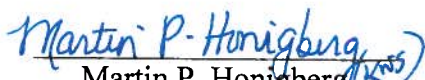
FURTHER ORDERED, that Bow Lake, pursuant to Puc 203.12, deliver by regular first-class mail no later than May 6, 2016, a copy of this order to each of its customers and submit an affidavit to the Commission on, or before, May 19, 2016, certifying that it has mailed a copy of this order to its customers; and it is

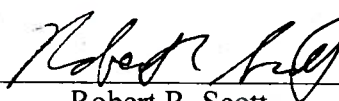
FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02 and RSA 541-A:32, any party seeking to intervene in the proceeding shall submit to


the Commission seven copies of a Petition to Intervene with copies sent to Bow Lake and the Office of the Consumer Advocate on or before May 23, 2016, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32, I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said objection on or before May 26, 2016.


By order of the Public Utilities Commission of the State of New Hampshire this twenty-second day of April, 2016.


Martin P. Honigberg
Chairman


Robert R. Scott
Commissioner


Kathryn M. Bailey
Commissioner

Attested by:


Debra A. Howland
Executive Director