

## Re Concord Electric Company

D-R6236, Order No. 10,854

58 NH PUC 1

New Hampshire Public Utilities Commission

January 5, 1973

GRANT of authority to implement a purchased power adjustment clause.

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RATES, § 303 — Fuel clauses — Purchased power adjustment.

[N.H.] An electric company was permitted to implement a purchased power adjustment clause and a fuel adjustment clause, subject to refund if overcollections are made.

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APPEARANCES: Joseph S. Ransmeier for the petitioner.

BY THE COMMISSION:

On March 8, 1972, Concord Electric Company, a public utility engaged in the business of supplying electric service in the State of New Hampshire, filed with this Commission Fifth Revised Page 1 and Original Page 9B of its Tariff, N.H.P.U.C. No. 4 — Electricity, providing for a Purchased Power Adjustment Clause proposed to become effective April 15, 1972.

On April 17, 1972, Order No. 10,557 was issued suspending the above-mentioned filing and setting the matter for hearing at the Commission's office in Concord, 26 Pleasant Street, in said State, at ten o'clock in the forenoon on the ninth day of May, 1972. As required by our Order, the Petitioner notified the public by publication in newspapers having general circulation in the area affected.

The Purchased Power Adjustment Clause, as proposed, was designed to pass on to Concord Electric Company customers price changes affecting the cost of electricity purchased from its supplier, Public Service Company of New Hampshire. No distinction was made between Public Service Company of New Hampshire fuel adjustment changes and changes made in Public Service Company of New Hampshire basic rate — both would be passed on to ultimate consumers strictly upon the basis of kilowatt-hour use.

The Concord Electric Company indicated that their purchased power cost in 1971 was over ten times their entire net income, and over 53% of their entire revenue, and that the Company's financial integrity could be seriously impaired if an increase in the purchase power costs was not passed along to the customers.

The earned rate of return for the year 1971 was 7.1% when computed on a rate base of \$6,814,422, and the estimated cost of capital for the same year is 8.1%; accordingly, the net

earnings of Concord Electric Company cannot absorb a purchased power adjustment clause.

As a result of questions raised by the Commission's staff, the Company has modified the original filing to the extent that they have broken down the Purchased Power Adjustment Clause into two parts, i.e. Fuel Adjustment Clause and a Purchased Power Adjustment Clause. Under this revision, Public Service Company of New Hampshire fuel adjustment charges or credits would be passed on to Concord Electric Company customers on the basis of kilowatt-hour usage and any change in Public Service Company of New Hampshire's basic rate would be reflected in consumers' bills via a percentage surcharge. This procedure is consistent with the methods used by other utilities under our jurisdiction.

The Public Service Company of New Hampshire filed with the Federal Power Commission on June 15, 1972, a request for an increase in their resale service rates (including a fuel adjustment charge) effective

### Page 1

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August 15, 1972, unless otherwise ordered by the Federal Power Commission. The rates were suspended for the full five-months allowable period pending Federal Power Commission action. Since no decision has been made, the higher rates will thus go into effect subject to refund on January 15, 1973.

The Commission finds that the modified filing will merely enable the Petitioner to recoup the expense it incurs as a result of its supplier's (Public Service Company of New Hampshire) implementation of an increase in wholesale service rates and/or a fuel adjustment charge. Our order will issue accordingly.

#### Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that in accordance with the implementation of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause authorized by this Report and Order, Concord Electric Company file new tariff pages designated as follows:

Sixth Revised Page 1, Issued in lieu of Fifth Revised Page 1 First Revised Page 9B,  
Issued in lieu of Original Page 9B First Revised Page 9C, Issued in lieu of Original Page  
9C

to become effective on January 15, 1973, for a period of six (6) months at which time a further review will be made, such tariff pages to carry the notation "Issued in compliance with Order No. 10,854 in D-R6236"; and it is

FURTHER ORDERED, that should the wholesale rate and fuel adjustment clause of Public Service Company of New Hampshire become effective under bond, the customers of Concord Electric Company be protected by refund provisions; and it is

FURTHER ORDERED, that the Concord Electric Company give public notice of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause by publishing the same once prior to their implementation in a newspaper having general circulation in the territory served by said Company; and it is

FURTHER ORDERED, that Concord Electric Company file with this Commission monthly computations of the Fuel Adjustment Clause by means of a tariff page, starting with First Revised Page 9B-1; and it is

FURTHER ORDERED, that Concord Electric Company file with this Commission a quarterly accounting of the amounts accrued under the Purchased Power Adjustment Clause authorized herein; and it is

FURTHER ORDERED, that the amounts accrued under the Purchased Power Adjustment Clause shall be recorded in a memorandum record, and the amount of the Purchased Power Adjustment Clause accrued be included in operating revenues on the monthly and annual reports submitted to this Commission and shall be noted on the bottom of the monthly report and on the appropriate page in the Annual Report.

By order of the Public Utilities Commission of New Hampshire this fifth day of January, 1973.

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NH.PUC\*01/05/73\*[77182]\*58 NH PUC 2\*Exeter and Hampton Electric Company

[Go to End of 77182]

## Re Exeter and Hampton Electric Company

D-R6237, Order No. 10,855

58 NH PUC 2

New Hampshire Public Utilities Commission

January 5, 1973

PETITION for a purchased power adjustment clause; granted.

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Page 2

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RATES, § 303 — Fuel clauses — Purchased power adjustment.

[N.H.] The commission authorized an electric company to implement a fuel adjustment clause and a purchased power adjustment clause in order to maintain the company's financial integrity.

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APPEARANCES: Joseph S. Ransmeier for the petitioner.

BY THE COMMISSION:

On March 8, 1972, Exeter and Hampton Electric Company, a public utility engaged in the

business of supplying electric service in the State of New Hampshire, filed with this Commission Third Revised Page 1 and Original Page 10-B of its Tariff, N.H.P.U.C. No. 9 — Electricity, providing for a Purchased Power Adjustment Clause proposed to become effective April 15, 1972.

On April 7, 1972, Order No. 10,558 was issued suspending the above-mentioned filing and setting the matter for hearing at the Commission's office in Concord, 26 Pleasant Street, in said State, at eleven o'clock in the forenoon on the ninth day of May, 1972. As required by our Order, the Petitioner notified the public by publication in newspapers having general circulation in the area affected.

The Purchased Power Adjustment Clause as proposed was designed to pass on to Exeter and Hampton Electric Company customers price changes affecting the cost of electricity purchased from its supplier, Public Service Company of New Hampshire. No distinction was made between Public Service Company of New Hampshire fuel adjustment changes and changes made in Public Service Company of New Hampshire basic rate — both would be passed on to ultimate customers strictly upon the basis of kilowatt-hour use.

The Exeter and Hampton Electric Company indicated that their purchased power cost in 1971 was over six times their entire net income, and over 46% of their entire revenue, and that the Company's financial integrity could be seriously impaired if an increase in the purchased power costs was not passed along to the customers.

The earned rate of return for the year 1971 was 7.4% when computed on a rate base of \$7,774,443, and the estimated cost of capital for the same year is 7.8%; accordingly, the net earnings of Exeter and Hampton Electric Company cannot absorb a purchased power adjustment clause.

As a result of questions raised by the Commission's staff, the Company has modified the original filing to the extent that they have broken down the Purchased Power Adjustment Clause into two parts, i.e. Fuel Adjustment Clause and a Purchased Power Adjustment Clause. Under this revision, Public Service Company of New Hampshire fuel adjustment charges or credits would be passed on to Exeter and Hampton Electric Company customers on the basis of kilowatt-hour usage and any change in Public Service Company of New Hampshire's basic rate would be reflected in consumers' bills via a percentage surcharge. This procedure is consistent with the methods used by other utilities under our jurisdiction.

The Public Service Company of New Hampshire filed with the Federal Power Commission on June 15, 1972, a request for an increase in their resale service rate (including a fuel adjustment charge) effective August 15, 1972, unless otherwise ordered by the Federal Power Commission. The rates were suspended for the full five-months allowable period pending Federal Power Commission action. Since no decision has been made, the higher rates will thus go into effect subject to refund on January 15, 1973.

The Commission finds that the modified filing will merely enable the Petitioner to recoup the expense it incurs as a result of its supplier's (Public Service Company of New Hampshire) implementation of an increase in wholesale service rates and/or a fuel adjustment charge. Our order will issue accordingly.

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Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that in accordance with the implementation of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause authorized by this Report and Order, Exeter and Hampton Electric Company file new tariff pages designated as follows:

Fourth Revised Page 1, Issued in lieu of Third Revised Page 1 First Revised Page 10B, Issued in lieu of Original Page 10B First Revised Page 10C, Issued in lieu of Original Page 10C

to become effective on January 15, 1973 for a period of six (6) months at which time a further review will be made, such tariff pages to carry the notation "Issued in compliance with Order No. 10,855 in D-R6237"; and it is

FURTHER ORDERED, that should the wholesale rate and fuel adjustment clause of Public Service Company of New Hampshire become effective under bond, the customers of Exeter and Hampton Electric Company be protected by refund provisions; and it is

FURTHER ORDERED, that the Exeter and Hampton Electric Company give public notice of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause by publishing the same once prior to their implementation in a newspaper having general circulation in the territory served by said Company; and it is

FURTHER ORDERED, that Exeter and Hampton Electric Company file with this Commission monthly computations of the Fuel Adjustment Clause by means of a tariff page, starting with First Revised Page 10B-1; and it is

FURTHER ORDERED, that Exeter and Hampton Electric Company file with this Commission a quarterly accounting of the amounts accrued under the Purchased Power Adjustment Clause authorized herein; and it is

FURTHER ORDERED, that the amounts accrued under the Purchased Power Adjustment Clause shall be recorded in a memorandum record, and the amount of the Purchased Power Adjustment Clause accrued be included in operating revenues on the monthly and annual reports submitted to this Commission and shall be noted on the bottom of the monthly report and on the appropriate page in the Annual Report.

By order of the Public Utilities Commission of New Hampshire this fifth day of January, 1973.

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NH.PUC\*01/08/73\*[77183]\*58 NH PUC 4\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77183]

**Re New Hampshire Electric Cooperative, Inc.**

D-R6239, Supplemental Order No. 10,856

58 NH PUC 4

New Hampshire Public Utilities Commission

January 8, 1973

APPLICATION for an increase in electric rates; granted.

**Page 4**

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RATES, § 303 — Rate increases — Fuel clauses — Purchased electricity adjustment.

[N.H.] An electric cooperative was allowed a rate increase based on a purchased electricity adjustment where its primary supplier had just been granted an increase in its wholesale rates.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,792, Tariff N.H.P.U.C. No. 5 as filed by New Hampshire Electric Cooperative, Inc., on March 20, 1972, for effect April 21, 1972, issued (subsequent to a hearing held on June 15, 1972, and after investigation) on November 17, 1972, was permitted to become effective with bills rendered based on two successive meter readings, the latter of which was to be taken on or after the date of Order No. 10,792; and

WHEREAS, Original Page 8A and Original Page 8B of Tariff N.H.P.U.C. No. 5, which constituted a supplemental filing, filed June 13, 1972, covering a "Purchased Electricity Adjustment" and a "Fuel Adjustment" were suspended pending further investigation and determination; and

WHEREAS, the Federal Power Commission has authorized Public Service Company of New Hampshire, the Cooperative's principal supplier of energy, to raise its wholesale rates under bond effective January 15, 1973; and

WHEREAS, the Commission in its Order No. 10,792 authorizing an increase in rates to the Cooperative made no allowance for this increased cost of energy which will now become effective within two months of our most recent decision; it is

ORDERED, that Original Page 8A and Original Page 8B of Tariff N.H.P.U.C. No. 5, which were suspended by Order No. 10,792, be cancelled, and First Revised Page 8A, in lieu of Original Page 8A; and First Revised Page 8B, in lieu of Original Page 8B, be submitted for effect January 15, 1973, for a period of six (6) months at which time a further review will be made, and that such pages of the Tariff carry the notation "Issued in compliance with Order No. 10,856 in Case D-R6239"; and it is

FURTHER ORDERED, that New Hampshire Electric Cooperative, Inc., give public notice of the "Purchased Electricity Adjustment" and the "Fuel Adjustment" by publishing the same once immediately following the receipt of this order in a newspaper having general circulation in

the territory served by said Company; and it is

FURTHER ORDERED, that this order is in full accord and consistent with the guidelines adopted by this Commission for use in considering requests for utility price increases (Tariff Filing Rules, Rule 34) and approved by the Price Commission on October 16, 1972.

By order of the Public Utilities Commission of New Hampshire this eighth day of January, 1973.

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NH.PUC\*01/10/73\*[77184]\*58 NH PUC 5\*Northern Utilities, Inc.

[Go to End of 77184]

**Re Northern Utilities, Inc.**

D-F6399, Order No. 10,857

58 NH PUC 5

New Hampshire Public Utilities Commission

January 10, 1973

PETITION for authority to issue mortgage notes and debentures; granted.

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**Page 5**

SECURITY ISSUES, § 80 — Capitalization — Purposes and subjects — Refunding.

[N.H.] A gas company was authorized to issue and sell negotiated mortgage notes to specific companies and convertible debentures to the public in order to refund short-term debt arising from the company's predecessor.

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BY THE COMMISSION:

Order

WHEREAS, by this unopposed petition, filed December 29, 1972, Northern Utilities, Inc., a New Hampshire corporation (the "Company"), seeks authority pursuant to RSA 369 to engage in certain financing, the proceeds thereof to be used to refund certain short-term indebtedness of the Company, which indebtedness was incurred to refund certain prior short-term indebtedness of the Company originally incurred by its predecessor, Northern Utilities, Inc., a Maine Corporation, and reloaned by it in part to Granite State Gas Transmission, Inc., and expended by the latter for improvements of its utility plant within the State of New Hampshire; and

WHEREAS, the financing contemplated by the Company includes the issue and sale (1) to The Mutual Benefit Life Insurance Company of Newark, New Jersey ("Mutual Benefit"), (i) the

Company's \$1,100,000 general mortgage note, 9 3/4%, due 1998 (the "Note") and (ii) \$600,000 aggregate principal amount of the Company's Portland Gas Light Company First Mortgage Bonds, Series C, 9%, due 1998 (the "Bonds"); and (2) to the public, \$300,000 aggregate principal amount of the Company's 9% Subordinated Convertible Debentures, due 1988 (the "Debentures"); and

WHEREAS, said Note and Bonds are to be issued and sold pursuant to, and in accordance with, the further provisions of a certain Purchase Agreement to be executed by and between the Company and Mutual Benefit, a copy of which was submitted by the Company with its petition herein; and

WHEREAS, said Purchase Agreement calls for the reduction of the Base Price for the Company's common stock subject to certain warrants now held by Mutual Benefit from \$10 per share to \$8.50 per share; and

WHEREAS, the net proceeds from the said financing will be expended to refund certain existing short-term indebtedness of the Company incurred to refund certain short-term indebtedness of the Company originally incurred by its predecessor, Northern Utilities, Inc., a Maine corporation, but reloaned by it to Granite State Gas Transmission, Inc. and expended by the latter for improvement of its gas utility plant in New Hampshire; and

WHEREAS, to the extent that the proceeds of the said original indebtedness, as refunded pursuant to this Commission's authorization by Order No.10,343 issued July 23, 1971 in D-F6091, and now to be refunded again, were so reloaned to Granite State Gas Transmission, Inc., and expended in New Hampshire, authority for such borrowing by the latter was duly authorized by this Commission by Order No. 9486 issued October 22, 1968 in D-F5469, and thereafter, the expenditure of the said loaned funds was duly accounted for to the Commission by Granite State Gas Transmission, Inc., pursuant to RSA 369:12; and

WHEREAS, sufficient supporting data were submitted with the Company's petition herein to enable the Commission to adjudicate the merits thereof; and

WHEREAS, this Commission, after investigation and consideration, including review of the Exhibits submitted in support of the petition, finds that granting the petition is consistent with the public good; it is

ORDERED, that Northern Utilities, Inc. be, and hereby is, authorized to:

(a) Execute, deliver and implement a Purchase Agreement with The Mutual Benefit Life Insurance Company substantially in the form of Exhibit (A) (5) of Exhibit 1 annexed to the petition submitted herein;

(b) Execute and deliver to Maine National Bank as Trustee, a Fourth Supplemental Indenture to its Portland Gas Light Company Indenture substantially in the form of Exhibit (A) (3) of Exhibit 1;

(c) Execute, deliver and cause to be authenticated and sell to said insurance company \$600,000 aggregate principal amount of its Portland Gas Light Company First Mortgage Bonds, Series C, 9% due 1998 under and



pursuant to said Portland Gas Light Company Indenture as heretofore supplemented and amended and as to be further supplemented and amended by said Fourth Supplemental Indenture;

(d) Execute and deliver to said insurance company a New Hampshire General Mortgage substantially in the form of Exhibit 2;

(e) Execute, deliver and sell to said insurance company its \$1,100,000 General Mortgage Note 9 3/4%, due 1998 substantially in the form set forth in Exhibit A to Exhibit (A) (5) of Exhibit 1;

(f) Execute and deliver to said insurance company amendments to its Stock Purchase Warrants providing for the reduction of the Base Price therein from \$10 per share to \$8.50 per share and for any changes in the anti-dilution provisions thereof deemed necessary by the parties thereto to comply with the provisions of Section 305 of the Internal Revenue Code of 1954, as amended, and regulations proposed or promulgated thereunder;

(g) Execute and deliver to Rhode Island Hospital Trust National Bank a Debenture substantially in the form of Exhibit (A) (1) of Exhibit 1;

(h) Issue and sell to the public \$300,000 aggregate principal amount of its 9% Convertible Subordinated Debentures under and pursuant to the said Debenture Indenture;

(i) Issue up to fifty thousand shares of Common Stock of the Company from time to time upon the conversion of the 9% Convertible Subordinated Debentures when duly presented to the Company for conversion according to their terms;

(j) Do all things, take all steps, and execute and deliver all documents necessary to implement and carry out the financing described in the petition; and it is

FURTHER ORDERED, that on or before January first and July first in each year, Northern Utilities, Inc. shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of the Note, Bonds and Debentures herein authorized until the disbursement of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this tenth day of January, 1973.

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NH.PUC\*01/17/73\*[77185]\*58 NH PUC 7\*Concord Electric Company

[Go to End of 77185]

## Re Concord Electric Company

D-E6397, Order No. 10,858

58 NH PUC 7

New Hampshire Public Utilities Commission

January 17, 1973

APPLICATION by an electric company for an extension of its lines and service area; granted.

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SERVICE, § 198 — Extensions — Electric — Waiver of rights.

[N.H.] Where an electric utility had waived its franchise rights to a certain area, another electric company was permitted to extend its service into that limited area as it would be for the public good.

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Page 7

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BY THE COMMISSION:

Order

WHEREAS, Concord Electric Company, a utility operating under the jurisdiction of this Commission, by a petition filed December 26, 1972, seeks authority, pursuant to RSA 374:22, 26, as amended, to extend its lines and service into a limited area in the Town of Hopkinton; and

WHEREAS, Public Service Company of New Hampshire has waived its franchise rights in this limited area, and the petitioner submits that the area in question will be served under its regularly filed tariff; and

WHEREAS, most of the area sought is already served by Concord Electric Company by virtue of authority granted by this Commission in D-E2032, Order No. 3775 dated June 19, 1940; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

ORDERED, that permission be, and hereby is, granted to Concord Electric Company to do business as an electric public utility in a limited area in the Town of Hopkinton, said area being specifically described as follows:

Beginning at a point on the town line between Hopkinton and Concord approximately one and three-sixteenths miles from the southeast corner of the Town of Hopkinton, said point being on the south side of Interstate Highway 89; thence in a general westerly direction approximately one and one-quarter miles along the southerly line of said Interstate Highway 89; thence in a general southerly direction at right angles to the last-mentioned line a distance of approximately one-quarter mile to a point which is two hundred feet (200') south of the southerly side of Farrington's Corner Road, so-called (formerly Brockway Road); thence easterly two hundred feet (200') from, and parallel to, said Farrington's Corner Road approximately one-quarter mile to the westerly side of the right-of-way for a transmission for New England Power Company; thence southerly along the westerly line of said right-of-way to the southerly line of said Town of

Hopkinton; thence easterly and northerly along the town line between Hopkinton, Bow and Concord to the point of beginning; and for that purpose to construct the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of January 1973.

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NH.PUC\*01/19/73\*[77186]\*58 NH PUC 8\*Municipal Electric Department of Wolfeboro

[Go to End of 77186]

### Re Municipal Electric Department of Wolfeboro

D-R6403, Order No. 10,861

58 NH PUC 8

New Hampshire Public Utilities Commission

January 19, 1973

PETITION for authority to implement a fuel cost adjustment clause; granted.

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RATES, § 303 — Fuel clauses — Purchased power adjustment — Flat percentage.

[N.H.] The commission approved a municipal electric company's purchased power adjustment, whereby a flat percentage would be applied equally to all customer bills and would be subject to refund, where the company's supplier had increased its wholesale rates.

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Page 8

APPEARANCES: H.E. Erickson for the petitioner.

BY THE COMMISSION:

Report

On December 18, 1972, the Municipal Electric Department of Wolfeboro, a municipal utility engaged in the business of supplying electric service in and adjacent to the Town of Wolfeboro (this Commission's jurisdiction being limited to customers outside the municipal limits) filed with this Commission Original Pages 8A and 8B of its Tariff, N.H.P.U.C. No. 3 — Electricity, providing for a Fuel Adjustment Clause and a Purchased Power Adjustment Clause, proposed to become effective January 15, 1973.

On January 5, 1973, Order No. 10,853 was issued suspending the above mentioned filing and setting the matter for hearing at the Commission's office in Concord, 26 Pleasant Street, in said State, at two o'clock in the afternoon on the seventeenth day of January 1973. As required by our

Order, the petitioner notified the public by publication in a newspaper having general circulation in the area affected, and also posted a copy of the Order in the Town Hall.

The Fuel and Purchased Power Adjustment Clauses as proposed were designed to pass on to Municipal Electric Department of Wolfeboro customers price changes affecting the cost of electricity purchased from its supplier, Public Service Company of New Hampshire. The Fuel Surcharge is designed to pass on increases in fuel costs above a base price by the development of a cost per kilowatt-hour. The Purchased Power Adjustment is to be passed on by means of a flat percentage applied equally to all customer bills. This procedure is consistent with the methods used by other utilities under our jurisdiction.

The earned rate of return for the year 1971 was 3.9% when computed on a rate base of \$965,847, and the estimated cost of capital for the same year is 5.8%; accordingly, the net earnings of the Department cannot absorb these additional costs.

Public Service Company of New Hampshire filed with the Federal Power Commission on June 15, 1972, a request for an increase in their wholesale for resale rate (including a fuel adjustment charge), effective August 15, 1972, unless otherwise ordered by the Federal Power Commission. The rates were suspended for the full five-months allowable period pending Federal Power Commission action. Since no decision has been made, the higher rates will thus go into effect, subject to refund, on January 15, 1973.

The Commission finds that the filing will merely enable the petitioner to recoup the expense it incurs as a result of its supplier's (Public Service Company of New Hampshire's) implementation of an increase in its wholesale for retail rates (including a fuel adjustment charge) and finds that the approval of this filing will not be inconsistent with the public good. Our order will issue accordingly. Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that in accordance with the implementation of the Purchased Power Adjustment and the Fuel Adjustment Clause authorized by this Report and Order, the Municipal Electric Department of Wolfeboro file new tariff pages designated as follows:

First Revised Page 8A, Issued in Lieu of Original Page 8A First Revised Page 8B, Issued in Lieu of Original Page 8B

to become effective on January 15, 1973, for a period of six (6) months, at which time a further review will be made, such tariff pages to carry the notation "Issued in compliance with Order No. 10,861 in D-R6403"; and it is

FURTHER ORDERED, that since the wholesale rate and fuel adjustment clauses of Public Service Company of New Hampshire are now effective under bond, the customers of the Municipal Electric Department of

Wolfeboro be protected by refund provisions; and it is

FURTHER ORDERED, that the Municipal Electric Department of Wolfeboro give public notice of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause by publishing

the same once prior to their implementation in a newspaper having general circulation in the territory served by said Municipal Electric Department of Wolfeboro; and it is

FURTHER ORDERED, that the Municipal Electric Department of Wolfeboro file with this Commission monthly computations of the Fuel Adjustment Clause charge, by means of a tariff page, starting with First Revised Page 8A-1; and it is

FURTHER ORDERED, that the Municipal Electric Department of Wolfeboro file with this Commission a quarterly accounting of the amounts accrued under the Purchased Power Adjustment Clause authorized herein; and it is

FURTHER ORDERED, that the amounts accrued under the Purchased Power Adjustment Clause shall be recorded in a memorandum record; and the amount of the Purchased Power Adjustment Clause charges accrued be included in operating revenues on monthly and annual reports submitted to this Commission, and shall be noted on the bottom of the monthly report and on the appropriate page in an annual report.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of January, 1973.

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NH.PUC\*02/13/73\*[77187]\*58 NH PUC 10\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77187]

**Re New Hampshire Electric Cooperative, Inc.**

D-F6396, Order No. 10,870

58 NH PUC 10

New Hampshire Public Utilities Commission

February 13, 1973

AUTHORIZATION for an electric cooperative to borrow from the Rural Electrification Administration.

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SECURITY ISSUES, § 111 — Financing methods — Rural Electrification Administration.

[N.H.] An electric cooperative was permitted to secure a loan from the Rural Electrification Administration with the proceeds being used for additions and betterments to its service.

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APPEARANCES: G. Wells Anderson for the petitioner.

BY THE COMMISSION:

This unopposed petition, filed December 21, 1972, and upon which a hearing was held in Concord on February 7, 1973, was filed by a duly organized New Hampshire corporation,

operating as an electric public utility under the jurisdiction of this Commission.

The New Hampshire Electric Cooperative, Inc., herein seeks authority, pursuant to RSA 369, to borrow \$5,230,457 from the United States Government, acting through the Rural Electrification Administration. The petitioner

**Page 10**

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submits that the proceeds of the proposed borrowing will be used for system improvements; for additions and extensions to its existing system; and to reimburse its treasury for moneys expended for other such additions and extensions.

The New Hampshire Electric Cooperative, Inc. represents that as of October 31, 1972, its ownership was represented by 31,729 memberships. Its entire Long-term indebtedness, including interest thereon, is represented by Notes Payable to the United States Government, acting through the Rural Electrification Administration, as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Long Term debt to REA	
35 Notes in the face amount of	\$23,155,179.59
Less unadvanced funds as at 10/31/72	879,327.41
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Net amount borrowed	\$22,275,852.18
Repayments to date applicable to said Notes	4,155,718.32
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Net Long Term debt 10/31/72	\$18,120,133.86
Add: unadvanced funds	879,327.41
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Long Term debt 10/31/72	\$18,999,461.27
Accrued and deferred interest - not due	224,433.78
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	\$19,223,895.05
Long Term Debt to Plymouth Guaranty Savings Bank	
1 Note in the face amount of	\$ 300,000.00
Less unadvanced funds as at 10/31/72	.00
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Net amount borrowed	\$ 300,000.00
Repayments to date applicable to said Note	11,011.34
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Net long term debt 10/31/72	\$ 288,988.66

The petitioner has Short-term Notes outstanding as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

National Rural Utilities Cooperative Finance Corporation	
2 notes in the face amount of	\$ 550,000.00
Less unadvanced funds as at 10/31/72	350,000.00
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Net short term debt 10/31/72	\$ 200,000.00

The \$5,230,457 would be advanced under the petitioner's Notes Payable to the United States of America in 35 years, said Notes bearing interest at the rate of 2% per annum, and would be issued under the petitioner's Mortgage to the United States of America, dated September 3, 1953.

The Cooperative proposes to accommodate its requirements with the aggregate borrowing of \$5,230,457 by acquiring said loan proceeds in whole, or in part, and issued against and secured by a Note or Notes of the Cooperative to be given at various dates and amounts, as said loan

funds may become available from the United States Government through its Rural Electrification Administration.

The Cooperative proposes to expend for system improvements, additions and extensions to its existing facilities from the proceeds of the proposed loan, approximately the following:

**Page 11**

[Graphic(s) below may extend beyond size of screen or contain distortions.]

New Consumer extensions	\$ 1,657,100
Security Lights	90,000
Increase Capacity of Existing Services	122,700
Change Secondary to Primary	4,500
Ordinary Replacements, etc.	335,000
New Tie Lines	242,300
Conversion & Line changes	1,947,800
New Substations	218,000
Increase Substation Capacity	338,175
Sectionalizing	46,500
Voltage Regulators	79,550
Capacitors	35,120
Transmission	357,000
Engineering	129,000
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Totals - Work Plan	\$ 5,602,745
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<i>Miscellaneous (Not in Work Plan)</i>	
(a) Warehouse & garage facilities-Sunapee	\$ 143,000
(b) General Plant:	
(1) Automative & Miscellaneous	100,000
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Total Miscellaneous	\$ 243,000
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Total Requirements	\$ 5,845,745
Less: Previous Loan Funds Available	615,288
Net - New Loan Requirements	\$ 5,230,457
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These proposed expenditures are based upon a comprehensive survey made by an independent and reputable consulting firm. A detailed system study was submitted in evidence by the petitioner, as a basis for system improvements, as summarized in the preceding tabulation.

Certified copies of the requisite corporate authorizations were filed by the petitioner.

Upon investigation and consideration of the evidence submitted, this Commission is of the opinion that the construction planned by the petitioner is of a type which will expand and improve its service to the public, and that the financing thereof, as proposed herein, is probably the most economical that can be obtained. We find that granting the approval of the authority petitioned for will be in the public interest. Our order will issue accordingly. Order

Upon consideration of the foregoing report, which is made a part hereof; it is

**ORDERED**, that the New Hampshire Electric Cooperative, Inc. be, and hereby is, authorized to issue and sell for cash, an aggregate principal amount not in excess of five million two hundred thirty thousand four hundred fifty-seven dollars (\$5,230,457) of its Mortgage Notes to the United States Government, acting through the Rural Electrification Administration, said Note, or Notes, to bear interest at the rate of two percent (2%) per annum, and to be payable not more than thirty-five (35) years from the date of issue; and it is

FURTHER ORDERED, that said Notes be issued under a New Hampshire Electric Cooperative, Inc. Mortgage to the United States of America, dated September 3, 1953; and it is

FURTHER ORDERED, that the aggregate borrowing of five million two hundred thirty thousand four hundred fifty-seven dollars (\$5,230,457) be executed by issuing its Note, or Notes, for the whole amount or a part thereof at various dates and amounts, as said loan funds may become available from the United States Government, through its Rural Electrification Administration; and it is

FURTHER ORDERED, that the proceeds from said Note, or Notes, be used for system improvements; for additions and extensions to its existing system; and to reimburse its treasury for moneys expended for other such additions and extensions; and it is

FURTHER ORDERED, that on January first and July first of each year, said New Hampshire Electric Cooperative, Inc. shall file with this Commission, a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of such Notes as shall subsequently have been specifically authorized by this Commission, until the

Page 12

expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of February, 1973.

=====

NH.PUC\*02/14/73\*[77188]\*58 NH PUC 13\*W & E Artesian Well Company, Inc.

[Go to End of 77188]

**Re W & E Artesian Well Company, Inc.**

D-E5731

58 NH PUC 13

New Hampshire Public Utilities Commission

February 14, 1973

REVIEW of a water company's public utility status; affirmed.

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PUBLIC UTILITIES, § 13 — Status — Previous activities.

[N.H.] The status of a company as a water utility was affirmed where allegations of improper activities were limited to the time prior to the commission's original grant of public utility status.

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APPEARANCES: James A. Saylor, Jr., for the petitioner; Sherman D. Horton, Jr., for the Windham Estates Association.

BY THE COMMISSION:

By virtue of Order No. 9881, issued February 18, 1970, this Commission authorized W & E Artesian Well Company, Inc. to operate as a water utility in a limited area in the Town of Windham, effective as of the date of that order, i.e. February 18, 1970. A public hearing had been held at the Commission's offices in Concord on January 21, 1970, and all rules and regulations had been complied with, including proper public notice.

On September 23, 1970, a petition to review and reopen the above captioned case was filed by Messrs. Joseph S. Batel, Richard C. Eichner, and Robert C. Salvage, acting jointly in their capacity as representatives of the Residents of Windham Estates. The Commission granted the petitioners request to reopen and review the case, and a hearing was scheduled to be held in the Commission's offices at Concord on November 24, 1970. The hearing was postponed and rescheduled several times because of illness, and date conflicts. A hearing was ultimately scheduled for, and held at, the Windham Town Hall in Windham at 7 P.M. on May 5, 1971; was recessed and reconvened at the Commission's offices at 1 P.M. on November 3, 1971.

James A. Saylor, Esquire, represented W & E Artesian Well Company, Inc. and Sherman Horton, Esquire, represented the Windham Estates Association. Witnesses for Windham Estates Association were concerned because a portion of their purchase price went for the construction of the water system in their areas. The portion of the purchase price applied to the construction apparently varies in individual cases.

No evidence was presented to substantiate the allegation that the decision of the Commission, as set forth in Order No. 9881, was improper.

The fundamental objections of the Windham States Association concerned events which occurred prior to the Company becoming a public utility, and the Commission has no jurisdiction over the activities of W & E Artesian Well Company, Inc., prior to the effective date of Order No. 9881.

The original petition for authority to operate as a public water utility in the Town of

**Page 13**

Windham was proper, proper public notification was given, a public hearing held, the Commission made its decision after a thorough review of all Exhibits and testimony, and Order No. 9881 was issued accordingly.

We find that Order No. 9881 is in order, and find that negotiations which took place prior to the issuance of such order, including the allocation of funds derived from property sales between the members of the Windham Estates Association and the W & E. Artesian Well Company, Inc. are not matters which come under the jurisdiction of this Commission. Accordingly, the case is dismissed.

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[Go to End of 77189]

### Re Public Utilities

D-E3138, Second Supplemental Order No. 10,871

58 NH PUC 14

New Hampshire Public Utilities Commission

February 14, 1973

INVESTIGATION into reasonable reportable amounts for proposed utility expenditures.

-----

REPORTS, § 1 — Proposed expenditures — Minimum for reporting.

[N.H.] The minimum reportable amounts for proposed utility expenditures were revised upwards to reflect continued inflation and the decline in the value of the dollar.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, RSA 374:5 specifies that every utility shall report in writing to this Commission the probable cost of any addition, extension, or capital improvement to its Utility Plant which is in excess of a reasonable amount prescribed by this Commission; and

WHEREAS, Commission Order No. 5963, dated August 15, 1951, and Order No. 7445, dated February 23, 1960, specified certain reasonable reportable amounts of proposed Utility Plant expenditures that were to be reported to this Commission; and

WHEREAS, these reportable amounts are now deemed inappropriate due to the decline in the comparative value of the dollar as a result of continuing inflationary forces; and

WHEREAS, after investigation, it appears that it would be beneficial to the Commission and to all New Hampshire public utilities to establish higher minimum reportable amounts of proposed Utility Plant expenditures; and

WHEREAS, the public utilities operating under the jurisdiction of this Commission have voiced no objection, following written notification; it is

ORDERED, that each utility reporting Utility Plant Accounts in the range listed below as of December 31 of the calendar year immediately preceding, shall report in writing the probable cost of any addition, extension, or capital improvement to its Utility Plant in excess of the reasonable amount shown, as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Utility Plant Range</i>	<i>Reasonable Amount</i>
\$ 400,000 and under	\$3,000

400,001 to \$ 1,000,000	7,500
1,000,001 to 122,000,000	15,000
2,000,001 to 3,000,000	22,500
3,000,001 to 50,000,000	30,000
50,000,001 to 100,000,000	50,000
100,000,001 and over	100,000;

and it is

FURTHER ORDERED, that these reports shall be made to the Commission no less than

**Page 14**

thirty (30) days before starting actual construction of such addition or capital improvement; and it is

FURTHER ORDERED, that said regulations shall become effective as of February 15, 1973, except as otherwise ordered by this Commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of February, 1973.

=====

NH.PUC\*02/16/73\*[77190]\*58 NH PUC 15\*New England Telephone and Telegraph Company

[Go to End of 77190]

### Re New England Telephone and Telegraph Company

D-E6404, Order No. 10,872

58 NH PUC 15

New Hampshire Public Utilities Commission

February 16, 1973

PETITION for authority to construct telephone plant; granted.

-----

TELEPHONES, § 2 — Construction and equipment — Public waters.

[N.H.] A telephone company was authorized to construct telephone plant over state-owned water where it was in the public interest and would provide for future growth.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed January 5, 1973, New England Telephone and Telegraph Company seeks a license, pursuant to RSA 375:17 and 20 (Supp.) to erect and maintain telephone plant over State-owned waters of Suncook River in the Town of Epsom; and

WHEREAS, the petitioner represents that the proposed crossing will cross approximately two hundred sixty (260) feet of the Suncook River from Pole 17C/6 to Pole 17C/7 in the Town of Epsom, and will serve one (1) customer, and provide for future growth in the New England Company's Epsom Exchange; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed crossing, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public and that the license sought therein may be exercised without substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to the New England Telephone and Telegraph Company to place and maintain telephone plant under the Suncook River in the Town of Epsom, said proposed crossing approximately two hundred sixty (260) feet from Pole 17C/6 to Pole 17C/7, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of February, 1973.

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NH.PUC\*02/21/73\*[77191]\*58 NH PUC 16\*Manchester Gas Company

[Go to End of 77191]

## Re Manchester Gas Company

I-R14,042, Order No. 10,874

58 NH PUC 16

New Hampshire Public Utilities Commission

February 21, 1973

APPROVAL of a gas company's special rate contract with a private company.

-----

BY THE COMMISSION:

Order

WHEREAS, Manchester Gas Company, a utility selling gas under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 12 with Leighton Machine Company, effective on the date service first made available, for service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of February, 1973.

=====

NH.PUC\*03/13/73\*[77192]\*58 NH PUC 16\*Manchester Gas Company

[Go to End of 77192]

## Re Manchester Gas Company

D-E6421, D-E6422, Order No. 10,885

58 NH PUC 16

New Hampshire Public Utilities Commission

March 13, 1973

APPLICATIONS for extensions of gas lines and services; granted.

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SERVICE, § 199 — Extensions — Gas.

[N.H.] Two gas companies were each granted authorization to extend service into separate limited areas of a town that both had previous franchise rights to.

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BY THE COMMISSION:

Order

WHEREAS, Manchester Gas Company and Concord Natural Gas Corporation are both utilities operating under the jurisdiction of this Commission, and by petitions filed March 1, 1973, seek authority pursuant to RSA 374:22 and 26, as amended, to extend their lines and services in the Town of Hooksett; and

WHEREAS, both petitioners are presently serving in limited areas in the Town of Hooksett under franchise authority granted in previous Commission orders; and

WHEREAS, all interested parties are in agreement on a common boundary in said Town of Hooksett, and that service to the

**Page 16**

areas in question will be provided under regularly filed tariffs; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petitions sought will be for the public good; it is

ORDERED, that permission be, and hereby is, granted to Concord Natural Gas Corporation to extend its franchise further into a limited area in the Town of Hooksett so that its service in

the said Town shall now include all that area in the Town of Hooksett north of a straight line drawn between the southeasterly corner of the Hooksett-Dunbarton town line, extending easterly to the intersection of New Hampshire Route 101-B and the Hooksett-Candia town line; and it is

FURTHER ORDERED, that permission be, and hereby is, granted to the Manchester Gas Company to extend its franchise further into a limited area in the Town of Hooksett so that its service in the said Town shall now include all that area in the Town of Hooksett south of a straight line drawn between the southeasterly corner of the Hooksett-Dunbarton town line, extending easterly to the intersection of New Hampshire Route 101-B and the Hooksett-Candia town line.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of March, 1973.

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NH.PUC\*03/26/73\*[77193]\*58 NH PUC 17\*New England Telephone and Telegraph Company

[Go to End of 77193]

### Re New England Telephone and Telegraph Company

D-E6426, Order No. 10,899

58 NH PUC 17

New Hampshire Public Utilities Commission

March 26, 1973

PETITION to install underwater telephone cables; granted.

-----

TELEPHONES, § 2 — Construction and equipment — Underwater cable.

[N.H.] The placement of two submarine telephone cables was authorized where they were found to be necessary for service to the public.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed March 12, 1973, New England Telephone and Telegraph Company seeks a license, pursuant to RSA 371:17 and 20 (Supp.), to erect and maintain telephone plant under state-owned waters in the Town of Meredith; and

WHEREAS, the petitioner represents that the proposed construction will consist of 1-26 pair submarine cable from Pole #146M/2 at Meredith Neck on land owned by Alexander Standish crossing twenty-one hundred seventy-seven (2177) feet of Lake Winnepesaukee to Pole #146M/3 on Beaver Island, and will provide telephone service to Beaver Island property owners in the

New England Company's Meredith Exchange; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed construction, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be exercised without

Page 17

substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New England Telephone and Telegraph Company to erect and maintain telephone plant, consisting of 1-26 pair submarine cable from Pole #146M/2 at Meredith Neck on land owned by Alexander Standish, crossing twenty-one hundred seventy-seven (2177) feet of Lake Winnepesaukee in the Town of Meredith, to Pole #146M/3 on Beaver Island, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of March, 1973.

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NH.PUC\*04/03/73\*[77194]\*58 NH PUC 18\*Merrimack County Telephone Company

[Go to End of 77194]

### Re Merrimack County Telephone Company

I-F14,049, Order No. 10,905

58 NH PUC 18

New Hampshire Public Utilities Commission

April 3, 1973

AUTHORIZATION for a telephone company to issue and renew short-term notes at revised interest rates.

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BY THE COMMISSION:

Order

WHEREAS, Merrimack County Telephone Company, a New Hampshire corporation, operating as a telephone utility under the jurisdiction of this Commission, seeks authority, pursuant to RSA 369, to issue and renew Short-term Notes not in excess of sixty thousand dollars (\$60,000), to bear interest at the rate of one-half (1/2) of one percent (1%) above prime rate per annum, which will produce an amount in excess of the terms of Order No. 7446 of this Commission; and

WHEREAS, following conference with the Commission staff, and upon investigation and

due consideration of supporting data filed with said petition, this Commission finds that the proposed financing, upon the terms proposed is in the public interest; it is

ORDERED, that the Merrimack County Telephone Company be, and hereby is, authorized to issue and sell for cash, its Note, or Notes, in an aggregate principal amount not exceeding sixty thousand dollars (\$60,000), said Notes to bear interest at a rate not in excess of one-half (1/2) of one percent (1%) above prime rate per annum; and it is

FURTHER ORDERED, that on January first and July first of each year, said Merrimack County Telephone Company shall file with this Commission, a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this third day of April, 1973.

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NH.PUC\*04/04/73\*[77195]\*58 NH PUC 19\*Public Service Company of New Hampshire

[Go to End of 77195]

### Re Public Service Company of New Hampshire

D-E6384, Order No. 10,906

58 NH PUC 19

New Hampshire Public Utilities Commission

April 4, 1973

APPLICATION for license to build a passive microwave repeater; granted.

-----

SERVICE, § 293.1 — Connections and equipment — Passive microwave repeater.

[N.H.] The commission granted a company a license to construct and maintain a passive microwave repeater for the transmission of radio signals on state-owned property subject to certain restrictions.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed November 27, 1972, Public Service Company of New Hampshire seeks a license, pursuant to RSA 371:17-23, to construct, maintain and operate a passive microwave repeater site on State-owned land in the Town of Nottingham; and

WHEREAS, the petitioner represents that the proposed construction of a passive microwave repeater sixteen (16) feet high by twenty (20) feet wide on an eight (8) foot support structure is to be located on land owned by the State of New Hampshire on the north slope of North



Mountain on the Pawtuckaway mountains, in Pawtuckaway State Park, in the Town of Nottingham, and is required to provide microwave radio communication with the petitioner's 345 KV/115 KV substation presently under construction in the Town of Deerfield; and

WHEREAS, said site will be located at longitude 71° 11' 39" and latitude 43° 05' 53" at a point of elevation nine hundred sixteen (916) feet above sea level on said mountain, as shown on Petitioner's Plan A-809-1, dated September 11, 1972, attached hereto; and

WHEREAS, the petitioner and the State of New Hampshire, acting through the Department of Resources and Economic Development, have agreed on an annual license fee of two hundred fifty dollars (\$250.00); it is

ORDERED, that, in the matter of the petition of Public Service Company of New Hampshire, filed November 27, 1972, praying for a license to construct, repair, rebuild, operate, and remove a passive microwave repeater on land owned by the State of New Hampshire on North Mountain in Pawtuckaway State Park, Town of Nottingham, County of Rockingham, and State of New Hampshire, this Commission, having, pursuant to the provisions of RSA 371:20, so determined the necessity for the license prayed for, orders, adjudges, and decrees as follows:

That it is necessary, in order to meet the reasonable requirements of service to the public, that said Public Service Company of New Hampshire be, and hereby is, granted a license to erect, repair, rebuild, operate, and remove a passive microwave repeater on land owned by the State of New Hampshire on the north slope of North Mountain of the Pawtuckaway Mountains in Pawtuckaway State Park located in the Town of Nottingham, County of Rockingham, in the State of New Hampshire; and it is

FURTHER ORDERED, that said license shall contain the following terms:

1. The passive reflector shall be constructed elsewhere and transported to the site by helicopter for erection.
2. During the installation of said passive reflector, materials, supplies, and equipment may be stored on adjacent land, provided that no more land shall be used than is reasonably necessary and, provided further, that no trees

**Page 19**

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shall be removed except on the actual area needed for the passive reflector to stand.

3. Public Service Company of New Hampshire, and all persons using the premises which are the subject of the license for its purpose, shall comply with all laws and regulations of the State of New Hampshire not inconsistent with the terms of the license.

4. Public Service Company of New Hampshire will not permit any other person to use the licensed premises without the permission of the Director of Resources Development.

5. The Director of Resources Development or any duly authorized agent of the State of New Hampshire may at any time examine and inspect any and all property situated on the licensed premises.

6. Public Service Company of New Hampshire will comply with all the "Guidelines for Application Consideration" outlined in the State of New Hampshire's "Statement of Policy for

State Land Used for Radio and Television Antenna Sites."

7. Public Service Company of New Hampshire will construct the passive reflector in such a manner as to make it blend with its background and be as inconspicuous as possible by the use of paint, attached devices to break up the outline, or any combination thereof. Annual inspections will be made, and necessary repairs will be carried out to maintain said passive reflector in an inconspicuous condition.

8. Public Service Company of New Hampshire will, at the expiration of this license or any renewal thereof, surrender the licensed premises in as good order as they now are, or may hereafter be put, reasonable use and wear and other unavoidable casualties excepted.

9. Public Service Company of New Hampshire will indemnify and save harmless the State of New Hampshire from all loss, cost, damage, or expense arising out of, or resulting from any negligent act or omission by it or its agents, servants, or contractors in connection with or in relation to the installation, operation, or maintenance of the passive reflector.

10. Public Service Company of New Hampshire will pay all taxes, assessments or other charges imposed or levied upon its equipment; and it is

FURTHER ORDERED, that the license shall include the right to selectively trim trees on State property which may interfere with microwave radio signals; and it is

FURTHER ORDERED, that said license be for a term of ten (10) years, with an option for the petitioner to extend said license for an additional ten (10) years; and that the petitioner shall pay an annual license fee of two hundred fifty dollars (\$250.00) to the State of New Hampshire; and it is

FURTHER ORDERED, that Public Service Company of New Hampshire file a copy of this order with the Registry of Deeds for Rockingham County.

By order of the Public Utilities Commission of New Hampshire this fourth day of April, 1973.

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NH.PUC\*04/04/73\*[77196]\*58 NH PUC 20\*Chichester Telephone Company

[Go to End of 77196]

## Re Chichester Telephone Company

I-F14,058, Order No. 10,908

58 NH PUC 20

New Hampshire Public Utilities Commission

April 4, 1973

GRANT of authority to issue and renew short-term notes.

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Page 20

BY THE COMMISSION:

Order

WHEREAS, Chichester Telephone Company, a New Hampshire corporation, operating as a telephone utility under the jurisdiction of this Commission, seeks authority, pursuant to RSA 369, to issue and renew Short-term Notes not in excess of twenty thousand dollars (\$20,000), to bear interest at the rate of eight (8%) per annum, which will produce an amount in excess of the terms of Order No. 7446 of this Commission; and

WHEREAS, following conference with the Commission staff, and upon investigation and due consideration of supporting data filed with said petition, this Commission finds that proposed financing, upon the terms proposed is in the public interest; it is

ORDERED, that Chichester Telephone Company be, and hereby is, authorized to issue and sell for cash, its Note, or Notes, in an aggregate principal amount not exceeding twenty thousand (\$20,000), said Notes to bear interest at a rate not in excess of eight percent (8%) per annum; and it is

FURTHER ORDERED, that on January first and July first in each year, said Chichester Telephone Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fourth day of April, 1973.

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NH.PUC\*04/09/73\*[77197]\*58 NH PUC 21\*Northern Utilities, Inc.

[Go to End of 77197]

**Re Northern Utilities, Inc.**

D-R5994, Supplemental Order No. 10,910

58 NH PUC 21

New Hampshire Public Utilities Commission

April 9, 1973

ORDER establishing refund procedures for overcollections from a purchased gas adjustment.

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REPARATION, § 15 — Grounds — Overcharges — Fuel cost adjustment clause.

[N.H.] A gas company was ordered to refund excess amounts collected through a purchased gas adjustment clause by means of a credit of 1.7 cent per therm on all bills over a period of one year.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Report and Order No. 10,242 issued April 12, 1971, Northern Utilities, Inc., Allied Gas Division, was authorized to collect under bond, effective April 16, 1971, a purchased gas price adjustment from all of its customers to recoup an estimated one hundred seventeen thousand, nine hundred ninety-nine dollars fifty-six cents (\$117,999.56) annually, which represents the increased cost of gas supplied by Granite State Gas Transmission, Inc.; and

WHEREAS, the Federal Power Commission on March 1, 1973, announced a settlement which will result in a refund to current customers of Northern Utilities, Inc., Allied Gas Division, during 1973, and 1974 as may be necessary, of monies received from its supplier, Granite State Gas Transmission, Inc., following the settlement, and also any balance of money collected from the customers

**Page 21**

of Northern Utilities, Inc., Allied Gas Division, since March 1, 1973 (date of settlement) in the form of a surcharge which is in excess of the actual cost of gas, is to be refunded; it is

ORDERED, that the excess monies collected, which has been determined to be approximately two hundred twenty-five thousand two hundred sixty-five dollars (\$225,265), including estimates of March and April 1973 collections, both of which will be subject to an actual determination, be refunded to all customers of Northern Utilities, Inc., Allied Gas Division over a 12-month period, commencing May 1, 1973 by means of a credit of 1.7¢ per therm on all bills, and continuing until such time as all excess monies have been refunded; and it is

FURTHER ORDERED, that the revised tariff sheets reflecting the new rates determined by the settlement be made effective May 1, 1973; and it is

FURTHER ORDERED, that Northern Utilities, Inc., Allied Gas Division give public notice of this refund and tariff changes by publishing the same once prior to the effective date in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this ninth day of April, 1973.

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NH.PUC\*04/26/73\*[77198]\*58 NH PUC 22\*Ashland Electric Department

[Go to End of 77198]

## Re Ashland Electric Department

I-R14,033, Order No. 10,923

58 NH PUC 22

New Hampshire Public Utilities Commission

April 26, 1973

PETITION for authority to implement a purchased power adjustment clause; granted.

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RATES, § 303 — Fuel clauses — Purchased power adjustment.

[N.H.] The commission approved a municipal electric company's request for a purchased power adjustment clause where it found such a clause was necessary to maintain the company's financial integrity.

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BY THE COMMISSION:

Order

WHEREAS, on April 10, 1973, the Ashland Electric Department, a municipal utility engaged in the business of supplying electric service in and adjacent to the Town of Ashland (this Commission's jurisdiction being limited to customers outside the municipal limits), filed with this Commission Pages 4A and 4B of its Tariff, providing for a Fuel Adjustment Clause and a Purchased Power Adjustment Clause, proposed to become effective March 1, 1973; and

WHEREAS, the Public Service Company of New Hampshire (supplier of the Ashland Electric Department), with authority of the Federal Power Commission, placed an increase in the wholesale for resale rates (including a fuel adjustment clause) into effect, under bond, on January 15, 1973; and

WHEREAS, the implementation of the wholesale rate and fuel adjustment clauses merely serves to maintain the financial integrity of the Ashland Electric Department by passing on a charge which it has no control over; it is

ORDERED, that the tariff pages designated as 4A and 4B be, and hereby are, authorized

**Page 22**

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to become effective march 1, 1973; and it is

FURTHER ORDERED, that since the wholesale rate and fuel adjustment clauses of Public Service Company of New Hampshire are now effective under bond, the customers of the Ashland Electric Department be protected by refund provisions; and it is

FURTHER ORDERED, that the Ashland Electric Department notify each of its customers (those under the jurisdiction of this Commission) individually of the Purchased Power Adjustment Clause and the Fuel Adjustment Clause prior to their implementation; and it is

FURTHER ORDERED, that the Ashland Electric Department file with this Commission monthly computations of the Fuel Adjustment Clause charge, by means of a tariff page, starting

with Original Page 4A-1; and it is

FURTHER ORDERED, that the Ashland Electric Department file with this Commission a quarterly accounting of the amounts accrued under the Purchased Power Adjustment Clause authorized herein; and it is

FURTHER ORDERED, that the charges be applied to all bills rendered on and after May 1, 1973.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of April, 1973.

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NH.PUC\*04/26/73\*[77199]\*58 NH PUC 23\*Hopkinton Telephone Company

[Go to End of 77199]

### Re Hopkinton Telephone Company

D-F6447, Order No. 10,924

58 NH PUC 23

New Hampshire Public Utilities Commission

April 26, 1973

AUTHORIZATION for a telephone company to issue and renew short-term notes.

-----

BY THE COMMISSION:

Order

WHEREAS, Hopkinton Telephone Company, a New Hampshire corporation, operating as a telephone utility under the jurisdiction of this Commission, seeks authority to RSA 369, to issue and renew Short-term Notes not in excess of one hundred eighty thousand dollars (\$180,000), to bear interest at the rate of three-quarters (3/4) or one percent (1%) above prime rate per annum, which will produce an amount in excess of the terms of Supplemental Order No. 7446 6f of this Commission; and

WHEREAS, following conference with the Commission staff, and upon investigation and due consideration of supporting data filed with said petition, this Commission finds that the proposed financing, upon the terms proposed, is in the public interest; it is

ORDERED, that the Hopkinton Telephone Company be, and hereby is, authorized to issue and sell for cash its Note, or Notes, in an aggregate principal amount not exceeding one hundred eighty thousand dollars (\$180,000), said Notes to bear interest at a rate not in excess of three-quarters (3/4) of one percent (1%) above prime rate per annum; and it is

FURTHER ORDERED, that on January first and July first in each year, said Hopkinton Telephone Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of said Note, or Notes, until the whole of said

proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of April, 1973.

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NH.PUC\*05/07/73\*[77200]\*58 NH PUC 24\*Municipal Electric Department of Wolfeboro

[Go to End of 77200]

**Re Municipal Electric Department of Wolfeboro**

D-E6432, Order No. 10,935

58 NH PUC 24

New Hampshire Public Utilities Commission

May 7, 1973

REQUEST for license to construct submarine electric conductors; granted.

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ELECTRICITY, § 6 — Cables — Underwater conductors.

[N.H.] An electric company was authorized to place electric conductors under public waters where they were found to be necessary for the rendition of service and would have no adverse effect upon public rights in the waters.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed March 26, 1973, Municipal Electric Department of Wolfeboro seeks a license, pursuant to RSA 375:17 and 20 (Supp.), to erect and maintain electric conductors under state-owned waters of Lake Winnepesaukee in the Town of Wolfeboro; and

WHEREAS, the petitioner represents that the proposed crossing will cross from Keniston Island to Little Keniston Island, sometimes referred to as Blueberry Island, from Pole No. 16CD to land of Robert Hanson, Jr.; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed crossing, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be granted substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Municipal Electric Department of Wolfeboro to install and maintain electric conductors under Lake Winnepesaukee in the Town of Wolfeboro, said crossing approximately three hundred seventy-five (375) feet from Pole No. 16CD on Keniston Island to land of Robert Hanson, Jr., on Little Keniston Island, sometimes referred to as Blueberry Island, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this seventh day of May, 1973.

=====

NH.PUC\*05/07/73\*[77201]\*58 NH PUC 25\*Public Service Company of New Hampshire

[Go to End of 77201]

## Re Public Service Company of New Hampshire

D-F6440, Order No. 10,936

58 NH PUC 25

New Hampshire Public Utilities Commission

May 7, 1973

PERMISSION to issue and sell preferred stock.

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SECURITY ISSUES, § 96 — Preferred stock — Purpose.

[N.H.] An electric utility was allowed to issue and sell preferred stock designated as sinking fund preferred stock, the proceeds of which were to be used to pay off short-term debt.

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APPEARANCES: Ralph H. Wood for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed April 2, 1973, Public Service Company of New Hampshire, a corporation duly organized under the Laws of this State, and operating therein as an electric public utility under the jurisdiction of this Commission, seeks authority, pursuant to the provisions of RSA 369, to issue and sell, for cash, 120,000 shares of a new series of its authorized Preferred Stock, \$100 par value.

At the hearing on the petition held in Concord on May 2, 1973, the petitioner submitted that the new series would be designated Sinking Fund Preferred Stock 7.64% Dividend Series and would be sold by private placement of 90,000 shares with The Prudential Life Insurance Company of America and of 30,000 shares with The Mutual Benefit Life Insurance Company



("Purchasers") for \$100 per share, or for an aggregate of \$12,000,000.

The petitioner further submitted that it was entering into Preferred Stock Purchase Agreements with Purchasers under which they would purchase their respective portions of the total issue from the petitioner. Conformed copies of said Agreements will be filed with the Commission subsequent to the hearing. The Stock will carry an annual dividend rate of 7.64%, and will provide for a mandatory sinking fund under which 4,800 shares will be redeemed annually at par beginning on May 15, 1984, and give the Company the option to redeem an additional 4,800 shares at par on each mandatory sinking fund redemption date, up to a cumulative maximum of 40,000 shares to be redeemed under said option.

The petitioner represents that the proceeds from the sale of the Stock will be used to pay off a portion of the Short-term Notes outstanding at the time of the sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of its business. The petitioner further submitted that expenses incurred in connection with issuing the Stock, estimated not to exceed \$80,000 in the aggregate, and consisting principally of the private placement fee and legal and accounting expense, will be paid from the general funds of the Company.

The petitioner presented the following Balance Sheet, actual as of February 28, 1973, and pro forma to reflect the proposed issue of the Preferred Stock:

**Page 25**

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Assets</i>	<i>Actual</i>	<i>Pro Forma Adjustments</i>	<i>Pro Forma</i>
Utility Plant at Original Cost	\$ 385,299,395	\$	\$ 385,299,395
Reserves for Depreciation	75,039,755		75,039,755
Utility Plant (Less, Reserves)	310,259,640		310,259,640
<i>Investments</i>			
Nuclear Generating Companies	9,345,821		9,345,821
Other	1,819,558		1,819,558
	11,165,379		11,165,379
Current Assets (Less Reserves)	24,390,259		24,390,259
Misc. Properties (Less Reserve)	260,264		260,264
Deferred Charges	1,433,095		1,433,095
Total Assets	\$ 347,508,637	\$	\$ 347,508,637
	=====	=====	=====
<i>Capitalization and Liabilities</i>			
<i>Capitalization</i>			
Common Stock	\$22,031,170	\$	\$22,031,170
Premium on Common Stock	38,634,506		38,634,506
Retained Earnings	33,698,741		33,698,741
Capital Stock Expense	(584,352)		(584,352)
Total Common Stock Equity	93,780,065		93,780,065
Preferred Stock	44,043,000	12,000,000	56,043,000
First Mortgage Bonds	142,704,000		142,704,000
Term Note	25,000,000		25,000,000
Total	305,527,065	12,000,000	317,527,065
Notes Payable	19,900,000	(12,000,000)	7,900,000

Current & Accrued Liabilities	11,135,078	11,135,078
Contributions in Aid of Construction	1,391,570	1,391,570
Accumulated Deferred Investment Tax Credits	3,832,269	3,832,269
Revenue Subject to Possible Refund	4,002,734	4,002,734
Other Reserves	402,185	402,185
Debt Premium & Expense	269,188	269,188
Accumulated Deferred Taxes on Income	1,048,548	1,048,548
Total Capitalization and Liabilities	\$ 347,508,637	\$ 347,508,637
	=====	=====

Evidence of authorization by the Directors of the petitioner has been submitted and the petitioner has agreed to submit evidence of additional corporate authorization by the Stockholders and Directors before completion of the financing.

Upon investigation and consideration, this Commission is satisfied that the proceeds from the proposed financing will be expended to pay off a portion of the Short-term Notes outstanding at the time of the sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the petitioner's business, and finds that the issue and sale of the Stock will be consistent with the public good.

Our order will issue authorizing the issuance and sale of 120,000 shares of Sinking Fund Preferred Stock 7.64% Dividend Series at \$100 per share, as hereinabove set forth and in accordance with the Preferred Stock Purchase Agreement.

#### Order

Upon consideration of the foregoing report, which is made a part hereof; it is ORDERED, that Public Service Company of New Hampshire be, and hereby is, authorized

#### Page 26

to issue and sell one hundred twenty thousand (120,000) shares of its Sinking Fund Preferred Stock, seven and sixty-four one hundredth percent (7.64%) Dividend Series at one hundred dollars (\$100) per share, as hereinabove set forth and in accordance with the Preferred Stock Purchase Agreement; and it is

FURTHER ORDERED, that the proceeds from the sale of said Preferred Stock authorized herein shall be used to pay off a portion of the Short-term Notes outstanding at the time of sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the Company's business; it being understood that all expenses incurred in accomplishing the financing, including the private placement fee, will be paid from the general funds of the Company; and it is

FURTHER ORDERED, that on January first and July first in each year, said Public Service Company of New Hampshire shall file with this Commission a detailed statement, duly sworn to by its Treasurer or Financial Vice President, showing the disposition of the proceeds of said Stock until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this seventh day of May, 1973.

=====

NH.PUC\*05/14/73\*[77202]\*58 NH PUC 27\*Water and Light Department of the Woodsville Fire District

[Go to End of 77202]

## **Re Water and Light Department of the Woodsville Fire District**

I-R14,066, Order No. 10,943

58 NH PUC 27

New Hampshire Public Utilities Commission

May 14, 1973

APPROVAL of a municipal water utility's special rate contract with a hospital.

-----

BY THE COMMISSION:

Order

WHEREAS, the Water and Light Department of the Woodsville Fire District, a municipal utility selling water outside its precinct limits, thus under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 2 with Cottage Hospital, effective January 1, 1972, for water service at rates other than those covered by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of May, 1973.

=====

NH.PUC\*05/15/73\*[77203]\*58 NH PUC 28\*Public Service Company of New Hampshire

[Go to End of 77203]

## **Re Public Service Company of New Hampshire**

D-E6442, Order No. 10,944

58 NH PUC 28

New Hampshire Public Utilities Commission

May 15, 1973

ORDER allowing construction of electric transmission lines across public waters.

-----

ELECTRICITY, § 7 — Authorization for transmission lines.

[N.H.] An electric company was granted authority to place transmission lines across a public river in order to increase system capability.

BY THE COMMISSION:

Order

WHEREAS, by petition filed April 9, 1973, Public Service Company of New Hampshire seeks a license, pursuant to RSA 371:71 and 20 (Supp.), to construct and maintain a double circuit 115 KV transmission line and a multiple circuit 34.5 KV transmission line over and across the Nashua River in the City of Nashua; and

WHEREAS, the proposed crossings are part of a planned expansion of the Company's existing system, to increase the system capability in the Nashua and Milford areas by providing an additional 115 KV source and to provide an additional 34.5 KV transmission line for the City of Nashua; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed crossing, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be exercised without substantially affecting the public rights; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain a double circuit 115 KV transmission line and a multiple circuit 34.5 KV transmission line across the Nashua River in the City of Nashua, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of May, 1973.

=====

NH.PUC\*05/15/73\*[77204]\*58 NH PUC 28\*Public Service Company of New Hampshire

[Go to End of 77204]

## Re Public Service Company of New Hampshire

D-E6448, Order No. 10,945

58 NH PUC 28

New Hampshire Public Utilities Commission

May 15, 1973

AUTHORIZATION to install underwater and overhead transmission lines.

-----

**Page 28**

ELECTRICITY, § 7 — Authorization for transmission lines.

[N.H.] The commission granted an electric utility license to construct underwater and overhead transmission lines across public waters that were necessary to meet the company's expansion plans.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed April 13, 1973, Public Service Company of New Hampshire seeks a license, pursuant to RSA 371:17 and 20 (Supp.), to construct and maintain a multiple circuit 34.5 KV submarine cable under and across and a double circuit 34.5 KV overhead transmission line over and across the Nashua River in the City of Nashua; and

WHEREAS, the proposed crossings are part of the Company's planned expansion of its 34.5 KV distribution system serving parts of the City of Nashua and the Town of Merrimack; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed crossings, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be exercised without substantially affecting the public rights; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to construct and maintain a multiple circuit 34.5 KV submarine cable under and across and a double circuit 34.5 KV overhead transmission line over and across the Nashua River in the City of Nashua, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of May, 1973.

=====

NH.PUC\*05/16/73\*[77205]\*58 NH PUC 29\*Public Service Company of New Hampshire

[Go to End of 77205]

## Re Public Service Company of New Hampshire

D-E6461, Order No. 10,947

58 NH PUC 29

New Hampshire Public Utilities Commission

May 16, 1973

REQUEST to place an underwater telephone cable in public waters; granted.

-----

TELEPHONES, § 2 — Construction and equipment — Underwater cable.

[N.H.] A telephone company was permitted to install and maintain a submarine cable where it was necessary for its service to the public and did not impair use of the waters.

-----

BY THE COMMISSION:

Order

Whereas, by petition filed May 4, 1973, Public Service Company of New Hampshire seeks a license, pursuant to RSA 371:17 and 20 (Supp.), to install a 120/240 volt submarine

**Page 29**

cable under and across the public waters of Lovell Lake in the Town of Wakefield; and

Whereas, the petitioner represents that the proposed submarine cable from its existing lines on Big Island, also known as King's Island, in Lovell Lake, in the Town of Wakefield, will cross approximately four hundred seventy (470) feet of said Lake to another island owned by Priaulx, and will serve one (1) customer on Priaulx Island; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed cable, and, upon investigation and consideration, this Commission finds that the proposed cable is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be granted without substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Public Service Company of New Hampshire to install and maintain a submarine cable from its existing lines on Big Island, also known as King's Island, in Lovell Lake, in the Town of Wakefield, and cross approximately four hundred seventy (470) feet of said Lake to another island owned by Priaulx, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of May, 1973.

=====

NH.PUC\*05/21/73\*[77206]\*58 NH PUC 30\*Public Service Company of New Hampshire

[Go to End of 77206]

**Re Public Service Company of New Hampshire**

I-R14,074, Order No. 10,948

58 NH PUC 30

New Hampshire Public Utilities Commission

May 21, 1973

ACCEPTANCE of an electric company's special rate contract with a municipality.  
-----

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 31 with the City of Laconia, effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of May, 1973.

=====

NH.PUC\*05/24/73\*[77207]\*58 NH PUC 31\*New England Telephone and Telegraph Company

[Go to End of 77207]

**Re New England Telephone and Telegraph Company**

D-E6460, Order No. 10,959

58 NH PUC 31

New Hampshire Public Utilities Commission

May 24, 1973

PETITION for license to place telephone plant under public waters; granted.  
-----

TELEPHONES, § 2 — Construction and equipment — Underwater plant.

[N.H.] A telephone company was authorized to place telephone plant under state-owned waters where it was necessary for the delivery of service and did not impair public rights in the water.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed May 4, 1973, New England Telephone and Telegraph Company seeks a license, pursuant to RSA 371:17 and 20 (Supp.), to place telephone plant under state-owned waters at Lake Winnepesaukee in the Town of Moultonboro; and

WHEREAS, the petitioner represents that the proposed crossing will cross approximately eighteen hundred (1800) feet of Lake Winnepesaukee from Pole No. 642/8 on Black Cat Island in Moultonboro to private property of Charles Beebe on Hull Island, and will serve one (1) customer and provide for future growth in the New England Company's Center Harbor Exchange; and

WHEREAS, following due notice, no other interested party offering objection to the proposed crossing, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be exercised without substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to the New England Telephone and Telegraph Company to place and maintain telephone plant under Lake Winnepesaukee in the Town of Moultonboro, said proposed crossing approximately eighteen hundred (1800) feet from Pole No. 642/8 on Black Cat Island to private property of Charles Beebe on Hull Island, all in accordance with a plan submitted with the petition and on file in the office of this Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of May, 1973.

=====

NH.PUC\*05/28/73\*[77208]\*58 NH PUC 31\*Northern Utilities, Inc.

[Go to End of 77208]

**Re Northern Utilities, Inc.**

D-F6416, Order No. 10,968

58 NH PUC 31

New Hampshire Public Utilities Commission

May 28, 1973

PETITION by a gas company to issue and sell common stock: granted.



SECURITY ISSUES, § 96 — Common stock — Employee stock option plan.

[N.H.] The commission allowed a gas company to issue and sell common stock under an incentive stock option plan for its employees with the proceeds to be used for paying off short-term debt and for financing additional property.

APPEARANCES: Franklin Hollis for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition filed on February 13, 1973, Northern Utilities, Inc., a corporation duly organized under the Laws of this State, and operating therein as a gas public utility under the jurisdiction of this Commission, seeks authority, pursuant to the provisions of RSA 369 to issue and sell for cash, shares of its Common Stock pursuant to an Incentive Common Stock option plan.

At the hearing on the petition, held in Concord on May 2, 1973, the petitioner submitted that its stockholders and directors had adopted an Incentive Stock Option Plan in form submitted in evidence, which provides for incentive Stock Option Agreements in form submitted in evidence under which designated officers and managerial employees to be named by the Directors would have the right for a limited period of time to purchase not exceeding 25,000 shares of the petitioner's Common Stock for cash, at a price equal to the greater of its par value (\$5.00 per share) or its market value at the time of execution of the Incentive Stock Option Agreements; that the Company wishes to immediately execute Incentive Stock Option Agreements with nine men covering 13,500 shares of \$5.00 per share, — the present market price being less than \$5.00 per share.

The petitioner submitted evidence that the nine men are not receiving salaries as high as they deserve, and that it is advisable to grant them the options to induce them to remain in the employ of the Company, and to exercise their best efforts on its behalf, and on behalf of its subsidiaries; and that the Incentive Stock Option Plan would facilitate the attraction of additional qualified managerial personnel in view of the petitioner's relatively low salary level.

The petitioner submitted evidence that it is in need of additional common equity capital, as is shown by its Balance Sheet at December 31, 1972, as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Kind</i>	<i>Amount</i>	<i>Total</i>	<i>% of</i>
Common Stock and retained earnings	\$3,187,517		20%
Preferred Stock, \$5.00 par value	1,690,100)		
Preference Stock, 7.2%	1,036,840)		17%
Long Term debt	7,175,250		45%
Short Term Notes	2,861,489		18%

Total

\$15,951,196

The percent of common equity capital has declined somewhat since December 31, 1972, due to financing done since said date. The petitioner represents that the proceeds of the sale of Common Stock, pursuant to the options, will be used either to pay Short-term debt, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the petitioner's utility business, or to finance additional such property.

Upon investigation and consideration, this Commission is satisfied that the proceeds of the sale of Common Stock, pursuant to the Stock Options will be applied as represented, and that the price is reasonable, and that the issue and sale of 13,500 shares of Common

**Page 32**

Stock, as proposed, is consistent with the public good, and our order will issue accordingly. It is understood that the petitioner will apply to this Commission for approval of the issuance of any further shares of its Common Stock pursuant to the Incentive Stock Option Plan.

**Order**

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Northern Utilities, Inc., be, and hereby is, authorized to issue and sell thirteen thousand five hundred (13,500) shares of its Common Stock, pursuant to the incentive Stock Option Plan for a price of five dollars (\$5.00) per share, payable in cash as therein provided; and it is

FURTHER ORDERED, that the proceeds from the sale of Common Stock shall be used (a) to pay off Short-term Notes outstanding at the time of sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the company's business; (b) to reimburse the treasury for expenditures made for the purchase and construction of additional such property; (c) to finance the purchase and construction of additional such property; and (d) for other proper corporate purposes; it being understood that all expenses incurred in accomplishing the financing will be paid from the general funds of the Company; and it is

FURTHER ORDERED, that on January first and July first in each year, said Northern Utilities, Inc. shall file with this Commission a detailed statement, duly sworn to by a Vice-President or the Treasurer, showing the disposition of the proceeds of said Stock until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of May, 1973.

=====

NH.PUC\*06/05/73\*[77209]\*58 NH PUC 33\*Concord Electric Company

[Go to End of 77209]

**Re Concord Electric Company**

D-R6236, Supplemental Order No. 10,975

58 NH PUC 33

New Hampshire Public Utilities Commission

June 5, 1973

EXTENSION of an electric company's purchased power adjustment clause.

-----

BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,854, ([1973] 58 NH PUC 1), First Revised Page 9B ("Fuel Adjustment") and First Revised Page 9C ("Purchased Power Adjustment") of Concord Electric Company Tariff N.H.P.U.C. No. 4, were made effective January 15, 1973 for a period of six (6) months, subject to further review; and

WHEREAS, the wholesaler's case before the Federal Power Commission, on which this matter hinges, is still pending; it is

ORDERED, that the provisions of Order NO. 10,854 be extended for an additional six (6) months (December 15, 1973), at which time a further review will be made.

By order of the Public Utilities Commission of New Hampshire this fifth day of June, 1973.

=====

NH.PUC\*06/05/73\*[77210]\*58 NH PUC 34\*Exeter and Hampton Electric Company

[Go to End of 77210]

**Re Exeter and Hampton Electric Company**

D-R6237, Supplemental Order No. 10,976

58 NH PUC 34

New Hampshire Public Utilities Commission

June 5, 1973

EXTENSION of an electric company's purchased power adjustment clause.

-----

BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,855, ([1973] 58 NH PUC 2), First Revised Page 10B ("Fuel Adjustment") and First Revised Page 10C ("Purchased Power Adjustment") of Exeter and

Hampton Electric Company Tariff N.H.P.U.C. No.9, were made effective January 15, 1973, for a period of six (6) months, subject to further review; and

WHEREAS, the wholesaler's case before the Federal Power Commission, on which this matter hinges, is still pending; it is

ORDERED, that the provisions of Order No. 10,855 be extended for an additional six (6) months (December 15, 1973), at which time a further review will be made.

By order of the Public Utilities Commission of New Hampshire this fifth day of June, 1973.

=====

NH.PUC\*06/05/73\*[77211]\*58 NH PUC 34\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77211]

**Re New Hampshire Electric Cooperative, Inc.**

D-E6239, Second Supplemental Order No. 10,977

58 NH PUC 34

New Hampshire Public Utilities Commission

June 5, 1973

EXTENSION of an electric cooperative's fuel cost adjustment provisions.

-----

BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Supplemental Order No. 10,856, ([1973] 58 NH PUC 4), First Revised Page 8A ("Purchased Power Adjustment") and First Revised Page 8B ("Fuel Adjustment") of New Hampshire Electric Cooperative, Inc., Tariff N.H.P.U.C. No. 5, were made effective January 15, 1973, for a period of six (6) months, subject to further review; and

WHEREAS, the wholesaler's case before the Federal Power Commission, on which this matter hinges, is still pending; it is

**Page 34**

ORDERED, that the provisions of Supplemental Order No. 10,856 be extended for an additional six (6) months (December 15, 1973), at which time a further review will be made.

By order of the Public Utilities Commission of New Hampshire this fifth day of June, 1973.

=====

NH.PUC\*06/05/73\*[77212]\*58 NH PUC 35\*Municipal Electric Department of Wolfboro

[Go to End of 77212]

## Re Municipal Electric Department of Wolfeboro

D-R6403, Supplemental Order No. 10,978

58 NH PUC 35

New Hampshire Public Utilities Commission

June 5, 1973

EXTENSION of a municipal electric company's fuel adjustment clauses.

-----

BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,861, ([1973] 58 NH PUC 8), First Revised Page 8A ("Fuel Adjustment") and First Revised Page 8B ("Purchased Power Adjustment") of the Municipal Electric Department of Wolfeboro Tariff, N.H.P.U.C. NO. 3, were made effective January 15, 1973, for a period of six (6) months, subject to further review; and

WHEREAS, the wholesaler's case before the Federal Power Commission, on which this matter hinges, is still pending; it is

ORDERED, that the provisions of Order No. 10,861 be extended for an additional six (6) months (December 15, 1973), at which time a further review will be made.

By order of the Public Utilities Commission of New Hampshire this fifth day of June, 1973.

=====

NH.PUC\*06/11/73\*[77213]\*58 NH PUC 35\*New England Telephone and Telegraph Company

[Go to End of 77213]

## Re New England Telephone and Telegraph Company

D-E6478, Order No. 10,982

58 NH PUC 35

New Hampshire Public Utilities Commission

June 11, 1973

APPLICATION for authority to install telephone plant under public waters; granted.

-----

**Page 35**

TELEPHONES, § 2 — Construction and equipment — Underwater plant.

[N.H.] A telephone company was authorized to place telephone plant under state-owned

waters where it was necessary for future growth and was in accordance with all safety regulations.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed May 31, 1973, New England Telephone and Telegraph Company seeks a license to place and maintain submarine plant crossing state-owned waters of Lake Winnisquam in the City of Laconia; and

WHEREAS, the petitioner represents that the proposed crossing, from Pole No. 450AG/2 on the mainland in Laconia to Pole No. 450AG/3 on Loon Island, will service one customer and provide for future growth in the New England Company's Laconia Exchange; and that said crossing will be constructed and maintained with due regard for established minimum safety standards in order to meet the reasonable requirement for service to the public; and

WHEREAS, following due notice, no other interested parties offering objection to the proposed crossing, and, upon investigation and consideration, this Commission finds that the proposed construction is necessary in order to meet the reasonable requirements of service to the public, and that the license sought therein may be exercised without substantially affecting the public rights in the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to the New England Telephone and Telegraph Company to place and maintain submarine plant crossing state-owned waters of Lake Winnisquam in the City of Laconia, from Pole No. 450AG/2 on the mainland in Laconia to Pole No. 450AG/3 on Loon Island, replacing an inadequate aerial crossing, all in accordance with a plan submitted with the petition and on file in the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 1973.

=====

NH.PUC\*06/18/73\*[77214]\*58 NH PUC 36\*Public Service Company of New Hampshire

[Go to End of 77214]

**Re Public Service Company of New Hampshire**

I-E14,081, Order No. 10,988

58 NH PUC 36

New Hampshire Public Utilities Commission

June 18, 1973

APPROVAL of an electric utility's special rate contract with a bank.

-----

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 32 with the Amoskeag Savings Bank, effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for electric service at rates other than those fixed by its schedule of general application; and

Page 36

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of June, 1973.

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NH.PUC\*06/21/73\*[77215]\*58 NH PUC 37\*Manchester Gas Company

[Go to End of 77215]

**Re Manchester Gas Company**

D-F6499, Order No. 10,992

58 NH PUC 37

New Hampshire Public Utilities Commission

June 21, 1973

AUTHORIZATION for a gas company to issue a stock dividend.

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SECURITY ISSUES, § 101 — Stock dividends.

[N.H.] The commission approved a gas company's plan to issue a stock dividend of three shares for every one hundred existing shares of common stock with stockholders of fractional shares to be paid in cash.

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BY THE COMMISSION:

Order

WHEREAS, Manchester Gas Company (the "company"), a New Hampshire corporation

doing business as a gas public utility under the jurisdiction of this Commission, by petition filed June 15, 1973, represents that as of April 30, 1973, the Common Stockholders' equity in the Company was as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

400,000 shares	\$5 par value authorized	\$ 988,655
197,731 shares	\$5 par value issued	
Capital surplus	289,436	
Retained earnings	1,272,787	
		\$2,550,878

and

WHEREAS, the Company proposes to issue no more than five thousand, nine hundred thirty one (5,931) Common shares identical to the present Common shares issued and outstanding to present stockholders, at a rate of three (3) additional shares for each one hundred (100) shares presently held; and

WHEREAS, the Company asserts that it will be able to pay dividends at the current annual rate of seventy cents (70¢) per share on both the presently outstanding stock and on the new shares to be issued, resulting in a dividend increase to present stockholders of three percent (3%); and

WHEREAS, the Company alleges that stockholders entitled to fractional shares will be paid in cash, on the basis of a value eight dollars seventy-five cents (\$8.75) per share, the quoted bid price as of the declaration date, April 18, 1973, and

WHEREAS, the Company proposes that the record date for payment of this Stock Dividend will be ten (10) days subsequent to the date of approval of the proposed dividend by this Commission, and the Company further proposes that the payment date will be seven (7) days thereafter; and

WHEREAS, in support of its position, the Company has appended to its petition certain financial statements, consisting of a Balance Sheet and Income Statement showing adjustments for Financing, both of which are dated as of April 30, 1973, and the Company has further filed as an Exhibit, a copy of the

**Page 37**

corporate vote authorizing said three percent (3%) Stock Dividend, which vote was adopted at a meeting of the Directors of the Company held on April 18, 1973; and

WHEREAS, the Commission is satisfied, after having reviewed the allegations of the petition and the appended exhibits, that a public hearing on this petition is not necessary, and that payment of this Common Stock Dividend will be consistent with the public good, and in conformity with the provisions of RSA 369:1; it is

ORDERED, that Manchester Gas Company be, and hereby is, authorized to declare and issue a Stock Dividend of three (3) shares of five dollar (\$5) par value Common Stock for each one hundred (100) shares presently outstanding; and it is



FURTHER ORDERED, that Manchester Gas Company be, and hereby is, authorized to pay, in cash, to the stockholders entitled to fractional shares an amount based upon a value of eight dollars and seventy-five cents (\$8.75) per common share; and it is

FURTHER ORDERED, that within thirty (30) days after the date of payment of this Stock Dividend, said Manchester Gas Company shall file with this Commission, a financial statement, duly sworn to by its Treasurer, indicating appropriate entries on the Company's Balance Sheet.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of June, 1973.

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NH.PUC\*06/22/73\*[77216]\*58 NH PUC 38\*Policy Implementing Executive Order No. 11,615

[Go to End of 77216]

## Re Policy Implementing Executive Order No. 11,615

I-F13,711, Supplemental Order No. 10,993

58 NH PUC 38

New Hampshire Public Utilities Commission

June 22, 1973

STATEMENT of policy implementing a presidential order on a price freeze.

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RATES, § 248 — Suspension of rate increases — Executive order.

[N.H.] The commission suspended all general rate increases and fuel cost adjustments for sixty days in compliance with an executive order requiring the price freeze, but rate reductions were unaffected by the order.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, on June 13, 1973, the President of the United States issued Executive Order No. 11,723, effective June 13, 1973, providing for a maximum price for any commodity or service, for a period of sixty (60) days; and

WHEREAS, compliance with the spirit and letter of the President's Economic Stabilization Program is declared to be the policy of this Commission;

The Commission, therefore, Orders:

(1) That it is the general policy of the New Hampshire Public Utilities Commission to implement the Economic Stabilization Act of 1970, as amended, Public Law 91-379, 84 Stat.

799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 38; Public Law 92-210, 85 Stat. 743; Public Law 93-28, 87 Stat. 27; and Executive Order No. 11723; concerning

**Page 38**

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the freezing of prices, insofar as these rules pertain to this Commission's regulatory jurisdiction.

(2) In compliance with the provisions and objectives of Executive Order No. 11723, any increase in rates which could, or would, have become effective within said sixty (60) day period is hereby declared suspended for the duration of the freeze price period.

(3) The suspension hereby declared shall be applicable to all increases in rates which were to become effective on June 13, 1973, or thereafter. This suspension of increases in rates is applicable to all public utilities and other enterprises subject to jurisdiction of this Commission until, and including, August 12, 1973, unless otherwise ordered by this Commission.

(4) This suspension does not apply to any reductions in rates which were to become effective on June 13, 1973, or thereafter. Reduction in rates may continue to be made during the freeze price period, in compliance with the rules of this Commission.

(5) Existing fuel adjustment clauses in effect on June 13, 1973, are hereby limited to amounts not exceeding the amounts which were properly charged during the freeze base period (the period June 1 to June 8, 1973).

(6) During said freeze price period, this Commission will continue to process applications for rate increase, adjustments, and related tariff matters, make investigations, hold hearings, and take matters under advisement relating to rates. However, until applicable rules are promulgated by appropriate federal authorities, this Commission will not issue any order resulting in any increase in rates.

(7) This Statement of Policy shall remain in full force and effect until modified by subsequent Commission Order or Statement of Policy, and shall be applicable to all orders of this Commission heretofore or hereafter issued pertaining to the subject matter of Executive Order No. 11723. This Statement of Policy is effective as of 9:00 P.M., est., June 13, 1973, and may be amended from time to time as circumstances require.

By order of the Public Utilities Commission of New Hampshire this twenty-second day of June, 1973.

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NH.PUC\*07/06/73\*[77217]\*58 NH PUC 39\*Manchester Water Works

[Go to End of 77217]

## Re Manchester Water Works

D-E6503, Order No. 11,000

58 NH PUC 39

New Hampshire Public Utilities Commission

July 6, 1973

PETITION by a water company for authority to extend its lines and service; granted.

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SERVICE, § 210 — Extensions — Water.

[N.H.] A water utility was granted the right to extend its lines and services into a limited area of a town where no other company had previous franchise rights and where the utility was able and willing to serve that area.

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BY THE COMMISSION:

Order

WHEREAS, Manchester Water Works, a utility operating under the jurisdiction of this Commission, by a petition filed June 19, 1973, seeks authority, pursuant to RSA 374:22 and 26, as amended, to extend its

Page 39

lines and service into a limited area in the Town of Bedford; and

WHEREAS, no other water utility has franchise rights in this limited area, and the petitioner submits that it is able and willing to supply water service to this area under rates on file, or to be filed, with this Commission; and

WHEREAS, the Selectmen of the Town of Bedford have indicated their approval of this extension; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

ORDERED, that permission be, and hereby is, granted to the Manchester Water Works to do business as a public water utility in a limited area in the Town of Bedford, as follows:

Beginning at a point near the intersection of the Daniel Webster Highway and Back River Road, and extending southwesterly along Back River Road to its intersection with County Road, then extending northwesterly along County Road; such area set forth more specifically on a map on file in the office of this Commission and marked as an Exhibit in this case, and for these purposes to construct the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this sixth day of July, 1973.

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NH.PUC\*07/06/73\*[77218]\*58 NH PUC 40\*Public Service Co. of New Hampshire et al.

[Go to End of 77218]

**Re Public Service Co. of New Hampshire et al.**

D-E6474, Order No. 11,002

58 NH PUC 40

New Hampshire Public Utilities Commission

July 6, 1973

APPROVAL of joint petition for authority for an electric cooperative to transfer a portion of its distribution facilities to an electric company.

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ELECTRICITY, § 1 — Transfer of distribution facilities.

[N.H.] An electric company was permitted to acquire from a cooperative a certain part of its distribution facilities and associated customers where the commission found the transfer would (1) eliminate duplication of services; (2) provide enhanced service; and (3) offer substantially the same rates.

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BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire and New Hampshire Electric Cooperative, Inc. (hereinafter called "Public Service" and "the Cooperative") have filed a joint petition for Public Service to acquire certain distribution facilities and associated customers of the Cooperative in the Towns of Hebron, Newport, Chester and Derry; and

WHEREAS, such transaction would eliminate duplication of facilities and enhance service to the twenty-one (21) customers involved; and

WHEREAS, the rates of both companies are substantially the same and the customers involved have been advised of the transaction and are in agreement with the proposal; it is

ORDERED, that pursuant to RSA 374:23 and 374:30, Public Service is authorized to

**Page 40**

acquire at net cost 0.1 mile of the Cooperative distribution facilities in the Town of Hebron and serve five Cooperative customers in the area, as set forth on a U.S.G.S. Map section marked as Exhibit "B", the property transaction to be accounted for as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Acct. No.	Description	Original Reserve for		
		Cost	Depreciation	Net Cost
360	Dist. Rights of Way	\$ 39.60	\$	\$ 39.60
364	Poles, Towers, Fixtures	793.96	562.40	231.56
365	Overhead Conductors and Devices	237.08	174.91	62.17

368	Line Transformers	557.81	157.61	400.20
369	Services	118.08	51.75	66.33
370	Meters	18.06	9.85	8.21
	Total	<u>\$ 1,764.59</u>	<u>\$ 956.52</u>	<u>\$ 808.07</u>

and it is

FURTHER ORDERED, that pursuant to RSA 374:23 and 374:30, Public Service is authorized to acquire at net cost 1.1 miles of the Cooperative's distribution facilities in the Town of Newport and serve nine (9) Cooperative customers in the area, as set forth on a U.S.G.S. Map section marked as Exhibit "C", the property transaction to be accounted for as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Acct. No.</i>	<i>Description</i>	<i>Original Cost</i>	<i>Reserve for Depreciation</i>	<i>Net Cost</i>
360	Dist. Rights of Way	\$ 52.80	\$	\$ 52.80
364	Poles, Towers and Fixtures	1,499.19	1,148.73	350.46
365	Overhead Conductors and Dev.	359.06	280.43	78.63
368	Line Transformers	1,353.12	459.03	894.09
369	Services	227.37	81.65	145.72
370	Meters	42.14	17.73	24.41
	Total	<u>\$ 3,533.68</u>	<u>\$ 1,987.57</u>	<u>\$ 1,546.11</u>

and it is

FURTHER ORDERED, that pursuant to RSA 374:23 and 374:30, Public Service is authorized to acquire at net cost 1.5 miles of line in Chester and Derry and serve seven (7) Cooperative customers in the area, as set forth on a U.S.G.S. Map section marked as Exhibit "D", the property transaction to be accounted for as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Chester</i>				
<i>Acct. No.</i>	<i>Description</i>	<i>Original Cost</i>	<i>Reserve for Depreciation</i>	<i>Net Cost</i>
360	Dist. Rights of Way	\$ 10.99	\$	\$ 10.99
364	Poles, Towers and Fixtures	1,223.21	936.66	286.55
365	Overhead Conductors and Dev.	300.90	195.75	105.15
368	Line Transformers	829.56	343.21	486.35
369	Services	96.55	50.72	45.83
370	Meters	12.04	5.31	6.73
371	Installations on Customers' Premises	84.90	7.89	77.02
	Total	<u>\$2,558.15</u>	<u>\$ 1,539.53</u>	<u>\$ 1,018.62</u>
<i>Derry</i>				
360	Dist. Rights of Way	\$ 94.61	\$	\$ 94.61
364	Poles, Towers & Fixtures	1,804.14	1,419.47	384.67
365	Overhead Conductors & Dev.	499.04	489.95	9.19
368	Line Transformers	275.84	113.80	162.04
369	Services	130.52	106.43	24.09
370	Meters	12.04	8.66	3.38
371	Installations on Customers' Premises	84.90	25.61	59.29
	Total	<u>\$ 2,901.09</u>	<u>\$ 2,163.82</u>	<u>\$ 737.27</u>

and it is

FURTHER ORDERED, that the transfer of facilities and customers take place within thirty (30) days of the receipt of this order.

By order of the Public Utilities Commission of New Hampshire this sixth day of July, 1973.

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NH.PUC\*07/16/73\*[77219]\*58 NH PUC 42\*Eastman Water Company

[Go to End of 77219]

### Re Eastman Water Company

Intervenors: Town of Springfield and Water Supply and Pollution Control Commission

D-E6374, Order No. 11,012

58 NH PUC 42

New Hampshire Public Utilities Commission

July 16, 1973

APPLICATION for authority to operate as a water utility; granted.

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1. PUBLIC UTILITIES, § 122 — Public utility status — Water companies.

[N.H.] The commission recognized a water company as a water utility where it would be operating in a newly developed residential area and serving nearly 1000 customers. p. 42.

2. VALUATION, § 250 — Rate base — Contributions in aid of construction.

[N.H.] A water utility was authorized to finance the construction of its facilities through contributions generated by sales of residential lots, with these contributions in aid of construction excluded from the utility's rate base. p. 43.

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APPEARANCES: G. Peter Guenther for the petitioner; Donald A. Ingram for the town of Springfield; John Richards for the water supply and Pollution Control Commission.

BY THE COMMISSION:

Report

[1] On November 6, 1972, Eastman Water Company, a New Hampshire corporation with its principal place of business at Grantham, New Hampshire, filed with this Commission a petition requesting authority to operate as a public water utility in limited areas in the Towns of Enfield, Grantham and Springfield.

On May 8, 1973, a hearing was held on the aforementioned petition at the office of the

Commission in Concord, following the required notice to interested parties, posting in two public places in each of the Towns of Enfield, Grantham and Springfield, and publication in newspapers having general circulation in the territory proposed to be served. At this hearing, the petitioner represented that Controlled Environment Corporation, of which the petitioner is a subsidiary, is developing an area for residential use situated in the general vicinity of Eastman Pond in Grantham. In connection with this development, the Eastman Water Company was formed and construction of the water system commenced.

In accordance with statutory requirements, plans for this system have been approved by the New Hampshire Water Supply and Pollution Control Commission. The present source of supply is 19 shallow, large-diameter wells, supplying pumping facilities that maintain a constant-pressure system. The main lines are to be 8-inch, 6-inch, and 4-inch,

**Page 42**

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located below frost depth along laid-out roads in the development. The Company is presently serving 25 customers but expects to have some 1,000 customers by 1978. Presently, the plans are approved for 900 lots, but the Company will seek necessary approval for an enlarged system as new sources of supply are developed at the appropriate time to serve new customers.

[2] The proposed financing and proposed capital structure of this Company represents an imaginative approach to developing a financially-sound water utility. Based on the testimony, projections and financial data filed with this Commission, we are of the opinion that the Company would financially be able to furnish water service as contemplated.

The projections of costs to construct the water facilities indicate a total investment of approximately \$2,500,000 at its completion in 1978. Revenues are projected to be \$207,000 by 1978, with further revenue growth reasonably expected to continue as new building takes places. The projected capital requirements are high in relation to revenues and would normally cast doubt as to the economic feasibility of such a project to meet these capital requirements with the proposed rate schedule. The developer proposes to provide approximately 70% of the capital in the form of contributions for construction, which will be generated by the sale of lots whose value will obviously be enhanced by the availability of a central water supply. In accordance with our accounting requirements, this contribution for construction will be excluded from the rate base upon which earnings are allowed.

As in all new enterprises, a substantially completed facility must be constructed without the full complement of customers available from the beginning to support it. It is as a result of this condition that the Company has filed a provision in its Tariff for an availability charge of \$5.00 per month, which is to be assessed against all lot owners to whom water service is readily available. The notice of this availability charge is given in a Declaration of Covenants and Restrictions furnished each prospective lot owner. We are agreeable to this feature in the rate structure, on the basis that it will permit the construction of a suitable and adequate water system, which in the long run is in the best interests of the public.

The rate structure proposed is designed to raise the revenues required after the initial period during the customer buildup. As described in previous paragraph, the Tariff provision of an availability charge, when a water line is laid in front of and/or adjacent to a lot, makes the owner

become liable for the availability charge. This is similar to the front-foot charge assessed against property owners for sewer and water lines in many communities.

Generally speaking, the rates are comparable for similar developments of this nature. In an inflationary period, the latest system built usually calls for rates higher than its predecessors, and, in this particular development, heavy ledge conditions served to raise the cost of the system.

The Town of Springfield was a late intervenor on the possibility that Eastman had not obtained all requisite authority for construction and operation as a public utility, although no specific instance was disclosed at the hearing.

Subsequent to the hearing, the Town's attorney requested by letter that Commission approval should be contingent on Eastman obtaining approval of the Water Supply and Pollution Control Commission and sub-division approval from the Town of Springfield for that portion of the land on which the well is located.

By letter of July 10, 1973, the Water Supply and Pollution Control Commission advised this Commission that its letter of May 24, 1972, approving the water system for service to 900 units, entered as an exhibit in the case was still valid.

All utility franchises are granted subject to compliance by the utility with pertinent Federal and State and Local provisions and we see no reason to become involved with matters beyond our jurisdiction.

Upon investigation and consideration of the evidence submitted, the Commission is of the opinion that granting the authority sought will be consistent with the public good. Our order will issue accordingly.

Page 43

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the Eastman Water Company, Inc., be, and hereby is, authorized to operate as a water utility in a limited area in the Towns of Grantham, Enfield and Springfield, said area outlined on a map on file in the office of this Commission (marked D-E6374, Exhibit No. 4), and for this purpose to construct the necessary facilities; and it is

FURTHER ORDERED, that its Tariff, entitled N.H.P.U.C. No. 1 — Water, setting forth rates, terms and conditions covering service in the area, shall become effective with the date of this order; a properly executed copy of such Tariff to be filed with this Commission immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of July, 1973.

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NH.PUC\*07/16/73\*[77220]\*58 NH PUC 44\*Northern Utilities, Inc.

[Go to End of 77220]



**Re Northern Utilities, Inc.**

D-F6416, Supplemental Order No. 11,013

58 NH PUC 44

New Hampshire Public Utilities Commission

July 16, 1973

PETITION for authorization to issue common stock; granted.

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SECURITY ISSUES, § 96 — Common Stock.

[N.H.] A utility was allowed to issue additional shares of common stock pursuant to an incentive stock option plan but with the provision that the proceeds be used to pay off short-term debt and to finance additional property.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, in Docket No. D-F6416, by Order No. 10,968, ([1973] 58 NH PUC 31), the petitioner, Northern Utilities, Inc. was authorized to issue and sell thirteen thousand five hundred (13,500) shares of its Common Stock, pursuant to the Incentive Stock Option Plan; and

WHEREAS, the petitioner has applied, in accordance with Report and Order No. 10,968, to issue and sell three thousand (3,000) additional shares of its Common Stock, pursuant to the Incentive Stock Option Plan; and

WHEREAS, the issuance and sale of three thousand (3,000) shares of its Common Stock, pursuant to the Incentive Stock Option Plan, is consistent with the public good; it is

ORDERED, that Northern Utilities, Inc., be, and hereby is, authorized to issue and sell three thousand (3,000) shares of its Common Stock, pursuant to the Incentive Stock Option Plan for a price of five dollars (\$5.00) per share, payable in cash as therein provided; and it is

FURTHER ORDERED, that the proceeds from the sale of Common Stock shall be used (a) to pay off Short-term Notes outstanding at the time of sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the Company's business; (b) to reimburse the treasury for expenditures made for the purchase and construction of additional such property; and (c) to finance the purchase and

Page 44

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construction of additional such property; and (d) for other proper corporate purposes; it being understood that all expenses incurred in accomplishing the financing will be paid from the

general funds of the Company; and it is

FURTHER ORDERED, that on January first and July first in each year, said Northern Utilities, Inc. shall file with this Commission, a detailed statement, duly sworn to by a Vice-President or the Treasurer, showing the disposition of the proceeds of said Stock until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of July, 1973.

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NH.PUC\*07/17/73\*[77221]\*58 NH PUC 45\*New England Telephone and Telegraph Company

[Go to End of 77221]

### Re New England Telephone and Telegraph Company

Intervenors: Sanders Associates, Inc., Hotel-Motel Association, University of New Hampshire.

D-R6097, Order No. 11,015 99 PUR3d 258

58 NH PUC 45

New Hampshire Public Utilities Commission

July 17, 1973

REVIEW of the attrition factor in a telephone rate case.

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#### 1. DEFINITIONS — Attrition.

[N.H.] An analysis of attrition must consider the relationship of expenses versus revenues and net earnings versus net investment. p. 46.

#### 2. RETURN, § 35 — Attrition adjustment.

[N.H.] Although a telephone company had suffered from attrition in the past, the commission found that for the present and foreseeable future the company's revenue growth will exceed expenses and therefore no adjustment need be made to revenue requirements to reflect attrition. p. 47.

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APPEARANCES: McLane, Carleton, Graf, Greene & Brown, by Kenneth F. Graf, G. Peter Guenther, and Robert Wells for the petitioner; Cleveland, Waters, and Bass, by Warren Waters and George L. Manias, special counsel to the commission for the public utilities commission; D. A. Rock, Publisher of 1590 Broadcaster, Nashua, New Hampshire; Robert Mercer and D. R. Reilly, representing Sanders Associates, Inc.; Richard F. Cooper of Cooper, Hall & Walker, Rochester, New Hampshire, representing N. H. Hotel-Motel Association; Kent Martling, Associate Treasurer, University of New Hampshire; Richard Cotton, N. H. Legal Assistance, for

OLIP (Organization of Low Income People); and Representative Chris Spirou, District #31, Hillsborough, Manchester, New Hampshire.

BY THE COMMISSION:

Report

*Background*

The New Hampshire Supreme Court, in its opinion dated March 20, 1973, remanded certain issues to the Commission which were raised by the New England Telephone & Telegraph Company in its appeal to the

**Page 45**

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Supreme Court from the Commission's Order No. 10,710 in Docket D-R6097.

On April 7, 1973, the Commission issued Order No. 10,926, which provided that all parties in the above case file, in writing, together with any necessary exhibits, whatever further evidence they deemed pertinent on the attrition issues remanded to the Commission by the Supreme Court.

In response to this Order No. 10,926, the Company filed the Supplemental Testimony of its General Accounting Manager, Raymond P. Thomas, to which was attached a six-page exhibit, in order to show the claimed effects of attrition in current results.

These purported to show that the Company requires an increase in revenues of \$3,901,000 in excess of the revenues allowed in Commission Order No. 10,710, an increase of 6.9%, in order to earn the rate of return of 8.6% allowed by the Commission.

The Commission Staff also filed the testimony of the Finance Director of the Commission, David J. Lessels, with exhibits annexed, which also analyzes the issue of attrition with respect to the Company's financial situation for the present and for a reasonable time into the future.

No other parties filed any exhibits or written comments of any kind.

*Attrition Issues*

The New Hampshire Supreme Court, in its opinion upon the Company's appeal; remanded to the Commission for consideration and determination, the sole issue of whether attrition was a significant factor which has been or must be considered by the Commission in arriving at a proper return for the company.

The Supreme Court directed the Commission to indicate by findings, the following:

1. Whether attrition is such a factor.
2. Whether or not attrition will prevent the Company from realizing for the present and for a reasonable time in the future, the rate of return allowed by the Commission.
3. Whether a revision must be made in the revenue requirements of the Company to permit it to realize a fair rate of return on the cost of its property used and useful in the public service, less accrued depreciation, and if so, what it should be and its nature.

In discussing the use of the use of the traditional test year in connection with the issue of attrition, the Supreme Court stated as follows:

"Such" use of the traditional test year in the traditional rate-making process assumes that actual results for some period of operations will be sufficiently representative of the future to provide a reliable testing vehicle for the proposed rates. " ... Witness Bolster, called by the commission, however, testified: Of course we know that under actual conditions, a utility's operations in the future will usually be at a different level from the test year. Usually a utility's service requirements are growing, and investment, revenues and expenses can generally be expected to increase as the service grows. But as long as revenues and costs remain in generally the same relative position as the test year, future costs will be covered." However, if unprecedented demands for goods and service at increasing costs upset the balance between revenues, investments and expenses, the assumption that future results will approximate those of the past is not realized in fact. The result is attrition."

In its opinion, the Supreme Court then quoted the definition of attrition given by witness Bolster as follows:

"An erosion in earning power of a revenue producing investment. This erosion is a complex phenomenon, the result of operating expenses or plant investment, or both, increasing more rapidly than revenues. If attrition occurs, the result would be below that which rates were designed to produce." This effect is apt to occur in a period of comparatively high construction costs when "new plant is being added, which ... is relatively expensive per telephone station. As the high cost plant comes into service it tends to increase the applicable rate base at a more rapid pace than the resultant earnings, and the rate of return decreases accordingly."

[1] It is clear from the decision of the Supreme Court that in order to properly resolve the issue of attrition, three factors must be considered, namely, investments, revenues and expenses. If investment and

**Page 46**

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expenses increase more rapidly than revenues, attrition would result.

The testimony and exhibits submitted by the Company on the issue of attrition were not particularly helpful, and in fact, its presentation failed to reveal the actual situation in the light of the Company's expanding revenue base, by focusing on the increased expenses of the Company without giving proper consideration to the element of revenue and to the investment element.

The figures used by the Company, properly adjusted to reflect other relevant data show no attrition, but instead, indicate a continuing improvement in the Company's return on its investment. When the growth in revenues is correlated to the growth in investment, the figures clearly indicate that no attrition is present.

The Commission Staff testimony and exhibits properly undertook an analysis of the several factors causing attrition, namely, the relationship of the rate of growth of expenses versus the rate of growth of revenues and the relationship of the rate of growth of net earnings versus the rate of growth of net investment commencing with the year 1962 and continuing to the present time.

[2] This analysis showed that in the four year period, 1967-1970, inclusive, attrition was present in the Company's operations with annual growth rates of:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Revenues	9.3%
Expenses	9.8%
Net Earnings	8.0%
Average Net Investment	12.5%

As these figures show, even though the Company's revenues were increasing steadily throughout this period, its rate of return dropped from 7.8% in 1966 to a low of 6.7% for 1970. This period, however, included a costly strike, the acceleration of plant modernization, needed improvement of service capabilities, and a rapid increase in total number of employees.

The following two years, 1971 and 1972, however, presented a different situation. Revenue growth in 1971 and 1972, exceeded the rate of increase in expenses, and the rate of increase in average net investment had decreased from the very high level of the preceding four years.

The downward trend in the rate of return experienced from 1967 to 1970 was reversed and earnings improvement resulted. For 1971, the rate of return increased to 7.0% and for 1972 the rate of return was 7.3%.

The annual growth rates for the four factors determining rate of return for the two years 1971 and 1972 were:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Revenues	12.0%
Expenses	11.1%
Net Earnings	15.1%
Average Net Investment	10.0%

These figures indicate no attrition for these two years. Also, applying the rate increase granted by Commission Order No. 10,710 to the reported results for the year 1972, and for the twelve months ended January 31, 1973, indicates that the adjusted rate of return for the year 1972 would have been 8.8% and for the twelve months ended January 31, 1973, would have been 8.7%. For the twelve months ended February 28, 1973 and March 31, 1973 the adjusted rate of return would have been 8.9% and 8.8% respectively.

The figures show that while the Company's expenses have increased in recent years, its revenue growth has kept ahead of such expenses in the same period. Further, it is obvious that the three elements of revenues growth, rate of increase of expenses, and the rate of increase of average net investment will favorably affect the Company's rate of return for a reasonable time in the future.

On the basis of an analysis of all financial data of the Company available to the Commission, its Staff Finance Director, David J. Lessels, concludes that:

1. Attrition has operated against the Company in the past.
2. Attrition is not now and will not be for a reasonable time in the future a factor requiring a revision in the Company's revenue requirements in order to enable it to earn the rate of return found fair and reasonable by the Commission.

We agree. After careful consideration of the record in Docket. D-R6097, the testimony and exhibits submitted by the Company and the Commission Staff pursuant to Commission Order

No. 10,926, and the recent reports filed by the Company with the Commission,

**Page 47**

we conclude on the issues remanded by the Supreme Court as follows:

1. Attrition was not a significant factor in arriving at a proper return for the Company at the time of issuance of the Report and Order in Docket No. D-R6097, being Commission Order No. 10,710.

2. Attrition will not prevent the Company from realizing for the present and for a reasonable time in the future, the rate of return of 8.6% allowed by the Commission in its Order No. 10,710.

3. No revision must be made in the revenue requirements of the Company to permit it to realize the fair rate of return on the cost of its property used and useful in the public service, less accrued depreciation. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Tariff N.H.P.U.C. No. 70-Telephone, as filed by New England Telephone and Telegraph Company on September 12, 1972, and approved by the Commission in Supplemental Order No. 10,739, is hereby ratified and confirmed, since all the evidence now before the Commission indicates that there is no attrition present which will prevent the Company from realizing for the present and for a reasonable time in the future, the rate of return of eight and six tenths percent (8.6%) allowed by the Commission in Order No. 10,710.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of July, 1973.

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NH.PUC\*07/24/73\*[77222]\*58 NH PUC 48\*Gas Service, Inc.

[Go to End of 77222]

### **Re Gas Service, Inc.**

D-R6511, Order No. 11,021

58 NH PUC 48

New Hampshire Public Utilities Commission

July 24, 1973

ORDER granting a gas company temporary restrictions on its customers.

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CONSERVATION, § 1 — Gas — Reduced supplies — Customer restrictions.

[N.H.] Because a gas company was unable to obtain increased natural gas supplies from its

supplier or to get firm commitments from propane suppliers, it was allowed to impose temporary restrictions on sales of gas to new and existing customers in both the residential and commercial classes.

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APPEARANCES: Charles A. Drexel for the petitioner.

BY THE COMMISSION:

Report

Gas Service, Inc., on June 8, 1973, filed with this Commission Supplement No. 5 to its Tariff N.H.P.U.C. No. 4 — Gas, proposing temporary restrictions on existing and new customers in its Nashua and Laconia Divisions, as follows:

*Residential*

1) Gas Service, Inc. will limit new sales of all gas for heating purposes to single-family residential customers where existing utility mains are adequate.

**Page 48**

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*Commercial*

- 1) New sales of gas for heating purposes will not be made;
- 2) Sales of gas to new customers for non-heating purposes will be limited to 10,000 cubic feet per customer per day; and
- 3) Additional sales to existing non-heating customers will be limited to 5,000 cubic feet per customer per day.

On June 25, 1973, the Commission issued a Notice of Hearing setting the matter for hearing on July 19, 1973. The Petitioner made public notice of both the proposal and the date of hearing in a newspaper having general circulation in the areas affected, as directed.

Gas Service, Inc. has been notified by its supplier of natural gas (Tennessee Gas Pipeline Company) that it will be unable to increase its supply. In addition, Gas Service, Inc. has been unable to obtain firm commitments for the necessary quantities of propane to supplement the natural gas supply.

The testimony of the Petitioner's witness indicated that Gas Service, Inc. had made every reasonable effort to obtain commitments, including the leasing of 40 tank cars, the installation of a railroad sidetrack, and the installation of eight storage tanks, to provide storage facilities for propane gas. Accordingly, it appears to be consistent with the public interest to permit the restrictions as outlined in Supplement No. 5 to its Tariff to become effective with the date of this Order. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Supplement No. 5 to Gas Service, Inc. Tariff No. 4, which was filed on

June 8, 1973, to provide for temporary restrictions on both its existing and new customers, shall become effective with the date of this order; and it is

FURTHER ORDERED, that Gas Service, Inc. give public notice of these temporary restrictions by publishing a copy of this Order upon receipt in a newspaper having general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of July, 1973.

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NH.PUC\*07/25/73\*[77223]\*58 NH PUC 49\*New England Power Company

[Go to End of 77223]

## Re New England Power Company

Order No. 11,023

58 NH PUC 49

New Hampshire Public Utilities Commission

July 25, 1973

GRANT of authority to issue first mortgage bonds.

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SECURITY ISSUES, § 95 — First mortgage bonds.

[N.H.] An electric utility was allowed to issue additional mortgage bonds in order to reimburse its treasury for extensions, enlargements and additions to its plant and property.

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APPEARANCES: Robert King Wulff and Kirk L. Ramsauer for the petitioner.

**Page** 49

BY THE COMMISSION:

Report

By this unopposed petition, filed June 6, 1973, New England Power Company (the "Company") seeks authority to issue additional First Mortgage Bonds, Series S. At the hearing on the petition, held in Concord on June 28, 1973, the Company represented that it is a corporation, organized under the Laws of Massachusetts, owning and operating properties in Massachusetts, New Hampshire, and Vermont, including hydroelectric developments and storage reservoirs on the Connecticut River and transmission lines therefrom. It is qualified as a foreign corporation to do business in New Hampshire but does not engage in local distribution therein.



The Company now has outstanding 4,699,896 shares of Common Stock of a par value of \$20 per share; 860,280 shares of Preferred Stock of a par value of \$100 per share; and First Mortgage Bonds, issued under an Indenture of Trust and First Mortgage, dated as of November 15, 1936, consisting of:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	Principal Amount
Series B, 3%, due 1978	\$11,000,000
Series C, 2-3/4%, due 1979	5,000,000
Series D, 2-7/8%, due 1981	12,000,000
Series E, 3-1/4%, due 1982	5,000,000
Series F, 3-1/4%, due 1985	25,000,000
Series G, 4-3/8%, due 1987	10,000,000
Series H, 4%, due 1988	10,000,000
Series I, 4-5/8%, due 1991	20,000,000
Series J, 4-3/8%, due 1992	12,000,000
Series K, 4-1/2%, due 1993	10,000,000
Series L, 6-3/8%, due 1996	10,000,000
Series M, 6-7/8%, due 1997	15,000,000
Series N, 7-1/8%, due 1998	20,000,000
Series O, 7-3/8%, due 1998	20,000,000
Series P, 8-3/8%, due 1999	15,000,000
Series Q, 7%, due 1976	20,000,000
Series R, 7-5/8%, due 2002	25,000,000
	\$245,000,000

At March 31, 1973, the Company also had outstanding Short-term Notes Payable in the aggregate principal amount of \$64,025,000.

New England Power Company proposes to issue not exceeding \$40,000,000 principal amount of First Mortgage Bonds, Series S, under, and pursuant to, the terms of its Indenture of Trust and First Mortgage, dated as of November 15, 1936, and supplements thereto, securing its presently outstanding Series B through R Bonds. If all permits required for the operation of the newly constructed generating unit No. 4 at the Company's Salem Harbor station, including a discharge permit to be issued by the Environmental Protection Agency, have not been finally issued, and appeal permits expired, prior to the date of competitive bidding for the Bonds, the Company may reduce the principal amount of bonds to be issued to \$30,000,000. The proposed Bonds will mature in not more than thirty years from the date thereof, will bear such interest rate, and will be disposed of at such price not less than the principal amount thereof as will be determined after publication of an invitation for bids for purchase thereof and the receipt of bids. The Company may determine that the Bonds will not be redeemable during a period of not more than five years in connection with a refunding at a lesser effective interest cost. New England Power Company also desires to execute an indenture supplemental to said Indenture of Trust and First Mortgage, as previously supplemented, mortgaging, or confirming the mortgage under said Indenture of, all its property, assets, and franchises (except property of the character specifically reserved to New England Power Company in said Indenture), as security for all Bonds issued, or to be issued, under and pursuant to the terms of said Mortgage Indenture.

New England Power Company proposes to apply the proceeds from the sale of said additional Series S Bonds to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncanceled extensions, enlargements, and additions to the plant and property of the Company and for other lawful corporate purposes.

The Company submitted in evidence its Balance Sheet as of March 31, 1973, as per books and pro forma to reflect the sale of the additional bonds, and the application of the proceeds therefrom:

**Page 50**

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[Graphic(s) below may extend beyond size of screen or contain distortions.]

*Assets and Other Debits Actual Adjustments Pro Forma*

*Utility Plant*

Utility Plant  
Less Accumulated Provision for De-  
preciation, Amortization, and  
Depletion

Net Utility Plant

*Other Property and Investments*

Nonutility Property (less Accumulat-  
ed Provision for Depreciation &  
Amortization  
Other Investments

Total Other Property & Invest.

*Current and Accrued Assets*

Cash  
Special Deposits  
Working Funds  
Notes & Accounts Receivable (less  
Accumulated Provision for Un-  
collectible Accounts)  
Receivable from Associated Cos.  
Materials and Supplies  
Prepayments

Total Current & Accrued Assets

*Deferred Debits*

Unamortized Debt Discount and Ex-  
pense  
Prelim. Survey & Investigation  
Charges  
Misc. Deferred Debits  
Research & Development Expendi-  
tures

Total Deferred Debits

Total Assets and Other Debits

*Liabilities and Other Credits*

*Proprietary Capital*

Common Stock Issued  
Preferred Stock Issued  
Premium on Capital Stock  
Other Paid-In Capital  
Retained Earnings  
Unappropriated Undistributed Sub-  
sidiary Earnings

Total Proprietary Capital  
*Long-Term Debt*  
 Bonds

Total Long-Term Debt

*Current & Accrued Liabilities*  
 Notes Payable  
 Notes Payable to Associated Cos.  
 Accounts Payable  
 Accounts Payable to Associated Cos.  
 Taxes Accrued  
 Interest Accrued  
 Tax Collections Payable

Misc. Current & Accrued Liabilities

Total Current & Accrued Liabilities

*Deferred Credits*  
 Unamortized Premium on Debt  
 Accumulated Deferred Investment  
 Tax Credit  
 Other Deferred Credits

Total Deferred Credits

*Operating Reserves*  
 Amortization Reserve-Federal

Total Operating Reserves

*Contributions in Aid of Construction*  
 Contributions in Aid of Const.

*Accumulated Deferred Inc. Taxes*  
 Accelerated Amortization  
 Liberalized Depreciation

Total Accumulated Deferred  
 Income Taxes

Total Liabilities & Other Credits

The record in this proceeding shows that the total uncapitalized expenditures of New England Power Company at March 31, 1973, amounted to approximately \$216,000,000, part of which would be capitalized through the proposed issues of the securities under consideration; and that a portion of the uncapitalized Fixed Capital Expenditures relates to expenditures in New Hampshire.

Certified copies of the necessary corporate authorizations were attached to the petition or submitted in evidence at the hearing.

Based on the foregoing Balance Sheet of the Company, and on the issuance of \$40,000,000 principal amount of Bonds, the pro forma ratio of Bonds to the total capitalization of the Company is 50.4%; Preferred Stock 15.2%; and Common Equity 34.4%.

Upon investigation and consideration of the evidence submitted, this Commission is of the opinion that the granting of the several authorizations sought will be consistent with the public good. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, its First Mortgage Bonds, Series S, in an aggregate principal amount of not exceeding forty million dollars (\$40,000,000), maturing in not more than thirty (30) years from the date thereof, and to bear such interest rate as will be determined by competitive bidding; and it is

FURTHER ORDERED, that New England Power Company shall submit to this Commission an account of the bids of responsible bidders for the purchase of said Bonds, which bids shall be on a comparable basis, following which a Supplemental Order will issue, establishing the amount of Bonds to be sold and the price and terms upon which said Bonds shall be sold; and it is

FURTHER ORDERED, that the proceeds from the sale of said Series S Bonds be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncapitalized extensions, enlargements and additions to the plant and property of the Company, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that New England Power Company be, and hereby is, authorized to mortgage its present and future property, tangible and intangible, including franchises, in New Hampshire, or to confirm the present mortgage thereof, as security for its outstanding Series B through R Bonds, and the proposed Series S Bonds, and Bonds thereafter issued under the provisions of the Mortgage Indenture; and it is

**Page 52**

FURTHER ORDERED, that this authorization to issue Series S Bonds contained herein shall be exercised on or before December 31, 1973, and not thereafter, unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on or before January first and July first, in each year, said New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said securities, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of July, 1973.

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NH.PUC\*07/25/73\*[77224]\*58 NH PUC 53\*New England Telephone and Telegraph Company

[Go to End of 77224]

## Re New England Telephone and Telegraph Company

D-F6513, Order No. 11,024

58 NH PUC 53

New Hampshire Public Utilities Commission

July 25, 1973

APPROVAL of a telephone company's issuance of common stock.

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SECURITY ISSUES, § 96 — Common stock.

[N.H.] Where the commission found it to be for the public good, a telephone company was allowed to sell additional common stock to its stockholders of record.

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APPEARANCES: Kenneth F. Graf for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed June 26, 1973, New England Telephone & Telegraph Company seeks authority, pursuant to RSA 369, insofar as the proceeds of same pertain to property or expenditures of said Company in this State, to issue and sell 6,526,440 shares of its Common Capital Stock to its stockholders, pro rata, in accordance with their respective holdings of record, on the basis of one share for each six shares of Capital Stock held on the record date, at a price to be determined by its Board of Directors or its Executive Committee on or about August 29, 1973.

At the hearing on the petition held, following due notice, in Concord on July 17, 1973, the petitioner submitted that it is a corporation duly organized under the Laws of the State of New York, engaged in the telephone and telegraph business in and between the States of Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont, and, by means of interconnection, with the facilities of other telephone companies, furnishing telephone service between said States, and other places outside thereof. It has been operating as a telephone public utility throughout New Hampshire prior to, on, and since June 1, 1911. Petitioner is duly qualified under the statutes of this State; is presently authorized to do business therein; and in respect to such operations is subject to the jurisdiction of this Commission.

Pursuant to Resolutions of its Board of Directors and Executive Committee, certified copies of which were filed herein, the Company

**Page 53**

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proposes to issue the securities referred to above.

The outstanding securities of the petitioner, as of April 30, 1973 were as follows:

1. Amount and kind of stock outstanding

Common — 39,158,640

Preferred — None

2. Terms of preference of Preferred Stock — None (see above)

3. Amount of funded debt outstanding and data pertaining thereto.

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Thousands</i>	<i>Amount</i>	<i>in</i>	<i>Date of</i>	<i>Date of</i>
	<i>Issue</i>		<i>Maturity</i>	<i>Callable</i>
First Mortgage 2-3/4% Bonds, Series D	\$20,000*		2- 1-45	2- 1-75
Thirty-five Year 3% Debentures	40,000		10-1-47	10-1-82
Twenty-five Year 3% Debentures	35,000#		3-15-49	3-15-74
Twenty-five year 3-1/4% Debentures	20,000		12-15-52	12-15-77
Thirty-four Year 3-1/8% Debentures	30,000		12-15-54	12-15-88
Thirty-six Year 3-1/4 Debentures	30,000		11-15-55	11-15-91
Thirty-five Year 4% Debentures	45,000		4- 1-58	4- 1-93
Thirty-eight Year 4-5/8% Debentures	45,000		4- 1-61	4- 1-99
Forty-Year 4-1/2% Debentures	50,000		7- 1-62	7- 1-02
Forty Year 4-5/8% Debentures	\$60,000		7- 1-65	7- 1-05
Thirty-nine Year 6-1/8% Debentures	100,000		10- 1-67	10- 1-06
Forty Year 6-3/8% Debentures	125,000		9- 1-68	9-1 -08
Thirty-nine Year 8-5/8% Debentures	175,000		9- 1-70	9- 1-09
Thirty-three Year 8.2% Debentures	200,000		6- 1-71	6- 1-04
Seven Year 6-1/2% Notes	100,000		3-15-72	3-15-79
Thirty-five Year 7-3/8% Debentures	200,000		10-15-72	10-15-07
Seven Year 7% direct reduction notice	5,358		various	7 years
Total Funded Debt	<u>\$1,280,358</u>			

Security for First Mortgage Bonds.  
Any and all real estate and all telephone plant and equipment, franchises, etc., and any and all interests therein, appertaining to or useful in the transaction of the Telephone Company's business which it now owns or which it may hereafter acquire in the States of Maine, New Hampshire, Massachusetts, and Rhode Island. And all tolls, incomes, rents, issues, profits, benefits and advantages to be derived, received or had, of and from the property profits, benefits and advantages to be derived, received or had, of and from the property mortgaged or pledged or intended so to be and from any and all

interest therein which the Telephone Company now owns or which it may hereafter acquire in the above mentioned states.

# To be refinanced through the issuance of additional interim debt.

In addition to the above, the petitioner, as of April 30, 1973, had outstanding unsecured Short Term Obligations aggregating the sum of \$172,105,000, which obligations are held

**Page 54**

by the petitioner's affiliate, American Telephone & Telegraph Company, various banks and other investors.

Under its re-stated Certificate of Incorporation, as amended, the petitioner's authorized Capital Stock is \$1,200,000,000, consisting of 60,000,000 shares of the par value of \$20 per share, of which there are issued and presently outstanding 39,158,640 shares of the aggregate par value of \$783,172,000. The Company proposes to offer to its stockholders for subscription for cash, at a price to be determined by the Board of Directors, or the Executive Committee, on or about August 29, 1973, pro rata, in accordance with their respective holdings of record, on the basis of one share for each six shares held on the record date, 6,526,440 shares of Common Capital Stock.

The following Pro-Forma Balance Sheet, before and after the completion of the financing proposed herein, was submitted to be as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

October 31, 1973 (Estimated)

	Before Proposed Financing	Changes on Account of Proposed Financing
<i>Assets</i>		
Telephone plant in service	\$ 3,700,000	\$
Telephone Plant under Construction	165,000	
Property held for future telephone use	2,000	
	-----	-----
Total Telephone Plant	3,867,000	
Less-Depreciation and Amortization Reserves	860,000	
	-----	-----
Total Telephone Plant less Reserves	3,007,000	
Miscellaneous physical property	2,000	
Current Assets	190,000	
Prepaid accounts and Deferred charges	52,000	
	-----	-----
Total Assets	\$ 3,251,000	
<i>Liabilities</i>		
Current and Accrued Liab.	\$ 220,988	
Deferred Credits	140,000	
	-----	-----
Total Current and accrued liabilities and deferred credits	360,988	
Capital Stock	783,173	130,529
Premium on Capital Stock	317,317	-
Funded Debt	1,275,000	
Temporary Obligations	275,205	-

Other Long-term Debt	4,000	
Total Capital Obligations and Premium	\$ 2,654,695	
Retained Earnings	235,317	
Total Liabilities	\$ 3,251,000	\$
NET INVESTMENT	\$ 2,890,012	\$
TOTAL CAPITAL OBLIGATIONS PREM. & RETAINED EARNINGS	\$ 2,890,012	

- Figures will be filled in on a Revised Exhibit 5 to be filed at a later date.

It is to be noted that the items in the Pro-Forma Balance Sheet, which depend upon the price at which the Stock is to be issued, are blank. The Company plans to submit an amended Balance Sheet on or about September 24, 1973, which will reflect the price at which the new shares will be sold.

The Company submits that the proceeds from the sale of the Capital Stock will be applied toward the discharge of the outstanding

**Page 55**

Short Term Obligations of the Company incurred for general corporate purposes, including extensions, additions and improvements to its telephone plant, and to reimburse the Company's treasury for moneys expended for such corporate purposes; the balance, if any, of such proceeds to be used for other lawful corporate purposes. It is estimated that, except to the extent that they are reduced by repayment from the proceeds of the Capital Stock, the amount of outstanding Short Term Obligations will be increased to approximately \$275,000,000 by October 31, 1973.

Upon consideration of the evidence submitted, this Commission is satisfied that the issuance and sale of the securities proposed herein will be consistent with the public good. Our order granting the authorization herein sought will issue accordingly. Order

Upon consideration of the foregoing report, which is made a part hereof; it is

**ORDERED**, that the New England Telephone and Telegraph Company be, and hereby is, authorized, insofar as the same pertains to property or expenditures in the State of New Hampshire, to issue and offer to its stockholders for subscription for cash, at a price to be determined by the Board of Directors, or the Executive Committee thereof, on or about August 29, 1973, pro rata, on the basis of one (1) share for each six (6) shares held on the record date, in accordance with their respective holdings of record, six million five hundred twenty-six thousand four hundred forty (6,526,440) shares of its Common Capital Stock, said shares of stock to be issued and offered as aforesaid, in accordance with the Resolutions of the Board of Directors adopted May 15, 1973, as set out in Exhibit 2 of the Company's petition; and it is

**FURTHER ORDERED**, that New England Telephone and Telegraph Company shall submit to this commission the price at which the Stock will be issued, as determined by the Company's Board of Directors, or its Executive Committee on or about August 29, 1973, following which



submission a Supplemental Order will issue; and it is

FURTHER ORDERED, that the proceeds of the sale of said Common Capital Stock will be applied toward the discharge of the outstanding Short Term Obligations of the Company incurred for general corporate purposes, including extensions, additions and improvements to its telephone plant, and to reimburse the Company's treasury for moneys expended for such corporate purposes; the balance, if any, of such proceeds to be used for other lawful corporate purposes; and it is

FURTHER ORDERED, that New England Telephone and Telegraph Company shall file with this Commission, as soon as reasonably practicable after the conclusion of the issue of the Common Stock herein authorized, a detailed statement, duly verified by its Treasurer, showing the disposition of the proceeds of the Stock authorized herein, and thereafter a similar statement as of January first and July first in each year, until the disposition of the whole of the proceeds thereof shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of July, 1973.

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NH.PUC\*07/25/73\*[77225]\*58 NH PUC 57\*New England Telephone and Telegraph Company

[Go to End of 77225]

**Re New England Telephone and Telegraph Company**

D-F6514, Order No. 11,025

58 NH PUC 57

New Hampshire Public Utilities Commission

July 25, 1973

AUTHORIZATION for a telephone company's issuance of debentures.

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SECURITY ISSUES, § 95 — Bonds — Debentures.

[N.H.] A telephone company was permitted to issue debentures either at competitive bidding or at a negotiated sale for the purpose of paying off its unsecured short-term debts.

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APPEARANCES: Kenneth F. Graf for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed June 26, 1973, New England Telephone & Telegraph Company seeks authority, pursuant to RSA 369, insofar as the proceeds of same pertain to

property or expenditures of said Company in this State, to issue and sell its Debentures up to an aggregate principal amount of \$200,000,000.

At the hearing on the petition held, following due notice in Concord on July 17, 1973, the petitioner submitted that it is a corporation duly organized under the Laws of the State of New York, engaged in the telephone and telegraph business in and between the States of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, and, by means of inter-connection with the facilities of other telephone companies, furnishing telephone service between said States and other places outside thereof. It has been operating as a telephone public utility throughout New Hampshire prior to, on and since June 1, 1911. Petitioner is duly qualified under the statutes of this State; and is presently authorized to do business therein, and in respect to such operations, is subject to the jurisdiction of this Commission.

The authorization sought herein was filed pursuant to proper Resolutions of the Board of Directors, certified copies of which have been filed herein.

The petitioner proposes to issue and sell either at competitive bidding, or at a negotiated sale, up to an aggregate principal amount of \$200,000,000 Debentures. These will be sold either at public competitive bidding, and the sale price of, and interest rate thereon, will be specified in the purchase bid accepted by the Company, or they will be sold at a negotiated sale to a responsible buyer. The Debentures will be issued pursuant to the terms of Indenture between New England Telephone & Telegraph Company and a Trustee to be selected and reported to this Commission. The form of Indenture under which the proposed Debentures are to be issued will be in substantially the form of the Indenture submitted as Exhibit 2 in these proceedings.

The outstanding securities of the petitioner, April 30, 1973, were as follows:

1. Amount and kind of stock outstanding.  
Common — 39,158,640 Preferred — None
2. Terms of preference of Preferred Stock — None (see above)
3. Amount of funded debt outstanding and data pertaining thereto.

**Page 57**

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Amount in Thousands</i>	<i>Date of Issue</i>	<i>Date of Maturity</i>	<i>Callable</i>
First Mortgage 2-3/4 Bonds, Series D	\$20,000*	2- 1-45	2- 1-75	Any interest date On 60 days notice
Thirty-five Year 3% Debentures	40,000	10- 1-47	10-1-82	30 days notice
Twenty-five Year 3% Debentures	35,000#	3-15-49	3-15-74	30 days notice
Twenty-five Year 3-1/4% Debentures	20,000	12-15-52	12-15-77	30 days notice
Thirty-four Year 3-1/8% Debentures	30,000	12-15-54	12-15-88	30 days notice
Thirty-six Year 3-1/4% Debentures	30,000	11-15-55	11-15-91	30 days notice
Thirty-five Year 4%				

Debentures	45,000	4- 1-58	4- 1-93	30 days notice
Thirty-eight Year 4-5/8% Debentures	45,000	4- 1-61	4- 1-99	30 days notice
Forty-Year 4-1/2% Debentures	50,000	7- 1-62	7- 1-02	30 years notice
Forty-Year 4-5/8% Debentures	60,000	7- 1-65	7- 1-05	30 years notice
Thirty-nine Year 6-1/8% Debentures	100,000	10-1-67	10-1-06	30 years notice
Forty-Year 6-3/8% Debentures	125,000	9- 1-68	9- 1-08	On or after 9/1/73 on 30 days notice
Thirty-nine Year 8-5/8% Debentures	175,000	9- 1-70	9- 1-09	On or after 9/1/75 on 30 days notice
Thirty-three Year 8.2% Debentures	200,000	6- 1-71	6- 1-04	On or after 6/1/76 on 30 days notice
Seven-Year 6-1/2% Notes	100,000	3-15-72	3-15-79	On or after 3/15/77 on 30 days notice
Thirty-five Year 7-3/8% Debentures	200,000	10-15-72	10-15-07	On or after 10/15/77 on 30 days notice
Seven-Year 7% direct reduction notes	5,358	Various	7 years	After one year, upon 90 days notice
Total Funded Debt	\$ 1,280,358			

Security for First Mortgage Bonds.

Any and all real estate and all telephone plant and equipment franchise and any and all interests therein, appertaining to or useful in the transaction of the Telephone Company's business which it now owns or which it may hereafter acquire in the States of Maine, New Hampshire, Massachusetts, and Rhode Island. And all tolls, incomes, rents, issues, profits, benefits and advantages to be derived, received or had, of and from the property profits, benefits and advantages to be derived, received, or had, of and from the property mortgaged or pledged or intended so to be and from any and all interest therein which the Telephone Company now owns or which it may hereafter acquire in the above mentioned states.

# To be refinanced through the issuance of additional interim debt.

As of April 30, 1973, the petitioner had outstanding unsecured Short-Term Obligations in the aggregate amount of \$172,105,000, the proceeds of which have been used for corporate purposes in the five states in which it operates.

It is estimated that, unless refunded or repaid from the proceeds of the present issue of Debentures, or other permanent securities, the amount of such outstanding Short-Term Obligations would be increased to approximately \$344,000,000 by November 30, 1973.

The following Pro-Forma Balance Sheet, before and after the completion of the financing proposed herein, was submitted to be as follows:

**Page 58**

[Graphic(s) below may extend beyond size of screen or contain distortions.]

November 30, 1973 (Estimated)

*Assets*

Telephone plant in service  
 Telephone plant under construction  
 Property held for future telephone use  
  
 Total telephone plant  
 Less-Depreciation and Amortization Reserves

Total telephone plant less Reserves  
 Misc. physical property  
 Current Assets  
 Prepaid accounts and deferred charges

Total Assets

*Liabilities*

Current and Accrued Liab.  
 Deferred credits

Total current and accrued liabilities and  
 deferred credits  
 Capital stock  
 Premium on Capital Stock  
 Funded debt  
 Temporary obligations  
 Other long-term debt

Total capital obligations and premium  
 Retained earnings

Total liabilities  
 NET INVESTMENT

TOTAL CAPITAL OBLIG., PREM, & RETAILED  
 EARNINGS

- Figures will be filled in on a Revised Exhibit 5 to be filed at a later date.

The Company represents that from time to time it has made expenditures in the States of Maine, Massachusetts, New Hampshire, Rhode Island and Vermont for the acquisition of property, the construction, completion, extension and improvement of its facilities in said States, and for the improvement and maintenance of telephone service, all of which expenditures have been necessary and requisite for present or future use in the conduct of its business. In order to meet these continuing expenditures, the Company has obtained new monies temporarily by means of Unsecured Short-Term Obligations, or has expended from the Treasury, monies other than monies obtained from the issuance of securities.

The Company submits that the proceeds of the sale of the Debentures proposed herein will be used to repay Unsecured Short-Term Obligations outstanding at the time said proceeds are available, the balance, if any, of such proceeds to be used for lawful corporate purposes as need therefore arises.

Upon consideration of the evidence submitted, this Commission is satisfied that the issuance and sale of the Debentures proposed herein will be consistent with the public good. Our order will issue accordingly.

*Order*

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the New England Telephone and Telegraph Company be, and hereby is, authorized, insofar as said issue pertains to property or expenditures in the State of New Hampshire, to issue and sell for cash, its Debentures in the aggregate principal amount of up to two hundred million dollars (\$200,000,000) to mature in 2003; and it is

**Page 59**

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FURTHER ORDERED, that the New England Telephone and Telegraph Company shall submit to this Commission the offerings of responsible competitive bidders for the purchase price and rate of interest of said Debentures, which bids shall be on a comparable basis, or the price and rate of interest of said Debentures offered by a responsible buyer in the event the New England Telephone and Telegraph Company elects to negotiate the sale of said Debentures rather than offer them to competitive bidders. Following the required submission, a Supplemental Order will issue establishing the price and interest rate at which said Debentures shall be sold; and it is

FURTHER ORDERED, that the proceeds from the sale of said Debentures shall be used for the purpose of discharging and repaying outstanding Short-Term Obligations of said Company, and the balance, if any, for other lawful corporate purposes; and it is

FURTHER ORDERED, that on January first and July first in each year, said New England Telephone and Telegraph Company shall file with this Commission a detailed statement duly sworn to by its Treasurer, showing the disposition of the proceeds of the Debentures herein authorized until the expenditure of the whole of said proceeds shall have been fully accounted for

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of July, 1973.

=====

NH.PUC\*07/30/73\*[77226]\*58 NH PUC 60\*Manchester Water Works

[Go to End of 77226]

## Re Manchester Water Works

D-E6525, Order No. 11,026

58 NH PUC 60

New Hampshire Public Utilities Commission

July 30, 1973

PETITION by a water company to extend its franchise area; granted.

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SERVICE § 210 — Extensions — Water.

[N.H.] A water utility was allowed to extend its lines and service into a limited area of a town where no other water company had rights in that area and the utility was willing and able to serve the area.

-----

BY THE COMMISSION:

Order

WHEREAS, Manchester Water Works, a utility operating under the jurisdiction of this Commission, by a petition filed July 17, 1973, seeks authority, pursuant to RSA 374:22 and 26, as amended, to extend its lines and service into a limited area in the Town of Goffstown; and

WHEREAS, no other water utility has franchise rights in this limited area, and the petitioner submits that it is able and willing to supply water service to the area under rates on file, or to be filed, with this Commission; and

WHEREAS, the Selectmen of the Town of Goffstown have indicated their approval of this extension; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

ORDERED, that permission be, and hereby is, granted to the Manchester Water Works to do business as a public water utility in a limited area in the Town of Goffstown, as follows:

**Page 60**

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Beginning at a point on Daniel Plummer Road some 785' south of its intersection with Mast Road and continuing southerly on the west boundary of Daniel Plummer Road to a point some 450' northerly of its intersection with St. Anselm's Drive, meaning to include all of the property bounded on the west by Daniel Plummer Road, on the east by College Road, on the north by Mast Road, and on the south by St. Anselm's Drive, not already granted in Dockets D-E3426-C, D-E5854, and D-E6292;

such area set forth more specifically on a map on file in the office of this Commission, and marked as an exhibit in this case, and for these purposes to construct the necessary lines and apparatus.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of July, 1973.

=====

NH.PUC\*08/01/73\*[77227]\*58 NH PUC 61\*Public Service Company of New Hampshire

[Go to End of 77227]

## Re Public Service Company of New Hampshire

I-R14,102, Order No. 11,032  
58 NH PUC 61  
New Hampshire Public Utilities Commission  
August 1, 1973

APPROVAL of an electric company's special rate contract with the state.

-----

BY THE COMMISSION:

Order

WHEREAS, Public Service Company of New Hampshire, a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 29 with The State of New Hampshire, effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for electric service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this first day of August, 1973.

=====

NH.PUC\*08/08/73\*[77228]\*58 NH PUC 62\*Gas Service, Inc.

[Go to End of 77228]

**Re Gas Service, Inc.**

D-R6510, Supplemental Order No. 11,043  
58 NH PUC 62  
New Hampshire Public Utilities Commission  
August 8, 1973

PETITION to withdraw suspended tariff revisions; granted.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, Gas Service, Inc., a public utility engaged in the business of supplying gas service in the State of New Hampshire, on May 17, 1973, filed with this Commission certain revisions of its Tariff N.H.P.U.C. No.4 — Gas, providing for an increase in annual gross revenue

of sixty-eight thousand, five hundred seventy-one dollars (\$58,571) in the Keene Division, effective June 18, 1973; and

WHEREAS, by virtue of Order No. 10,969, issued May 28, 1973, such tariff revisions were suspended until otherwise ordered by this Commission; and

WHEREAS, Gas Service, Inc., has requested that such tariff revision filing be withdrawn; it is

ORDERED, that the tariff revisions filed on May 17, 1973, and which revisions were suspended by virtue of Order No. 10,969, be dismissed without prejudice; and it is

FURTHER ORDERED, that Gas Service, Inc. give public notice of the withdrawal of these tariff revisions by publishing a copy of this order once in a newspaper having general circulation in the territory served by Gas Service, Inc., Keene Division.

By order of the Public Utilities Commission of New Hampshire this eighth day of August, 1973.

=====

NH.PUC\*08/13/73\*[77229]\*58 NH PUC 62\*Continental Telephone Company of New Hampshire, Inc.

[Go to End of 77229]

**Re Continental Telephone Company of New Hampshire, Inc.**

D-R6506, Order No. 11,052

58 NH PUC 62

New Hampshire Public Utilities Commission

August 13, 1973

APPLICATION by a telephone company for a rate increase; granted as modified.

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RATES, § 532 — Telephones — Rate increases — Local service charges.

[N.H.] The commission allowed a telephone company a reduced rate increase to be recovered entirely through local rates and not through connection, move or change, or business centrex service charges.

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BY THE COMMISSION:

APPEARANCES: Charles M. Toll, Jr., for the petitioner.



Continental Telephone Company of New Hampshire, Inc., filed on March 9, 1973, for revisions of its Tariff N.H.P.U.C. No. 9-Telephone, which revisions were suspended by Commission Order No. 10,902, dated April 2, 1973. On July 24, 1973, a public hearing was held at the office of the Commission, at which time the Company presented evidence indicating a need for increased revenues in order to earn a just and reasonable rate of return on its investment.

The Commission Staff analyzed the Company's testimony, exhibits, and other appropriate financial data available to the Commission. The Staff analysis indicated a need for a revision in the Company's revenue requirements however, the Staff made adjustments for changes in computation of average net investment and for changes in the cost of capital.

The Company's computations and testimony claimed a cost of common equity capital of 12 — 13%. The testimony submitted by the Company on its cost of common equity capital was deficient in supporting its claimed rates, nor was adequate or relevant data submitted to support the claimed rates.

The Company has expended substantial sums for construction to improve service, meet expansion requirements, and to increase the efficiency of its telephone plant. Budgeted expenditures to meet construction obligations remain high.

After careful consideration of the record in Docket D-R6506, the testimony and exhibits submitted by the Company, the reports filed by the Company and the analyses by the Commission Staff, we conclude as follows:

1. The average rate base for the test year, 1972, is \$1,673,473. (See Schedule A)
2. A rate of return on average rate base of 8.74% is fair and reasonable, and that this rate is necessary for the Company to meet the increasing needs of its customers. This allowed rate of return of 8.74% should provide sufficient earnings to assure the financial integrity of the Company, and to permit it to attract the necessary capital. (See Schedule A)
3. An increase of \$72,441 in revenues is the increases to which the Company is entitled on this record, and will result in the Company realizing the rate of return of 8.74% found to be fair and reasonable. (See Schedule B)

#### *Rates*

The increase proposed by the Company involved the basic local telephone service (except Rural Residence Service and Rural Business Service which remain unchanged and are restricted to existing customers), Service Connection charges, Move and Change charges and Business Centrex Service rates. The rate structure was improved, resulting in a more equitable spread between the various classes of service.

The proposed rates, filed March 9, 1973, to become effective April 10, 1973, stand suspended by Order No. 10,902, dated April 2, 1973. In order to preserve continuity, new tariff pages filed as a result of this order should thus be designated, as follows:

Section 4 — Second Revised Sheet 1, Issued in lieu of First Revised Sheet 1  
Section 5 — Second Revised Sheet 11, Issued in lieu of First Revised Sheet 11  
Section 5 — Second Revised Sheet 13, Issued in lieu of First Revised Sheet 13  
Section 5 — Second Revised Sheet 51, Issued in lieu of First Revised Sheet 51

It is felt that the difference of \$11,464 between the annual gross revenue of \$83,905 as proposed in the filing, and the \$72,441 annual gross revenue as approved by this report, should be reflected in the basic local exchange rates entirely, and that the relationship between the classes of service and rates as originally proposed, now standing suspended, should be maintained. The Service Connection charges, the Move and Change charges, and the Business Centrex Service rates are approved as filed on March 9, 1973.

**Page 63**

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Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the revisions of its Tariff N.H.P.U.C. No. 9 — Telephone, as filed by Continental Telephone Company of New Hampshire, Inc., on March 9, 1973, which revisions were suspended by Commission Order No. 10,902, dated April 2, 1973, be, and hereby are, rejected; and it is

FURTHER ORDERED, that, in accordance with the increase in rates authorized by this report and order, Continental Telephone Company of New Hampshire, Inc., file new tariff pages, numbered as set forth in the foregoing report, setting forth therein rates reflecting the reduction of eleven thousand four hundred sixty-four dollars (\$11,464) (from eighty-three thousand nine hundred five dollars (\$83,905) to seventy-two thousand four hundred forty-one dollars (\$72,441)), such reductions to be made proportionately in those basic local exchange rates which were increased in the filing which now stands suspended; and it is

FURTHER ORDERED, that revised tariff pages incorporating all the above changes be filed to become effective with the first full monthly billing period subsequent to the effective date of this order, such tariff pages to carry the notation "Issued in compliance with Order No. 11,052 ([1973] 58 NH PUC 62), in Case D-R6506"; and it is

FURTHER ORDERED, that Continental Telephone Company of New Hampshire, Inc. give public notice of these new rates and tariff changes by publishing the same once prior to the effective date in a newspaper having general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of August, 1973.

=====

NH.PUC\*08/14/73\*[77230]\*58 NH PUC 64\*Chester Telephone Company, d/b/a Granite State Telephone

[Go to End of 77230]

## **Re Chester Telephone Company, d/b/a Granite State Telephone**

D-F6491, Order No. 11,053

58 NH PUC 64

New Hampshire Public Utilities Commission

August 14, 1973

GRANT of authority for a telephone company to issue mortgage notes.

-----

SECURITY ISSUES, § 58 — Capitalization — Purposes — Additions and betterments.

[N.H.] A telephone company was permitted to issued mortgage notes through a negotiated sale with a bank where the proceeds would be used to establish a new exchange area and the enhance existing service.

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APPEARANCES: George H. Grinnell for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed June 13, 1973, Chester Telephone Company, d/b/a Granite State Telephone, a telephone public utility operating under the jurisdiction of this Commission, seeks authority, pursuant to the provisions of RSA 369, and any amendments thereto, to issue and sell its Mortgage Notes in the aggregate amount of \$1,102,500 to the Rural Telephone Bank.

**Page 64**

The petitioner alleges in its petition, and represented at the public hearing in Concord on July 19, 1973, that it has outstanding 124 shares of \$10 par value Common Stock; 100 shares of \$100 par value Preferred Stock; and 35-year Mortgage Notes due to the Rural Electrification Administration in an aggregate amount of \$2,405,000, these Mortgage Notes bearing various dates from 1957 through 1971. Petitioner has no outstanding Short-term Notes.

Petitioner has entered into an agreement with the Rural Telephone Bank to issue to it \$1,102,500 in Mortgage Notes, payable in equal quarterly payments over a 35-year period, with interest at 6% per annum, included in the payments. Petitioner proposes to use the proceeds of this loan to establish a new exchange area in the community of Washington, which is now served by the Hillsborough Upper Village Exchange; to install a microwave system from the Hillsborough Upper Village central dial office to the Weare central dial office; to purchase Class B Stock in the Rural Telephone Bank in the amount of \$52,500; and to provide for upgrading demands of present subscribers, and for expected future growth at a level equal to that of the past.

The petitioner filed the requisite resolution of the stockholders as well as the minutes of a special meeting of stockholders authorizing the proposed financing. Also filed as Exhibits at the hearing were the Company's contemplated construction program, estimated cost of this financing, a Balance Sheet as of December 31, 1972, proformed to reflect the instant financing, an Income Statement, detail of expense and income projections, depreciation schedule, statement of cost of capital, rate base, capitalization ratios, and local service rates of Hillsborough Upper Village exchange to become applicable to Washington exchange. Also filed were specimen

copies of the Mortgage Note, Loan Contract, and Supplemental Mortgage and Security Agreement.

At the hearing, petitioner submitted the following Balance Sheet as an Exhibit, proformed to reflect the proposed financing:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>ASSETS</i>	<i>Actual</i> <i>12/31/72</i>	<i>Adjust</i>	<i>Pro</i> <i>Forma</i>
<i>TELEPHONE PLANT(Net)</i>	\$ 1,885,661	\$ 1,506,358	\$ 3,392,019
<i>OTHER INVESTMENTS</i>	1,000	52,500	53,500
<i>CURRENT ASSETS</i>			
Cash	45,652		45,652
Due from Subscribers	50,978		50,978
Other Accounts Receivable	7,914		7,914
Materials and Supplies	200,954	(184,836)	16,118
Prepayments	14,509		14,509
<i>DEFERRED DEBITS</i>	18,907	18,907	
<b>TOTAL ASSETS</b>	<b>\$2,225,575</b>	<b>\$1,374,022</b>	<b>\$3,599,597</b>
	=====	=====	=====
<i>LIABILITIES AND CAPITAL</i>			
<i>CAPITAL STOCK</i>	\$ 11,240	\$	\$ 11,240
<i>CAPITAL SURPLUS</i>	630	630	
<i>UNAPPROPRIATED EARNED SURPLUS</i>	226,005		226,005
<i>LONG TERM DEBT</i>	2,149,978	1,102,500	3,252,478
Less: Unadvanced Funds		(271,522)	271,522
<i>CURRENT LIABILITIES</i>			
Accounts Payable	42,803		42,803
Customers Deposits	6,535		6,535
Other Current Liabilities	1,830		1,830
Accruals	19,958		19,958
<i>DEFERRED CREDITS</i>	38,118		38,118
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$2,225,575</b>	<b>\$1,374,022</b>	<b>\$3,599,597</b>
	=====	=====	=====

Page 65

No increases in rates are necessary to support the construction for which this money is being obtained.

With respect to the establishment of the Washington exchange, the proposed rates can be made effective by filing appropriate revised tariff pages at least 30 days prior to the cut-over date of the new exchange.

Upon consideration and investigation of the evidence and Exhibits submitted, this Commission finds that the authorization sought herein will result in an improvement of the quality of telephone service in the area served by the Company. The Commission is further of the opinion that the proposed issuance of these Notes, upon the terms and for the purposes outlined at the hearing, is consistent with the public good since the projected expenditures will serve to satisfy anticipated demands for the Company's services. We find that the improvement of the quality of telephone service and the requisite planning for anticipated customer demands are contingent upon the proposed financing. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Chester Telephone Company, d/b/a/ Granite State Telephone, be, and hereby is, authorized to issue and sell its Mortgage Notes in a principal amount not exceeding one million one hundred two thousand, five hundred dollars (\$1,102,500), to the Rural Telephone Bank, said Notes to bear interest at the rate of six percent (6%) per annum, and to be payable over a term of thirty-five (35) years from the date of issuance; and it is

FURTHER ORDERED, that Local Service Rates, as set forth in the tariff for Hills-borough Upper Village exchange, may become effective coincident with the establishment of the Washington exchange, by filing appropriate revised tariff page(s) at least thirty (30) days prior to the effective date; and it is

FURTHER ORDERED, that on January first and July first in each year, Chester Telephone Company, d/b/a/ Granite State Telephone, shall file with this Commission, a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Notes, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of Public Utilities Commission of New Hampshire this fourteenth day of August, 1973.

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NH.PUC\*08/15/73\*[77231]\*58 NH PUC 66\*New England Power Company

[Go to End of 77231]

**Re New England Power Company**

D-F6486, Supplemental Order No. 11,056

58 NH PUC 66

New Hampshire Public Utilities Commission

August 15, 1973

AUTHORIZATION for the issuance of first mortgage bonds.

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**Page 66**

BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 11,023 ([1973] 58 NH PUC 49) of this Commission, dated July 25, 1973 issued in the above entitled proceeding, New England Power Company was authorized to issue and sell for cash, its First Mortgage Bonds, Series S, maturing in not more than thirty (30) years from the date thereof, and to bear such interest rate as will be determined by competitive bidding, in an amount not exceeding forty million dollars (\$40,000,000) principal

amount; and

WHEREAS, New England Power Company has determined that the Bonds shall mature in 2003; and

WHEREAS, in compliance with said order, New England Power Company has accrued proposals for the purchase of said Series S Bonds in a manner satisfactory to the Commission, the most favorable offer being one hundred and 929/1,000 percent (100.929%), and accrued interest for forty million dollars (\$40,000,000) principal amount of First Mortgage Bonds, Series S, bearing interest at the rate of eight and five-eighths percent (8.625%) per annum, thus establishing a cost of money to the Company of eighths and 5386/10,000 percent (8.5386%) per annum to maturity; upon consideration, it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, its First Mortgage Bonds, Series S in the amount of forty million dollars (\$40,000,000) at a price of one hundred and 929/1,000 percent (100.929%) of the principal amount, plus accrued interest from August 1, 1973, said Bonds to bear interest at the rate of eight and five eighths percent (8.625%) per annum; and it is

FURTHER ORDERED, that the authorization contained herein be subject to all the terms and conditions stipulated in our original order in this proceeding.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of August, 1973.

=====

NH.PUC\*08/21/73\*[77232]\*58 NH PUC 67\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77232]

**Re New Hampshire Electric Cooperative, Inc.**

I-R14,106 Order No. 11,058

58 NH PUC 67

New Hampshire Public Utilities Commission

August 21, 1973

ACCEPTANCE of an electric cooperative's special rate contract with a private company.

-----

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 15, with J.F. Gerrity and J.F. Gerrity, President, Gerrity Company, Inc., d/b/a/ Woodwinds Associates, effective on the date service first made available, for service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

**Page 67**

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of August, 1973.

=====

NH.PUC\*08/21/73\*[77233]\*58 NH PUC 68\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77233]

### **Re New Hampshire Electric Cooperative, Inc.**

I-R14,107, Order No. 11,059

58 NH PUC 68

New Hampshire Public Utilities Commission

August 21, 1973

ORDER approving a special rate contract between an electric cooperative and a private corporation.

-----

BY THE COMMISSION:

Order

WHEREAS, New Hampshire Electric Cooperative, Inc., a utility selling electricity under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 16, with Property Investments Association, Inc., effective on the date service first made available, for service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of August, 1973.

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NH.PUC\*08/29/73\*[77234]\*58 NH PUC 68\*New England Telephone and Telegraph Company

[Go to End of 77234]

## Re New England Telephone and Telegraph Company

D-F6513, Supplemental Order No. 11,070

58 NH PUC 68

New Hampshire Public Utilities Commission

August 29, 1973

AUTHORIZATION for a telephone company to issue and sell additional common stock to its shareholders of record.

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**Page 68**

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BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 11,024 ([1973] 58 NH PUC 53) dated duly 25, 1973, issued in the above entitled proceeding, authorizes the New England Telephone and Telegraph Company to issue and offer to its stockholders for subscription for cash, pro rata on the basis of one (1) share for each six (6) shares held on the record date, namely, September 7, 1973, in accordance with their respective holdings of record, six million five hundred twenty-six thousand four hundred forty (6,526,440) shares of Common Capital Stock of the Company at a rate to be determined by the Board of Directors or the Executive Committee of the Company on or about August 29, 1973, subject to the submission to this Commission of the price at which the Stock will be issued; and

WHEREAS, at its meeting on August 29, 1973, the Executive Committee of the Board of Directors of the New England Telephone and Telegraph Company voted that the Company offer to its stockholders the six million five hundred twenty-six thousand four hundred forty (6,526,440) shares of its Common Capital Stock at a price of twenty-nine dollars (\$29.00) per share, upon consideration; it is

ORDERED, that New England Telephone and Telegraph Company be, and hereby is, authorized to issue six million five hundred twenty-six thousand four hundred forty (6,526,440) shares of its Common Capital Stock at a price of twenty-nine dollars (\$29.00) per share, and on the basis of one (1) share for each six (6) shares held on the record date, and in accordance with other terms and conditions previously determined and approved.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of August, 1973.

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NH.PUC\*09/13/73\*[77235]\*58 NH PUC 69\*Gas Service, Inc.

[Go to End of 77235]



**Re Gas Service, Inc.**

I-R14,117 Order No. 11,093

58 NH PUC 69

New Hampshire Public Utilities Commission

September 13, 1973

APPROVAL of a gas company's special rate contract with a private company.

-----

BY THE COMMISSION:

Order

WHEREAS, Gas Service, Inc., a utility selling gas service under the jurisdiction of this Commission, has filed with this Commission a copy of its Contract No. 16 with Brown Products, Inc., for service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of September, 1973.

=====

NH.PUC\*09/17/73\*[77236]\*58 NH PUC 70\*Exeter and Hampton Electric Company

[Go to End of 77236]

**Re Exeter and Hampton Electric Company**

D-F6527, Order No. 11,099

58 NH PUC 70

New Hampshire Public Utilities Commission

September 17, 1973

GRANT of authority to decrease the par value of an electric company's common stock and issue new shares of common stock.

-----

SECURITY ISSUES § 96 — Common stock — Two for one split.

[N.H.] The commission authorized an electric company to effectuate a two for one stock split

whereby the par value of common stock was cut in half but the number of shares for issuance was doubled.

-----

BY THE COMMISSION:

Order

WHEREAS, Exeter & Hampton Electric Company (the "Company"), duly organized and existing under the laws of the State of New Hampshire, doing business as an electric public utility corporation under jurisdiction of this Commission, by petition filed duly 18, 1973, seeks authority, pursuant to RSA 369, as follows:

"That the Commission enter its Order (i) finding that the decrease in the par value of the Company's common stock from ten to five dollars per share, the increase in the number of shares of the Company's common stock authorized to be issued from 100,000 to 200,000 shares, and the increase in the number of its shares to be issued and outstanding from 78,000 to 156,000 shares, upon the terms proposed, is for the public good, and (ii) approving and authorizing the said transaction."; and

WHEREAS, in support of its petition the Company has filed copies of certain financial statements, with pro forma adjustments to show the effect of reducing the par value of the Company's common stock from ten dollars to five dollars per share; and

WHEREAS, the Company has filed copies of a Stockholders' vote to reduce the par value of its common stock from ten dollars (\$10.00) per share to five dollars (\$5.00) per share, and correspondingly to increase (i) The number of its authorized shares of common stock from 100,000 shares to 200,000 shares, and (ii) The number of its issued and outstanding shares of such stock from 78,000 shares to 156,000 shares; and

WHEREAS, the Commission finds that issuance of such stock, upon the terms proposed, in order to effect a two for one split, is consistent with the public good; it is

ORDERED, that Exeter & Hampton Electric Company be, and hereby is, authorized to decrease the par value of the Company's common stock from ten dollars (\$10.00) to five dollars (\$5.00) per share, to increase the number of shares of the Company's common stock authorized to be issued from 100,000 to 200,000 shares, and to issue 78,000 shares of such stock to increase the number of shares of the Company's stock to be issued and outstanding to 156,000 shares; and it is

FURTHER ORDERED, that within ninety (90) days after effecting the changes in the par value of its common stock, Exeter & Hampton Electric Company shall file with this Commission a financial statement duly sworn to by its Treasurer, incorporating the entries on the Company's balance sheet.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of September, 1973.

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NH.PUC\*10/02/73\*[77237]\*58 NH PUC 71\*Manchester Gas Company

[Go to End of 77237]

## Re Manchester Gas Company

D-R6548, Order No. 11,113

58 NH PUC 71

New Hampshire Public Utilities Commission

October 2, 1973

ORDER granting a gas company temporary restrictions on its customers.

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CONSERVATION, § 1 — Gas — Reduced supplies — Customer restrictions.

[N.H.] During a period of short supply where a gas company had made every reasonable effort to maintain its supplies, the company was allowed to impose temporary control restrictions on sales to new and existing customers.

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APPEARANCES: N. George Mattaini and Robert R. Giordano for the petitioner.

BY THE COMMISSION:

Report

The Manchester Gas Company, on August 16, 1973, filed with this Commission Supplement No. 4 to its tariff, N.H.P.U.C. No. 12-Gas, proposing certain restrictions on furnishing service to new and existing customers, as follows:

### Residential

Sales for heating purposes will be limited to customers supplied by individual meter in a single-family dwelling or building, or in an individual flat or apartment in a multiple-family dwelling containing less than five households. Service will be made available to customers on existing distribution mains of adequate capacity.

### Commercial and Industrial

1. New sales of gas for heating purposes will be limited to 350,000 BTU per hour input per customer;

2. Non-heating sales to new customers or additional sales to existing customers for non-heating purposes will be limited to 10,000 cubic feet per day per customer;

3. Excluded from the above restrictions will be those customers whose total gas usage occurs between April 16 and November 15, or who maintain adequate standby equipment to qualify for interruptible service;

4. New sales of gas for any purpose will not be made on the Hooksett distribution system;

and

5. Qualifying gas service in categories No. 1 and No. 2 will be served from existing distribution mains of adequate capacity.

On September 10, 1973, Order No. 11,081 was issued suspending the above mentioned filing pending investigation and decision thereon.

On September 11, 1973 the Commission issued a Notice of Hearing setting the matter for hearing on September 25, 1973. The Petitioner made public notice on both the proposal and the date of hearing in a newspaper having general circulation in the area affected, as directed.

The Manchester Gas Company has previously been notified by its supplier of natural gas, Tennessee Gas Pipeline Company, that it will be unable to increase its supply. This rate of delivery has remained constant since 1968. The company has been able to obtain reasonably firm commitments for the necessary quantities of propane and liquid natural gas to supplement the natural gas supply, however, sufficient uncertainty exists to restrict the unlimited addition of new customers.

**Page 71**

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The testimony of the Petitioner's witness indicated that the company had made every reasonable effort to cope with the situation, including the outright purchase of ten 30,000 gallon railroad tank cars and the leasing of twenty 10,000 gallon railroad tank cars to provide additional storage for propane gas. Accordingly, it appears to be consistent with the public interest to permit the restrictions as outlined in Supplement No. 4 to its tariff to become effective with the date of this order. Our order will issue accordingly.

**Order**

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Supplement No. 4 to Manchester Gas Company's tariff, N.H.P.U.C. No. 12 — Gas, to provide temporary restrictions on both its existing and new customers, which was filed on August 16, 1973 for effect September 17, 1973 (and suspended by virtue of Order No. 11,081, issued September 10, 1973), be redated and made effective with the date of this order, and that Supplement No. 4 carry the notation "Issued in compliance with Order No. 11,113 ([1973] 58 NH PUC 72) in D-R6548"; and it is

FURTHER ORDERED, that Manchester Gas Company give public notice of these temporary restrictions by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this second day of October, 1973.

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NH.PUC\*10/05/73\*[77238]\*58 NH PUC 72\*New England Telephone and Telegraph Company

[Go to End of 77238]

## Re New England Telephone and Telegraph Company

D-E6562, Order No. 11,119

58 NH PUC 72

New Hampshire Public Utilities Commission

October 5, 1973

PETITION for authority to construct underwater telephone plant; granted.

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TELEPHONES, § 2 — Construction and equipment — Underwater.

[N.H.] A telephone company was authorized to construct plant under public waters where it would provide for private service and for the company's future growth.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed August 30, 1973 New England Telephone & Telegraph Company seeks a license, pursuant to RSA 371:17 — 20 to construct and maintain underwater plant across Lake Winnepesaukee in the Town of Meredith; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately 250 feet of the lake from pole No. 146M/10 on private property of Alexander Standish on Beaver Island to private property of John Long on Middle Beaver Island, and will provide service to the said John Long and for future growth in the Company's Meredith exchange; and

WHEREAS, following due notice no other interested parties came forward with any

**Page 72**

objections to the proposed construction and upon investigation of all the facts before the Commission, the Commission finds that the proposed construction is necessary in order to meet the reasonable requirements to the public and that the license sought may be exercised without substantially affecting the public rights and the waters crossed, it is

ORDERED, that a license be and hereby is granted to the New England Telephone & Telegraph Company to construct and maintain an underwater plant, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fifth day of October, 1973.

=====

NH.PUC\*10/05/73\*[77239]\*58 NH PUC 73\*Hudson Water Company

[Go to End of 77239]

## Re Hudson Water Company

Intervenors: Town of Litchfield and New Hampshire Water Supply and Pollution Control Commission

D-E6533, Order No. 11,120

58 NH PUC 73

New Hampshire Public Utilities Commission

October 5, 1973

APPLICATION for authority, to operate as a water utility; granted.

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PUBLIC UTILITIES, § 122 — Public utility status — Water companies.

[N.H.] A water utility was permitted to establish a satellite company in a town near its principal place of business where the town's rate would be such that the satellite company would be self-sufficient.

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APPEARANCES: Peter N. Johnson and Gordon F. LaBay for the petitioner; Carl Peterson for the town of Litchfield; Richard Case for the New Hampshire Water Supply and Pollution Control Commission.

BY THE COMMISSION:

Report

On July 25, 1973, Hudson Water Company, a New Hampshire corporation with its principal place of business at Hudson, New Hampshire, filed with this Commission a petition requesting authority to operate as a public water utility in the entire area of the Town of Litchfield.

On August 28, 1973, following the required notice to interested parties by publication in a newspaper having general circulation in the area to be served, a hearing was held on the aforementioned petition at the office of the Commission in Concord. At the hearing the Petitioner represented that the water system in Litchfield would be a satellite or branch of its water system in Hudson, initially serving twenty-three building lots. The source of supply to serve these lots would be an "intermediate" rock well located in the area of the development. As further building development occurs, a gravel-pack well, ground storage and transmission mains would be constructed east of the development at a site already proven to be of good potential for well development by the Petitioner.

Page 73

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*Financial*

The Petitioner is adequately financed and able to operate this additional facility. The projected operation indicates that existing customers of the Petitioner will not have to incur higher costs by reason of this additional facility.

#### *Rates*

The rate structure for the Company's operation in the Town of Litchfield is the same as that currently in effect for the Town of Hudson; however, the rates proposed for Litchfield are substantially higher in order that the Litchfield operation will be self-supporting and not be a burden on the Town of Hudson operation. The new operation will be subject to surveillance to insure that it is not a burden on the Hudson operation.

It was necessary to make certain changes in the existing tariff not only to accommodate the new rates for Litchfield but also to insure that the existing tariff clearly covered operations in both the Town of Litchfield and the Town of Hudson. Accordingly, the tariff pages to be filed as a result of this Report and Order should be designated as follows:

Title Page- First Revised Page, Superseding Original Page First Revised Page 1, Superseding Original Page 1 First Revised Page 2, Superseding Original Page 2 Third Revised Page 14, Superseding Second Revised Page 14 Tenth Revised Page 16, Superseding Ninth Revised Page 16 Fifth Revised Page 17, Superseding Fourth Revised Page 17 Original Page 18A Original Page 18B Fifth Revised Page 19, Superseding Fourth Revised Page 19 Fifth Revised Page 21, Superseding Fourth Revised Page 21 Cancelled Page 22, Superseding Original Page 22

Subsequent to the hearing in Concord, the Selectmen of the Town of Litchfield requested that the Commission's decision on this petition be delayed until further public meetings could be held in Litchfield. A public meeting was held on September 6, 1973, following which the Selectmen notified this Commission by letter that the Town had no objection to the granting of authority for the Petitioner to operate as a public utility in the Town of Litchfield.

Upon investigation and consideration of the evidence submitted, the Commission is of the opinion that granting the authority sought will be consistent with the public good. Our order will issue accordingly.

#### Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Hudson Water Company be, and hereby is, authorized to operate as a public water utility in the entire Town of Litchfield, and for this purpose to construct the necessary facilities; and it is

FURTHER ORDERED, that the tariff pages numbered as set forth in the foregoing report, reflecting the proposed rates, be re-dated and made effective with the date of this Order, and that such tariff pages carry the notation: "Issued in compliance with Order No. 11,120 ([1973] 58 NH PUC 73) in D-E6533"; and it is

FURTHER ORDERED, that Hudson Water Company give public notice of these tariff changes by publishing a copy of this Order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this fifth day of October, 1973.

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NH.PUC\*10/09/73\*[77240]\*58 NH PUC 75\*New England Telephone and Telegraph Company

[Go to End of 77240]

## Re New England Telephone and Telegraph Company

D-R6393, Order No. 11,121

58 NH PUC 75

New Hampshire Public Utilities Commission

October 9, 1973

LIFTING of suspension of a telephone company's tariff revision.

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RATES, § 248 — Revised rates — Suspension — Withdrawn protests.

[N.H.] Where the sole protest to a tariff revision was withdrawn, the commission lifted the resulting suspension of the revised tariff as well.

APPEARANCES: John A. Graf for the applicant.

BY THE COMMISSION:

Report

On December 1, 1972 New England Telephone & Telegraph Company of Manchester filed with this Commission certain revisions to its tariff, N.H.P.U.C. No. 70 — Telephone, providing for the introduction of a Set Recovery Plan. By Order No. 10,827 issued December 18, 1972 this Commission suspended the tariff revision. On September 11, 1973 an Order of Notice was issued providing for a hearing to be held at the office of the Commission on September 25, 1973 at 2:00 p.m.

On December 13, 1972 a protest was filed with the Commission objecting to the granting of the filed tariff. Said protest was filed by Leonard Ainsworth on behalf of Local 2320 of the International Brotherhood of Electrical Workers. Prior to the public hearing this Commission received a withdrawal of the protest by letter of Leonard Ainsworth dated September 20, 1973.

Since the sole protest to the tariff revision was withdrawn, this Commission will lift the suspension so that the tariff revision will go into effect on November 1, 1973, a date requested by the company at the public hearing. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Eighth Revision of Page 9 (Index) and Third Revision of Page 3 (Part III —



General — Section 19) of Tariff, N.H.P.U.C. No. 70 — Telephone, as filed by the New England Telephone & Telegraph Company on December 1, 1972 shall become effective as of November 1, 1973.

By order of the Public Utilities Commission of New Hampshire this ninth day of October, 1973.

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NH.PUC\*10/12/73\*[77241]\*58 NH PUC 76\*Hudson Water Company

[Go to End of 77241]

### **Re Hudson Water Company**

I-R14,126, Order No. 11,129

58 NH PUC 76

New Hampshire Public Utilities Commission

October 12, 1973

ACCEPTANCE of a water utility's special rate contract with the state.

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BY THE COMMISSION:

Order

WHEREAS, the Hudson Water Company, a utility selling water under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 3 with The State of New Hampshire, effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for water service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twelfth day of October, 1973.

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NH.PUC\*10/15/73\*[77242]\*58 NH PUC 76\*H. E. Shaul

[Go to End of 77242]

### **Re H. E. Shaul**

D-E6576, Order No. 11,133

58 NH PUC 76

New Hampshire Public Utilities Commission

October 15, 1973

GRANT of license to install an underwater cable between private properties.

-----

BY THE COMMISSION:

Order

WHEREAS, by petition filed September 19, 1973, H. E. Shaul seeks a license pursuant to RSA 371:17 — 20 to install and maintain an underwater cable across Lake Winnepesaukee in the Town of Tuftonboro; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately 600 feet of the lake from pole No. 39/409C on private property of E. S. Drowne on Whortleberry Island to private property of H. E. Shaul on Helen's Island and will provide service to the said H. E. Shaul; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the petitioner and that the license sought may be issued and exercised by the

**Page 76**

petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to H. E. Shaul to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Tuftonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of October, 1973.

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NH.PUC\*10/15/73\*[77243]\*58 NH PUC 77\*Edwin S. Drowne

[Go to End of 77243]

**Re Edwin S. Drowne**

D-E6577, Order No. 11,134

58 NH PUC 77

New Hampshire Public Utilities Commission

October 15, 1973

AUTHORIZATION for the construction of an underwater cable crossing between private properties:

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BY THE COMMISSION:

Order

WHEREAS, by petition filed September 19, 1973, Edwin S. Drowne seeks a license pursuant to RSA 371:17 — 20 to install and maintain an underwater cable across Lake Winnepesaukee in the Town of Tuftonboro; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately 200 feet of the lake from pole No. 39/ 409C on private property of E. S. Drowne on Whortleberry Island to private property of E. S. Drowne on Whortleberry Tip Island and will provide service to the said E. S. Drowne; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the petitioner and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Edwin S. Drowne to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Tuftonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of October, 1973.

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NH.PUC\*10/16/73\*[77244]\*58 NH PUC 78\*Concord Natural Gas Corporation

[Go to End of 77244]

### Re Concord Natural Gas Corporation

Intervenors: Distributor Corporation of New England and Merrimack Sheet Metal Inc.

D-R6554, Order No. 11,137

58 NH PUC 78

New Hampshire Public Utilities Commission

October 16, 1973

PETITION by a gas company to implement temporary sales restrictions; granted.

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CONSERVATION, § 1 — Gas — Reduced supplies — Customer priority.

[N.H.] During a period of short supply, a gas company was allowed to restrict sales to both new and existing customers by establishing various categories for priority of service.

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APPEARANCES: Cedric H. Dustin, Jr. for the petitioner; Donald Dussault for Merrimack Sheet Metal, Inc.; Russell G. Page for Distributor Corporation of New England.

BY THE COMMISSION:

Report

The Concord Natural Gas Corporation on July 12, 1973 filed with this Commission Supplement No. 4 to its tariff, N.H.P.U.C. No. 13, proposing certain restrictions on furnishing service to new and existing customers, as follows:

*Residential*

1. New sales of gas for heating purposes will be limited to single family detached residential customers where existing utility mains are adequate.

*All Other Classifications*

1. New sales of gas for heating purposes will be limited to 5,000 cubic feet per customer per day.

2. Sales of gas to new customers for non-heating purposes will be limited to 10,000 cubic feet per customer per day.

3. Additional sales to existing non-heating customers will be limited to 5,000 cubic feet per customer per day.

4. In the event a customer has complete standby fuel and standby equipment available to use, and agrees to use it in the event of curtailment or interruption of service, the restrictions of Items 1, 2 and 3 will be waived.

On July 19, 1973, Order No. 11,019 was issued suspending the above-mentioned filing pending investigation and decision thereon.

On September 11, 1973, the Commission issued a Notice of Hearing setting the matter for hearing on September 25, 1973. The hearing was continued until October 9, 1973 and the petitioner made public notice of both the proposal and the date of hearing in a newspaper having general circulation in the area affected, as directed.

Concord Natural Gas Corporation has been notified by its supplier of natural gas (Tennessee Gas Pipeline Company) that it will be unable to increase its supply. In addition, Concord Natural Gas Corporation has been unable to obtain firm commitments for the necessary quantities of propane to supplement the natural gas supply.

Witnesses, pro se, in opposition to the petition took the position that all customers, i.e. residential, commercial, industrial should be treated alike — suggesting a rationing of the gas to all customers on an equal basis rather than on a priority basis. However, the priority of service

categories proposed by the petitioner appears to follow very closely the priority guidelines ordered by the Federal

**Page 78**

Power Commission (No. 467-B) as it relates to FPC jurisdiction over interstate pipeline companies. While the concept proposed in the testimony of the opposition does have merit, it appears to us that existing Residential Space Heating customers should have a high priority and that customers taking service under an Interruptible contract have a low priority. As a matter of fact, the thrust of the Company's proposal is to protect existing customers to whom a commitment has been made and to take on new customers under certain limitations.

The testimony of the petitioner's witness indicated that Concord Natural Gas Corporation had made every reasonable attempt to obtain commitments, including the purchase of two 30,000 gallon propane storage tanks, the leasing of ten 10,000 gallon tank cars for propane storage, and plans to erect propane and liquefied natural gas storage tanks, along with equipment to vaporize the liquefied natural gas or to generate propane-air gas on land which has been purchased.

Accordingly, it appears to be consistent with the public interest to permit the restrictions as outlined in Supplement No. 4 to its tariff to become effective with the date of this Order. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Supplement No. 4 to the Concord Natural Gas Corporation tariff, N.H.P.U.C. No. 13, to provide temporary restrictions on both its existing and new customers which was filed on July 12, 1973 for effect August 11, 1973 (and suspended by virtue of Order No. 11,019, issued July 19, 1973) be redated and made effective with the date of this order, and that Supplement No. 4 carry the notation "Issued in compliance with Order No. 11, 137 ([1973] 58 NH PUC 78) in case D-R6564"; and it is

FURTHER ORDERED, that the Concord Natural Gas Corporation give public notice of these temporary restrictions by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of October, 1973.

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NH.PUC\*10/17/73\*[77245]\*58 NH PUC 79\*Exeter and Hampton Electric Company

[Go to End of 77245]

## **Re Exeter and Hampton Electric Company**

D-F6551, Third Supplemental Order No. 11,139

58 NH PUC 79

New Hampshire Public Utilities Commission

October 17, 1973

APPROVAL of an electric company's issuance of short-term notes.

Security Issues, § 98 — Short-term notes — Additional permanent capital.

[N.H.] The Commission allowed an electric company to issue or renew short-term notes in an amount in excess of a previous order where the company asserted it would be raising additional permanent capital and long-term debt.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, Exeter & Hampton Electric Company was authorized by our Order No. 10,360, dated August 19, 1971, to issue and sell for cash its Short-term Note, or Notes, in

**Page 79**

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an aggregate principal amount not in excess of two million, five hundred thousand dollars (\$2,500,000); and

WHEREAS, said Company now seeks authority to issue its Short-term Notes in an amount not exceeding three million dollars (\$3,000,000), which amount is in excess of the exemption allowed by the terms of Supplemental Order No. 7446 of this Commission; and

WHEREAS, said Company now seeks to issue said Short-term Notes to bear interest at a rate not in excess of one-fourth (1/4) of one percent (1%) above the prime rate at the time of the proposed borrowing; and

WHEREAS, sufficient supporting data was submitted in said request to enable the Commission to adjudicate the merits thereof; and

WHEREAS, this Commission, after investigation and consideration, finds that the issuance and sale of said Note, or Notes, during a period when said Company contemplates the raising of additional permanent capital and selling additional long-term debt, are consistent with the public good; it is

ORDERED, that Exeter & Hampton Electric Company be, and hereby is, authorized from the date of this Order to and including December 31, 1974, to issue and sell for cash, or renew, its Short-term Note, or Notes, payable less than twelve months after the date thereof, in a aggregate principal amount not in excess of three million dollars (\$3,000,000), to bear interest at a rate not in excess of one-fourth (1/4) of one percent (1%) above the prime rate at the time of issuance or renewal; and it is

FURTHER ORDERED, that Exeter & Hampton Electric Company first obtain approval of this Commission before incurring Short-term indebtedness in excess of the amount allowed by the terms of Supplemental Order No. 7446 of this Commission after December 31, 1974; and it

is

FURTHER ORDERED, that on or before January first end duly first in each year, Exeter & Hampton Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of the Notes herein authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of October, 1973.

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NH.PUC\*10/19/73\*[77246]\*58 NH PUC 80\*Granite State Electric Company

[Go to End of 77246]

### Re Granite State Electric Company

D-R6331, Order No. 11,143

58 NH PUC 80

New Hampshire Public Utilities Commission

October 19, 1973

APPLICATION by an electric company for an increase in its temporary purchased power cost surcharge; rejected.

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RATES, § 260 — Surcharges — Purchased power costs.

[N.H.] The commission eliminated an electric company's separate purchased power cost surcharge on customers' bills where it would only offset increased purchased power costs but would not help increase the company's rate of return on its current cost of capital.

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APPEARANCES: Fred Cahill for the Petitioner.

Page 80

BY THE COMMISSION:

Report

The Granite State Electric Company, a public utility engaged in the business of supplying electric service to the State of New Hampshire, on July 25, 1972, filed with this Commission Supplement No. 2 to its tariff, N.H.P.U.C. No. 6, providing for a temporary surcharge to recover increased purchased power costs from its customers, effective September 1, 1972.

On August 24, 1972, Order No. 10,711 was issued suspending the aforementioned filing

pending investigation and decision thereon.

On September 11, 1973 the Commission issued a Notice of Hearing setting the matter for hearing on September 27, 1973. As directed, the Petitioner made public notice on both the proposal and the date of hearing in newspapers having general circulation in the area affected.

The filing as originally made on July 25, 1972 proposed an increase in the surcharge from 8.4% (authorized on December 1, 1971 by Tariff Supplement No. 1) to 9.770 based on changes in the cost of purchased power resulting from the changes in the New England Power Company R-6 rate filed with the Federal Power Commission, and placed in effect under bond. Later a settlement made on this R-6 filing resulted in a reduction in the level of the 9.7% figure to 9.3%. Accordingly, the basic rates as set forth in the tariff sheets submitted as Exhibit "A" at the hearing reflect a total surcharge of 9.3% over the rates existing prior to the 8.4% surcharge set forth in Supplement No. 1, which was made effective December 1, 1971 by virtue of N.H.P.U.C. Order No 10,458 in Case D-R6088. Supplement No. 1 is incorporated in the new rates, submitted as Exhibit "A" at the hearing, and will therefore be cancelled.

The Company submitted testimony and furnished other evidence at the hearing on September 27, 1973 and further supplemented evidence requested at the hearing by the Commission staff, showing that the rate of return presently being realized by the Company is below the Company's cost of capital. The Commission finds that the tariff sheets submitted as Exhibit "A" will serve only to offset the increased purchased power costs and that this tariff will not increase the Company's rate of return to its current cost of capital at present earnings levels. The Commission finds that it is in the public interest to eliminate the separate surcharge on customers bills. Our order will issue accordingly.

#### Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Supplement No. 2 to Tariff N.H.P.U.C. No. 6 as filed by Granite State Electric Company on July 25, 1972 for effect September 1, 1972, which Supplement No. 2 was suspended by Commission Order No. 10,711 dated August 24, 1972 be, and hereby is, rejected; and it is

FURTHER ORDERED, that the revised tariff pages filed as Exhibit "A" at the hearing on September 27, 1973 be accepted as filed, to become effective with all service rendered subsequent to the effective date of this order, such tariff pages to carry the notation "Issued in compliance with Order No. 11,143 ([1973] 58 NH PUC 80) in Case D-R6331"; and it is

FURTHER ORDERED, that Supplement No. 1 to Granite State Electric Company tariff, N.H.P.U.C. No. 6, which was made effective December 1, 1971 by virtue of N.H.P.U.C. Order No. 10,458 in Case D-R6088 be, and hereby is, cancelled effective with the implementation of the rates authorized herein; and it is

FURTHER ORDERED, that Granite State Electric Company give public notice of these new rates and tariff charges by publishing the same once prior to the effective date in a newspaper having general circulation in the territory served by said Company.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of October, 1973.



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NH.PUC\*10/26/73\*[77247]\*58 NH PUC 82\*Public Service Company of New Hampshire

[Go to End of 77247]

**Re Public Service Company of New Hampshire**

D-R6081, Supplemental Order No. 11,149

58 NH PUC 82

New Hampshire Public Utilities Commission

October 26, 1973

SUSPENSION of commission orders pending the outcome of a motion for rehearing on the orders.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, the Commission has before it a Motion for Rehearing, filed October 23, 1973, for and on behalf of the Public Service Company of New Hampshire for a rehearing on Order No. 11,118, issued October 5, 1973, and Supplemental Order No. 11,126, issued October 11, 1973; and

WHEREAS, in paragraph two of the Motion for Rehearing, the Public Service Company states that it is premature to proceed further before the Commission in this case until the New Hampshire Supreme Court has issued a decision on the Motion for Rehearing it has pending before that court relative to the denial of the Company's Petition for Temporary Rates; it is

ORDERED, that Commission Order No. 11,118 and Supplemental Order No. 11,126 are hereby suspended pending further consideration and until further order of the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of October, 1973.

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NH.PUC\*10/26/73\*[77248]\*58 NH PUC 82\*Claremont Gas Light Company

[Go to End of 77248]

**Re Claremont Gas Light Company**

D-R6590, Order No. 11,150

58 NH PUC 82

## New Hampshire Public Utilities Commission

October 26, 1973

PETITION for authority to implement increased rates and a fuel cost adjustment; granted.

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RATES, § 373 — Gas — Equal increases — Fuel cost adjustment.

[N.H.] Where a gas company was sustaining substantial losses and its revised tariffs providing for equal increases among all customer classes would provide a minimum rate of return, the commission approved the new rates and a fuel cost adjustment clause, but it rejected a request for a temporary rate increase.

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APPEARANCES: Frank Stark and Herbert Lieberman for the petitioner.

**Page 82**

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BY THE COMMISSION:

Report

The Claremont Gas Light Company on June 27, 1973 filed Original Page 12-1 and Second Revised Pages 13, 14, 15 and 16 of its tariff, N.H.P.S.C. No. 9 — Gas, proposing increased rates and a fuel cost adjustment to become effective on August 1, 1973.

On July 31, 1973, Order No. 11,029 was issued suspending the above mentioned filing pending investigation and decision thereon.

On October 5, 1973, the Commission issued a Notice of Hearing setting the matter for hearing on October 24, 1973. The Petitioner made public notice on both the proposal and the date of the hearing in a newspaper having general circulation in the area affected, as directed.

The filing (in addition to the Fuel Cost Adjustment) proposed an increase in cost of seven cents per therm in all blocks of all rate schedules, thus leaving the existing rate structure format unchanged.

On October 23, 1973, one day before the hearing, the Company filed a petition seeking temporary rates, effective August 1, 1973.

The Petitioner presented exhibits and testimony, that, together with data on file with this Commission, indicates that under existing rates the Company has been incurring, and will continue to incur, substantial losses. The Company's data showed that with the proposed increased rates, together with the proposed purchase surcharge, the expected earnings level would produce a minimum rate of return.

Accordingly, it appears to be consistent with the public interest to permit the tariff revisions to become effective.

The petition for temporary rates is denied; however, the rates as filed will be permitted to

become effective with all current bills rendered on or after the effective date allowed. Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Second Revised Pages, 13, 14, 15 and 16 of the Claremont Gas Light Company tariff, N.H.P.S.C. No. 9 — Gas, proposing increased rates which were filed on June 27, 1973 for effect August 1, 1973 (and suspended by virtue of Order No. 11.029 issued July 31, 1973) be redated and made effective with all current bills rendered on or after the effective date of this order, and that such tariff sheets carry the notation "Issued in compliance with Order No. 11,150 ([1973] 58 NH PUC 82) in Case D-R6590"; and it is

FURTHER ORDERED, that Original Page 12-1 of the Claremont Gas Light Company tariff, N.H.P.S.C. No. 9 — Gas, proposing a Fuel Cost Adjustment which was filed on June 27, 1973 for effect August 1, 1973 (and suspended by virtue of Order No. 11,029 issued July 31, 1973) be redated and made effective with all current bills rendered on or after the effective date of this order and terminating on October 31, 1974, and further that such tariff sheet carry the notation "Issued in compliance with Order No. 11, 150 in Case D-R6590"; and it is

FURTHER ORDERED, that the Claremont Gas Light Company give public notice of those tariff revisions by publishing a copy of this order, upon receipt, in a newspaper having general circulation in the territory served by said company.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of October, 1973.

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NH.PUC\*10/30/73\*[77249]\*58 NH PUC 84\*Exeter and Hampton Electric Company

[Go to End of 77249]

## Re Exeter and Hampton Electric Company

D-F6582, Order No. 11,151

58 NH PUC 84

New Hampshire Public Utilities Commission

October 30, 1973

PERMISSION to issue and sell common stock.

-----

SECURITY ISSUES, § 96 — Common stock — Purposes.

[N.H.] An electric company was authorized to issue and sell additional shares of common stock, with preference given to current stockholders, with the proceeds to be used for paying off short-term debts or for financing present and future additions and betterments.

-----

APPEARANCES: Joseph S. Ransmeier for the petitioner.

BY THE COMMISSION:

Report

By this unopposed petition, filed September 25, 1973, Exeter and Hampton Electric Company, a corporation duly organized under the Laws of this State, and operating as an electric public utility in Exeter, Hampton and other towns in Rockingham County, seeks authority, pursuant to the provisions of RSA 369 to issue and sell 39,500 shares of its Common Capital Stock, five dollar par value, to be offered initially to the holders of the presently outstanding common stock of the Company at the rate of one new share for each four shares currently held at a price of seventeen dollars and fifty cents per share, with an over-subscription privilege in such shareholders as to any shares not subscribed for by others, and with the Board of Directors to have authority to provide for the direct sale of any shares not purchased by shareholders.

At the hearing on the petition, held in Concord on October 24, 1973 a representative of the Company testified that the proposed Common Stock would be offered to its existing shareholders on the basis of one share for each four shares held by a shareholder at a price of \$17.50 per share and with an over-subscription privilege as to any shares not subscribed for by other shareholders. He stated that there is no active market for the Company's stock but that during the year 1973 to date, the over-the-counter bid price for it had ranged from a high of \$19.00 to a low of \$18.50 a share and that, in his judgment, the offering price of \$17.50 a share is a reasonable figure which substantially approximates the full value of the stock.

The petitioner further represented that the proceeds of the 39,500 shares of Common Stock would be used solely for one or more of the following purposes:

(a) To pay off short-term indebtedness outstanding at the time of sale, the proceeds of which will have been expended in the purchase and construction of property reasonably requisite for present and future use in the conduct of the Company's business.

(b) To reimburse the treasury for expenditures made for the purchase and construction of additional such property; and

(c) To finance the purchase and construction of additional such property, and to defray the costs of this financing, or for other proper corporate purposes.

The following Balance Sheet, as of July 31, 1973 proformed to reflect the issue of Common Stock was submitted by the Petitioner:

**Page 84**

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Assets</i>	<i>Actual</i>	<i>Proforma Adjustments</i>	<i>Proforma</i>
Fixed Capital – Electric (at original cost)	\$ 12,010,574	\$ -	\$ 12,010,574
LESS: Reserve for depreciation	2,645,730	-	2,645,730

Net Fixed Capital	9,364,844	-	9,364,844
Non-Operating Property	1	-	1
Investments (at cost)	500	-	500
Current Assets:			
Cash	301,845	-	301,845
Accounts Receivable (including installment sales) Less Reserve of	\$28,713	588,751	-
Materials and Supplies (at average cost)	237,754	-	237,754
Prepayments	81,493	-	81,493
Total Current Assets	1,209,843		1,209,843
Deferred Debits:			
Unamortized Debt Expense (Amortized over term of Securities)	45,000	-	45,000
Other	84,062	-	84,062
Total Deferred Debits	129,062	-	129,062
Total	\$ 10,704,250	-	\$ 10,704,250
	=====	=====	=====

<i>Liabilities</i>	<i>Actual</i>	<i>Proforma Adjustment</i>	<i>Proforma</i>
Capitalization			
Capital Stock:			
Cumulative Preferred 5% (2,450 shares at \$100 par)	\$ 245,000	\$ -	\$ 245,000
Cumulative Preferred 5% (3,150 shares at \$100 par)	315,000	-	315,000
Common - (156,000 and 195,500 new shares at \$5 par)*	780,000	195,000	975,000
Total Capital Stock	1,340,000	195,000	1,535,000
Premium on Capital Stock	518,375	487,500	1,005,875
Capital Stock Expense	(19,433)	(35,500)	(54,933)
Earned Surplus	1,448,051	-	1,448,051
Total Capital Stock and Surplus	3,286,993	647,000	3,933,993
Long-Term Debt:			
First Mortgage, Series A, 3 3/4% Bonds due December 1, 1977	960,000	-	960,000
First Mortgage, Series B, 3 3/4% Bonds due January 15, 1981	425,000	-	425,000
First Mortgage, Series C, 5 5/8%, Bonds due January 15, 1985	445,000	-	445,000
First Mortgage, Series D, 4 3/4%, Bonds due June 1, 1994	697,500	-	697,500
First Mortgage, Series E, 6 3/4%, Bonds due January 15, 1998	665,000	-	665,000
First Mortgage, Series F, 8.70%, Bonds due November 15, 2001	1,300,000	-	1,300,000
Total	4,492,500	-	4,492,500
Less: Installments due within one year	49,500	-	49,500
Total Long-Term Debt	4,443,000	-	4,443,000
Total Capitalization	7,729,993	647,000	8,376,993

Current and Accrued Liabilities:			
Long-Term debt due within one year	49,500	-	49,500
Notes Payable	1,970,000	(647,000)	1,323,000
Accounts Payable	412,254	-	412,254
Customer's Deposits	50,202	-	50,202
Taxes Accrued	247,074	-	247,074
Interest Accrued	39,541	-	39,541
Miscellaneous Accruals	73,856	-	73,856
Total Current and Accrued Liabilities	2,842,427	(647,000)	2,195,427
Deferred Taxes Inv. Credit	95,234	-	95,234
Contributions in Aid of Construction	24,413	-	24,413
Reserve for Future Inc. Tax ADR	12,183	-	12,183
TOTAL	\$ 10,704,250	\$ -	\$ 10,704,250

Estimated for the purpose of calculating proceeds. "Old" ten dollar common stock proformed to reflect pending split to "new" five dollar par value.

Upon consideration of the evidence submitted, this Commission is satisfied that the proceeds of Common Stock proposed herein will be used to redeem and retire the Company's outstanding short-term indebtedness, the proceeds of which have been expended to pay for plant additions already made, such additions and improvements being of a kind reasonably requisite to the conduct of the petitioner's public utility business, or the balance of the proceeds will be expended to pay for further such plant additions; to reimburse the treasury for other such plant additions, or for other lawful corporate purposes.

The Commission finds that the issue of the Common Stock upon the terms proposed is consistent with the public good. Our order, authorizing the issue and sale of the Company's Common Stock will issue accordingly. Order

Upon consideration of the foregoing report, which is made a part hereof; and

WHEREAS, by this unopposed Petition, Exeter and Hampton Electric Company, a New Hampshire corporation (the "Company") seeks authority pursuant to RSA 369 to issue and sell not in excess of thirty-nine thousand, five hundred (39,500) shares of its Common Capital Stock pursuant to a rights offering to its existing shareholders at a rate of one (1) share for each four shares held by them as of the close of business on October 31, 1973, at a price of seventeen dollars and fifty cents (\$17.50) per share; and

WHEREAS, the Company has represented that the proceeds of the thirty-nine thousand, five hundred (39,500) shares of Common Stock will be applied to repay bank loans incurred to finance construction or to finance present or future additions and improvements to its plant and equipment, and for other lawful purposes; and

WHEREAS, sufficient supporting data was submitted with the Company's Petition and at the hearing thereon to enable the Commission to adjudicate the merits thereof; and

WHEREAS, this Commission, after investigation and consideration, finds that granting the Petition is consistent with the public good; it is

ORDERED, that Exeter and Hampton Electric Company be, and hereby is, authorized to issue and sell not in excess of thirty-nine thousand, five hundred (39,500) shares of its Common Capital Stock at a price of seventeen dollars and fifty cents (\$17.50) per share, such shares to be offered initially to the existing shareholders of the Company at the close of business October 31, 1973 at the rate of one (1) share for each four (4) shares then held, with an over-subscription privilege, and with the Company authorized to sell any shares not subscribed for directly to other investors at the same price, such shares to be issued and sold in accordance with further terms and conditions set forth in the Petition herein or as presented at the hearing; and it is

FURTHER ORDERED, that the proceeds from the sale of said Common Stock be used

**Page 86**

solely for one or more of the following purposes: (a) to pay off its outstanding Short-term indebtedness; and (b) to finance present and future additions, and improvements to its plant, equipment, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that on January first and July first in each year Exeter and Hampton Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of such Common Stock until the whole of such proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of October, 1973.

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NH.PUC\*10/31/73\*[77250]\*58 NH PUC 87\*Public Service Company of New Hampshire v John L. Randall, Jr. and Ida B. Randall

[Go to End of 77250]

## **Public Service Company of New Hampshire v John L. Randall, Jr. and Ida B. Randall**

D-E6539, Order No. 11,152

58 NH PUC 87

New Hampshire Public Utilities Commission

October 31, 1973

GRANT to an electric utility of an easement across private property.

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EASEMENTS — Electric transmission lines — Damages.

[N.H.] An electric company was granted an easement across privately owned property for the placement of transmission lines deemed necessary for the public good, but the commission

awarded the property owners damages at three times the amount the company had proposed.

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APPEARANCES: Irving H. Soden for John L. Randall, Jr., Ida B. Randall, and Wilfred L. Sanders, Jr., for the petitioner.

BY THE COMMISSION:

Report

By petition filed August 6, 1973, the Public Service Company of New Hampshire (the Company), a duly authorized New Hampshire corporation operating as an electric utility operating under the jurisdiction of this Commission, seeks a finding pursuant to RSA 371 that it be granted a perpetual right and easement to certain property located in the Town of Lee, New Hampshire and belonging to John L. Randall, Jr. and Ida B. Randall which is to be used for the purpose of construction and maintenance of a transmission line or lines necessary to meet the reasonable requirements of service to the public.

The Company also requests that it be granted the right to construct, repair and conduct associated activities relating to the maintenance of such an easement. Petitioner also requests that it be granted the right to clear and keep clear of trees and underbrush, the property in question by such means as it may select, and that it also be given the right to remove any structures or obstructions which are now, or may hereafter be found within the limits of the property at issue. Petitioner further seeks the right to clear this

**Page 87**

right-of-way of trees which may interfere with its lines, their maintenance or operation. The Company also requests that it be granted the right to restrain or prohibit any change in the existing grade or ground level of the strip of property, whether by excavation or filling. Petitioner prays that this Commission make an assessment of damages and compensation therefore to the landowner.

A hearing was held on this petition, following due notice, at Concord on September 26, 1973 and a view of the premises was taken on the same day.

Petitioner represents that it is necessary for it to construct one or more lines of transmission of electric energy from a substation in the process of construction at Newington, New Hampshire to a substation in the process of construction at Deerfield, New Hampshire.

This taking involves a strip of land 95 feet wide and approximately 1,400 feet long adjacent to the southerly side of an existing 200 foot wide right-of-way carrying two transmission lines. A third line is proposed to be placed on the added 95 foot right-of-way. The land is rolling in nature, open field with evidence of an orchard directly to the rear of the house and barn, and wooded on either side of the open field. The total area of this farm property is 160 acres. Three acres are included in the taking — one acre of open field and two acres of woodland.

The Petitioner's expert witness, a consulting forester and property appraiser, testified that the value of the damages for the right-of-way easement would be \$3,300, derived as follows:



[Graphic(s) below may extend beyond size of screen or contain distortions.]

1 acre – open field @ \$750/acre	\$ 750
2.1 acres – woodland @ \$500/acre	1,050
Severance	950
Sub-Total	<u>2,750</u>
Plus 20% to bring \$2,750 up-to-date	550
Total	\$3,300

The landowner's expert witness, a real estate appraiser of twenty (20) years experience, found the total value of the land and buildings to be \$155,600, made up as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Buildings	
House	\$ 39,731
Improvements	5,610
Other Buildings	6,500
Land associated with building – 7 acres @ 1,500/acre	10,500
Sewage and water system	1,750
Landscaping	1,500
Balance of 150 acres @ \$600/acre	\$ 90,000
Total	<u>\$155,591</u>
Rounded to	\$155,600

He found the damage of the taking to be equal to the loss in value after the taking, or \$35,000, derived as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Easement – 3.109 acres @ \$1,000/acre	\$ 3,109
Severance (21%* of \$155,600 – \$3,109)	32,000
Total	<u>\$35,109</u>
Rounded to	\$35,000

Based on difference between actual purchase and sale of adjacent Ingersoll property before and after the taking of a similar easement.

A view of the Randall property disclosed a well-kept set of farm buildings in a secluded but easily accessible location. In our judgment the easement sought on the Randall property will not be as damaging as to the Ingersoll property on the east.

After consideration of the evidence and a view of the premises, we believe the assessment of damages by the Company is too low. In our judgment the damages should be set at \$11,500, derived as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

3.109 acres	\$ 4,500
Severance	7,000
Total	<u>\$11,500</u>

Our order will issue accordingly.

Order

Upon consideration of the foregoing report, which is made a part hereof, it is

ORDERED, that in the matter of the petition of the Public Service Company of New Hampshire v. John L. Randall, Jr. and Ida B. Randall and filed August 6, 1973 praying for the rights for its pole line over land of the respondent, situated in the Town of Lee, County of Strafford and State of New Hampshire, this Commission having, upon due notice to the parties in interest, heard and determined the necessity for the rights

**Page 88**

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prayed for, now this thirty-first day of October, 1973, ordered, adjudges, and decrees as follows:

That it is necessary in order to meet the reasonable requirements of service to the public that said Public Service Company of New Hampshire, subject to supervision under RSA 371, should erect, repair, maintain, rebuild, operate, patrol, remove and renew overhead and underground lines consisting of one or more electric transmission lines, consisting of wires, cables, ducts, manholes, poles and towers, together with foundations, crossarms, braces, anchors, guys, grounds and other equipment for transmitting in after more specifically set forth, and that said Public Service Company of New Hampshire, its successors and assigns, by virtue of its said petition and this decree thereon shall be entitled to construct and maintain lines of poles or towers, or both poles and towers, in the location hereinafter specifically set forth. Also, that in constructing and maintaining said lines of poles and towers with wires, fixtures, guy wires and supports, as hereinabove set forth, it shall have the right to cut down, or keep trimmed and thereby clear and keep cleared the strip, as hereinafter described and located, of all trees and underbrush, and to remove all structures or objects which are new or may hereafter be found within the limits of a strip of land as hereinafter described; and petitioner shall have the right to remove from said premises and other premises of the respondent in the vicinity thereof, such trees, or parts of trees, as, in the judgment of the petitioner, may interfere with or endanger said lines, or their maintenance or operation.

Said line or lines shall cross land in the Town of Lee, said strip being 295 feet in width, lying 210 feet northerly and 85 feet southerly of a line or an extension of a line, bound and described as follows:

"Beginning at a point in John L. and Ida B. Randall's easterly boundary line at land of Robert A. and Frances A. Lord, formerly of Ingersoll, said point being located 430 feet measuring North 24° 15' 05" West, from a corner of walls on the Northerly side of an old road running westerly from Route No. 155; thence, running North 76° 10' 05" West, 1,407.63 feet to a point in the said Randall's westerly boundary line at land of Thomas Brown." Being a part of the premises conveyed to John L. Randall, Jr. and Ida B. Randall by John L. Randall, Jr. by deed dated November 8, 1963, recorded in Strafford County Records, Book 771, Page 332.

The Public Service Company of New Hampshire shall pay John L. Randall, Jr. and Ida B. Randall for said right-of-way and easement the sum of eleven thousand five hundred dollars (\$11,500).

All rights described herein shall be exercised in a reasonably careful and prudent manner, so

that no injury which can be avoided or prevented by the exercise of reasonable care shall result to the lands in respect to which the same are granted by reason of the construction, maintenance and operation of said lines.

A certified copy of the petition aforesaid and this decree thereon shall be recorded in the Registry of Deeds in the County of Strafford.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of October, 1973.

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NH.PUC\*10/31/73\*[77251]\*58 NH PUC 90\*New England Power Company

[Go to End of 77251]

## **Re New England Power Company**

D-F6580, Order No. 11,153

58 NH PUC 90

New Hampshire Public Utilities Commission

October 31, 1973

AUTHORIZATION for the issuance and sale of common stock and first mortgage bonds.

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SECURITY ISSUES, § 95 — Common stock — Mortgage bonds.

[N.H.] An electric utility, incorporated in another state, was authorized to issue additional common stock to be sold to the sole owner of all its existing shares of common stock and to issue first mortgage bonds at competitive bidding with the proceeds to be used for paying off the debts of uncapitalized plant additions and betterments.

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APPEARANCES: Robert King Wulff and Kirk L. Ramsauer for the petitioner.

BY THE COMMISSION:

Report

By petition filed September 24, 1973, New England Power Company (the Company) seeks authority to issue additional Common Stock and First Mortgage Bonds, Series T. At the hearing on the petition, held in Concord on October 19, 1973, the Company represented that it is a corporation, organized under the Laws of Massachusetts, owning and operating properties in Massachusetts, New Hampshire and Vermont, including hydroelectric developments and storage reservoirs on the Connecticut River and transmission lines therefrom. It is qualified as a foreign corporation to do business in New Hampshire but does not engage in local distribution therein.

The Company now has outstanding 4,699,896 shares of Common Stock of a par value of \$20

per share; 860,280 shares of Preferred Stock of a par value of \$100 per share; and First Mortgage Bonds, issued under an Indenture of Trust and First Mortgage, dated as of November 15, 1936, consisting of:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

	<i>Principal Amount</i>
Series B, 3%, due 1978	\$ 11,000,000
Series C, 2 3/4%, due 1979	5,000,000
Series D, 2 7/8%, due 1981	12,000,000
Series E, 3 1/4%, due 1982	5,000,000
Series F, 3 1/4%, due 1985	25,000,000
Series G, 4 3/8%, due 1987	10,000,000
Series H, 4%, due 1988	10,000,000
Series I, 4 5/8%, due 1991	20,000,000
Series J, 4 3/8%, due 1992	12,000,000
Series K, 4 1/2%, due 1993	10,000,000
Series L, 6 3/8%, due 1996	10,000,000
Series M, 6 7/8%, due 1997	15,000,000
Series N, 7 1/8%, due 1998	\$20,000,000
Series O, 7 3/8%, due 1998	20,000,000
Series P, 8 3/8%, due 1999,	15,000,000
Series Q, 7%, due 1976	20,000,000
Series R, 7 5/8%, due 2002	25,000,000
Series S, 8 5/8%, due 2003	40,000,000
	<hr/>
	\$285,000,000

At July 31, 1973, the Company also had outstanding Short-term Notes Payable in the aggregate principal amount of \$85,725,000.

New England Power Company proposes to issue 375,000 additional shares of Common Stock, of the par value of \$20 per share, for a price of \$40 per share, or an aggregate amount of \$15,000,000. These shares will be sold to New England Electric System, the sole owner of all of the outstanding Common Stock of the Company. It was testified that \$40 per share is an equitable price for this Common Stock, based on current, past and prospective earnings of New England Power Company as well as the ratio of earnings to market price of other electric utilities in New England which were used for comparative purposes.

In addition, New England Power Company proposes to issue \$40,000,000 principal amount of First Mortgage Bonds, Series T, under, and pursuant to, the terms of its Indenture of Trust and First Mortgage, dated as of November 15, 1936, and supplements thereto, securing its presently outstanding

Series B through S Bonds. The proposed Bonds will mature in not more than thirty (30) years from the date thereof, will bear such interest rate, and will be disposed of at such price not less than the principal amount thereof as will be determined after publication of an invitation for bids for purchase thereof and the receipt of bids. The Company may determine that the Bonds will not be redeemable during a period of not more than five (5) years in connection with a refunding at a lesser effective interest cost. New England Power Company also desires to execute an indenture supplemental to said Indenture of Trust and First Mortgage, as previously supplemented, mortgaging, or confirming the mortgage under said Indenture of, all its property, assets and franchises (except property of the character specifically reserved to New England Power

Company in said Indenture), as security for all Bonds issued, or to be issued, under and pursuant to the terms of said Mortgage Indenture.

New England Power Company proposes to apply the proceeds from the sale of said additional Common Stock and Series T Bonds to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncanceled extensions, enlargements, and additions to the plant and property of the Company and for other lawful corporate purposes.

The Company submitted in evidence its Balance Sheet as of July 31, 1973, as per books and pro forma to reflect the sale of the Series S Bonds and the sale of the additional Common Stock and First Mortgage Bonds, Series T, and the application of the proceeds therefrom:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Balance Sheet as of July 31, 1973  
 (Actual and Pro Forma)  
 To show the effect of \$40,000,000 Series S bonds issued in August 1973 and  
 the proposed issue of \$40,000,000 Series T Bonds and \$15,000,000 Common Stock  
 (Subject to Adjustment and Audit by Independent Certified Public Accountants)  
*Assets and Other Debits*

*Utility Plant*  
 Utility Plant  
 Less Accumulated Provisions for Depreciation,  
 Amortization and Depletion

Net Utility Plant

*Other Property and Investments*  
 Nonutility Property (121) (less  
 Accumulated Provision for Depreciation &  
 Amortization included in (122))  
 Other investments

Total Other Property & Investments

*Current and Accrued Assets*

Cash  
 Working Funds  
 Notes and Accounts Receivable (less Accumu-  
 lated provision for Uncollectible Accounts)  
 Receivables from Associated Companies  
 Materials and Supplies  
 Prepayments

Total Current & Accrued Assets  
 29,478,990

## Page 91

[Graphic(s) below may extend beyond size of screen or contain distortions.]

<i>Assets and Other Debits</i>	<i>Actual</i>	<i>Series S Bonds Proposed Issue</i>	<i>Pro Forma</i>
		<i>Issued August</i>	<i>of Common Stock</i>
		<i>1973</i>	<i>&amp; Series T</i>
			<i>Bonds</i>

## PURbase

<i>Utility Plant</i>				
<i>Deferred Debits</i>				
Unamortized Debt Discount & Express 369,791	\$ 139,791	\$ 115,000	\$ 115,000	\$
Prelim. Survey & Investigation Charges 1,457,856	1,457,856			
Miscellaneous Deferred Debits 230,790	230,798			
Research and Development Expenditures 645.070	645.070			
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Total Deferred Debits 2,703,515	\$ 2,473,515	\$ 115,000	\$ 115,000	\$
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Total Assets and Other Debits 685,826,820	\$ 676,133,620	\$ ( 28,400)	\$ 9,671,600	\$
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=====				
<i>Liabilities and Other Credits</i>				
<i>Proprietary Capital</i>				
Common Stock Issued 101,497,920	\$ 93,997,920		\$ 7,500,000	\$
Preferred Stock Issued 86,028,000	86,028,000			
Premium on Capital Stock 59,391,450	51,891,450		7,500,000	
Other Paid-In Capital 28,000,000	28,000,000			
Retained Earnings 18,910,009	18,913,409		( 3,400)	
Unappropriated Undistributed Subsidiary Earnings 4,083,155	4,083,155			
<hr/>				
Total Proprietary Capital 297,910,534	\$ 282,913,934		\$ 14,996,600	\$
<hr/>				
<i>Long-Term Debt</i>				
Bonds 325,000,000	245,000,000	40,000,000	40,000,000	
<hr/>				
Total Long-Term Debt 325,000,000	\$ 245,000,000	\$ 40,000,000	\$ 40,000,000	\$
<hr/>				
<i>Current and Accrued Liabilities</i>				
Notes Payable Notes Payable to Associated Companies Accounts Payable 12,680,363	79,500,000 6,225,000 12,680,363	( 40,400,000)	( 39,100,000) - ( 6,225,000) -	
Accounts Payable to Associated Companies 7,613,990	7,613,990			
Taxes Accrued 16,630,742	16,630,742			
Interest Accrued 2,687,035	2,687,035			
Tax Collections Payable 70,337	70,337			
Misc. Current and Accrued Liabilities 522,515	522,515			
<hr/>				
Total Current and Accrued Liabilities 45,325,000)	\$ 125,929,982	\$ ( 40,400,000)	\$ (	
	\$ 40,204,932			
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<i>Deferred Credits</i>			
Unamortized Premium on Debt	646,684	371,600	
1,018,284			
Accumulated Deferred Investment Tax Credit	6,120,945		
6,120,945			
Other Deferred Credits	43,382		
48,382			
<hr/>			
Total Deferred Credits	\$ 6,816,011	\$ 371,600	\$
7,187,611			
<hr/>			
<i>Operating Reserves</i>			
Amortization Reserve – Federal	1,064,708		
1,064,708			
<hr/>			
Total Operating Reserves	\$ 1,064,708		\$
1,064,708			
<hr/>			
<i>Contributions in Aid of Construction</i>			
Contributions in Aid of Construction	\$ 124,835		\$ 124,835
<hr/>			
<i>Accumulated Deferred Income Taxes</i>			
Accelerated Amortization	\$ 7,628,550		\$
7,628,550			
Liberalized Depreciation	6,705,600		
6,705,600			
<hr/>			
Total Accumulated Deferred Income Taxes	\$ 14,334,150		\$
14,334,150			
<hr/>			
Total Liabilities & Other Credits	\$ 676,183,620	\$ ( 28,400)	\$ 9,671,600 \$
685,826,820			
	=====	=====	=====
=====			

The record in this proceeding shows that the total uncapitalized expenditures of New England Power Company at July 31, 1973, amounted to \$256,500,000, and this amount was reduced by the \$40,000,000 issue of Series S Bonds which were sold in August 1973, so that the adjusted uncapitalized expenditures are \$216,500,000. Part of this reduced amount would be capitalized through the proposed issues of the securities

**Page 92**

under consideration. A portion of the uncapitalized Fixed Capital Expenditures relates to expenditures in New Hampshire.

Certified copies of the necessary corporate authorizations were attached to the petition or submitted in evidence at the hearing.

Based on the foregoing Balance Sheet of the Company, adjusted for the issuance of \$40,000,000 principal amount of Series S Bonds, and for the issuance of additional Common Stock and \$40,000,000 principal amount of Series T Bonds, the pro forma ratio of Bonds to the total capitalization of the Company is 52.2%, Preferred Stock 13.8% and Common Equity

34.0%.

Upon investigation and consideration of the evidence submitted, the Commission is of the opinion that the granting of the several authorizations sought will be consistent with the public good. Our order will issue accordingly. Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, three hundred seventy-five thousand (375,000) shares of Common Stock of the par value of twenty dollars (\$20) per share, at a price of forty dollars (\$40) per share; and it is

FURTHER ORDERED, that the proceeds from the sale of said Common Stock be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for uncapitalized extensions, enlargements, and additions to the plant and property of the Company, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, its First Mortgage Bonds, Series T, in an aggregate principal amount of forty million dollars (\$40,000,000), maturing in not more than thirty (30) years from the date thereof, and to bear such interest rate as will be determined by competitive bidding; and it is

FURTHER ORDERED, that New England Power Company shall submit to this Commission an account of the bids of responsible bidders for the purchase of said Bonds, which bids shall be on a comparable basis, following which a Supplemental Order will issue, establishing the amount of Bonds to be sold and the price and terms upon which said Bonds shall be sold; and it is

FURTHER ORDERED, that the proceeds from the sale of said Series T Bonds be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for, uncapitalized extensions, enlargements, and additions to the plant and property of the Company, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that New England Power Company be, and hereby is, authorized to mortgage its present and future property, tangible and intangible, including franchises, in New Hampshire, or to confirm the present mortgage thereof, as security for its outstanding Series B through S Bonds, and the proposed Series T Bonds, and Bonds thereafter issued under the provisions of the Mortgage Indenture; and it is

FURTHER ORDERED, that this authorization to issue Series T Bonds contained herein shall be exercised on or before April 30, 1974, and not thereafter, unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on or before January first and July first, in each year, said New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said securities, until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of October, 1973.



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NH.PUC\*11/01/73\*[77252]\*58 NH PUC 94\*Maine State Telephone Company

[Go to End of 77252]

## Re Maine State Telephone Company

I-R14,077, Supplemental Order No. 11,156

58 NH PUC 94

New Hampshire Public Utilities Commission

November 1, 1973

REQUEST by a telephone company for a general rate increase; granted as modified.

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RATES, § 75 — Commission jurisdiction — Decisions in other states.

[N.H.] The commission adopted another state commission's decision reducing a company's requested rate increase where the company's principal business was in the other state.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, Maine State Telephone Company, a Maine telephone utility serving principally in Maine with a small number of customers in New Hampshire (East Conway and Chatham), on May 22, 1973 filed with this Commission for an increase in rates similar to an increase being sought in Maine; and

WHEREAS, such increase called for an overall revenue increase of 15.5 per cent with increases in monthly exchange rates ranging from 39 per cent to 80 per cent; and

WHEREAS, these proposed rates were suspended by Commission Order No 10,981 coincidental with similar action by the Maine Public Utilities Commission; and

WHEREAS, hearings have now been held before the Maine commission, at which a representative of the New Hampshire Public Utilities Commission appeared to represent the interests of the New Hampshire customers served by this Maine utility; and

WHEREAS, the Maine Public Utilities Commission, following its investigation and consideration of the evidence, has reduced the overall increase sought of 15.5 per cent to 8.05 percent, with corresponding reduction in monthly exchange rates ranging from 39 per cent to 80 per cent to increase ranging only from 4 per cent to 20 per cent; and

WHEREAS, we concur generally with the findings of the Maine commission, particularly with respect to minimizing the range of increases for specific monthly exchange rates; it is

ORDERED, that Maine State Telephone Company's rates as set forth in its new tariff, N.H.P.U.C. No. 2, which are the same as those authorized by the Maine Public Utilities Commission in its order F.C. 1985 for application in Maine territories by the Company, be, and hereby are, authorized to become effective with the first full billing period subsequent to December 19, 1973 unless substantial objections are received by this Commission prior to the above date; and it is

FURTHER ORDERED, that the telephone company publish a copy of this order, together with a summary of the new proposed rates involving New Hampshire customers, in a newspaper having general circulation in the New Hampshire territory affected immediately upon receipt of this order.

By order of the Public Utilities Commission of New Hampshire this first day of November, 1973.

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NH.PUC\*11/13/73\*[77253]\*58 NH PUC 95\*New England Telephone and Telegraph Company

[Go to End of 77253]

## **Re New England Telephone and Telegraph Company**

D-F6514, Supplemental Order No. 11,163

58 NH PUC 95

New Hampshire Public Utilities Commission

November 13, 1973

ORDER authorizing a telephone company to issue and sell debentures.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 11,025 dated July 25, 1973 issued in the above entitled proceedings, authorized the New England Telephone and Telegraph Company to issue its thirty (30) year Debentures to mature November 15, 2003, in the aggregate principal amount of up to two hundred million dollars (\$200,000,000), insofar as this issue pertains to property and expenditures in the State of New Hampshire; and

WHEREAS, in compliance with said order, the New England Telephone and Telegraph Company has secured offerings of responsible competitive bidder for one hundred seventy million dollars (\$170,000,000), principal amount, thirty (30) year Debentures, due November 15, 2003, and has submitted such offerings to this Commission; and

WHEREAS, the most favorable offer is a purchase price of 98.5519 percent of the principal amount, plus interest to the date of delivery, for Debentures bearing interest at the rate of eight percent (8%) per annum, thereby establishing a cost of money to the Company of 8.13 percent

per annum to maturity; upon consideration, it is

ORDERED, that the New England Telephone and Telegraph Company be, and hereby is, authorized to issue and sell its thirty (30) year Debentures, maturing November 15, 2003, in the principal amount of one hundred seventy million dollars (\$170,000,000) at a price of 98.5519 percent of the principal amount, plus accrued interest from November 15, 1973, said Debentures bearing interest at the rate of eight percent (8%) per annum.

By order of the Public Utilities Commission of New Hampshire this thirteenth day of November, 1973.

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NH.PUC\*11/14/73\*[77254]\*58 NH PUC 95\*Public Service Company of New Hampshire

[Go to End of 77254]

## Re Public Service Company of New Hampshire

D-F5920, Supplemental Order No. 11,164

58 NH PUC 95

New Hampshire Public Utilities Commission

November 14, 1973

ORDER increasing the limit for a company's issuance or renewal of short-term notes.

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**Page 95**

BY THE COMMISSION:

Supplemental Order

WHEREAS, Public Service Company of New Hampshire, a New Hampshire Corporation operating as a public utility in various towns and cities in this State, under the jurisdiction of this Commission, by Supplemental Order No. 10,085 dated August 19, 1970 was granted an exception to the terms of Supplemental Order No. 7446, permitting it, from time to time, to issue and renew, for cash, its Note, or Notes, in an aggregate principal amount not exceeding thirty-five million dollars (\$35,000,000); and

WHEREAS, the Company, by petition filed on October 3, 1973, seeks authority to increase the exemption in said Order No. 10,085 to an amount not in excess of fifty-two million dollars (\$52,000,000) at any one time outstanding (not including any Short-term Notes to be retired with the proceeds of any such issue or renewal), including interest on bank borrowings at the prime rate or a rate or rates based on the prime rate; and

WHEREAS, upon investigation given by the Commission of supporting data filed with the petition, this Commission finds that the proposed financing, upon the terms set forth in the petition, is in the public interest; it is

ORDERED, that the Public Service Company of New Hampshire be, and hereby is, authorized to issue and sell, and from time to time renew, for cash, its Note, or Notes in an aggregate principal amount not exceeding fifty-two million dollars (\$52,000,000) at any one time outstanding (not including any Short-term Notes to be retired with the proceeds of any such issue or renewal) and it is

FURTHER ORDERED, that interest on bank borrowings will be at the prime rate or a rate or rates based on the prime rate; and it is

FURTHER ORDERED, that the Public Service Company of New Hampshire first obtain approval of this Commission before incurring Short-term indebtedness in excess of the amount allowed by the terms of Supplemental Order No. 7446 of this Commission after March 31, 1974; and it is

FURTHER ORDERED, that on or before January first and July first in each year, Public Service Company of New Hampshire shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of the Notes herein authorized until the expenditure of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of November, 1973.

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NH.PUC\*11/14/73\*[77255]\*58 NH PUC 96\*Concord Electric Company

[Go to End of 77255]

## Re Concord Electric Company

D-R6236, Supplemental Order No. 11,165

58 NH PUC 96

New Hampshire Public Utilities Commission

November 14, 1973

AUTHORIZATION of a new purchased power adjustment factor.

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**Page 96**

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,854, ([1973] 58 NH PUC 1) First Revised Page 9B ("Fuel Adjustment") and First Revised Page 9C ("Purchased Power Adjustment") of Concord Electric Company tariff, N.H.P.U.C. No. 4, were made effective January 15, 1973; and

WHEREAS, the wholesaler's case before the Federal Power Commission has now been settled; and

WHEREAS, the new factor of adjustment is 11.50 percent as compared with the 13.06 percent presently being billed; and

WHEREAS, the application of this lower surcharge in less than the thirty (30) day statutory period is in the public interest; it is

ORDERED, that the new factor of adjustment (i.e. 11.50 percent) be, and hereby is, permitted to become effective on November 15, 1973 up to and including June 15, 1974; and it is

FURTHER ORDERED, that the company shall proceed, without undue delay, to fold into its basic rates the adjustment factor representing the increased power cost; and it is

FURTHER ORDERED, that the provisions of Order No. 10,854, insofar as the Fuel Adjustment Clause, be and hereby are extended, subject to further review since this matter is still pending before the Federal Power Commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of November, 1973.

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NH.PUC\*11/14/73\*[77256]\*58 NH PUC 97\*Exeter And Hampton Electric Company

[Go to End of 77256]

## **Re Exeter And Hampton Electric Company**

D-R6237, Supplemental Order No. 11,166

58 NH PUC 97

New Hampshire Public Utilities Commission

November 14, 1973

APPROVAL of a reduced fuel adjustment factor.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,855, ([1973] 58 NH PUC 2) First Revised Page 10B ("Fuel Adjustment") and First Revised Page 10C ("Purchased Power Adjustment") of Exeter and Hampton Electric Company, tariff, N.H.P.U.C. No. 10, were made effective January 15, 1973; and

WHEREAS, the wholesaler's case before the Federal Power Commission has now been settled; and

WHEREAS, the new factor of adjustment is 10.63 percent as compared with the 11.96 percent presently being billed; and

WHEREAS, the application of this lower surcharge in less than the thirty (30) day statutory period is in the public interest; it is

ORDERED, that the new factor of adjustment (i.e. 10.63 percent) be, and hereby is, permitted to become effective on November 15, 1973 up to and including June 15, 1974; and it is

FURTHER ORDERED, that the company shall proceed, without undue delay, to fold into its basic rates the adjustment factor

**Page 97**

representing the increased power cost; and it is

FURTHER ORDERED, that the provisions of Order No. 10,855, insofar as the Fuel Adjustment Clause, be and hereby are extended, subject to further review since this matter is still pending before the Federal Power Commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of November, 1973.

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NH.PUC\*11/14/73\*[77257]\*58 NH PUC 98\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77257]

### **Re New Hampshire Electric Cooperative, Inc.**

D-R6239, Supplemental Order No. 11,167

58 NH PUC 98

New Hampshire Public Utilities Commission

November 14, 1973

ORDER permitting a revised purchased power adjustment factor to become effective.

-----

BY THE COMMISSION:

Supplemental Order

Whereas, by virtue of Order No. 10,856, ([1973] 58 NH PUC 4) First Revised Page 8B ("Fuel Adjustment") and First Revised Page 8A ("Purchased Power Adjustment") of New Hampshire Electric Cooperative, Inc. tariff, N.H.P.U.C. No. 5, were made effective January 15, 1973; and

WHEREAS, the wholesaler's case before the Federal Power Commission has now been settled; and

WHEREAS, the new factor of adjustment is 8.763 percent as compared with the 11.26 percent presently being billed; and

WHEREAS, the application of this lower surcharge in less than the thirty (30) day statutory period is in the public interest; it is

ORDERED, that the new factor of adjustment (i.e. 8.763 percent) be, and hereby is, permitted to become effective on November 15, 1973 up to and including June 15, 1974; and it is

FURTHER ORDERED, that the company shall proceed, without undue delay, to fold into its basic rates the adjustment factor representing the increased power cost; and it is

FURTHER ORDERED, that the provisions of Order No. 10,856, insofar as the Fuel Adjustment Clause, be and hereby are extended, subject to further review since this matter is still pending before the Federal Power Commission.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of November, 1973.

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NH.PUC\*11/16/73\*[77258]\*58 NH PUC 99\*Connecticut Valley Electric Company, Inc.

[Go to End of 77258]

## **Re Connecticut Valley Electric Company, Inc.**

D-E6535, Order No. 11,174

58 NH PUC 99

New Hampshire Public Utilities Commission

November 16, 1973

PETITION for license to construct distribution lines across public waters; granted.

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ELECTRICITY, § 7 — Authorization for distribution lines.

[N.H.] Where it was considered to be in the public interest, an electric company was authorized to construct and maintain distribution lines across a river.

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BY THE COMMISSION:

Order No.

WHEREAS, by petition filed July 30, 1973, the Connecticut Valley Electric Company, Inc. seeks a license pursuant to RSA 371:17 — 20 to install and maintain an electric distribution line to cross the Ammonoosuc River in the Town of Bath; and

WHEREAS, the petitioner represents that the proposed construction will cross the Ammonoosuc River at a location set forth in a plan on file at the office of the Commission, said crossing being at a point approximate to the point of confluence of the Wild Ammonoosuc River with the Ammonoosuc River in the Town of Bath, between a double pole structure, No. 4 on the west bank, and a three pole structure, No. 5 on the east bank, a span of 570 feet; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the petitioner and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to Connecticut Valley Electric Company, Inc. to construct and maintain an electric distribution line to cross the Ammonoosuc River in the Town of Bath, all in accordance with the above description which is contained on a plan of file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of November, 1973.

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NH.PUC\*11/16/73\*[77259]\*58 NH PUC 99\*Granite State Electric Company

[Go to End of 77259]

## Re Granite State Electric Company

I-R13,758, 22nd Supplemental Order No. 11,176

58 NH PUC 99

New Hampshire Public Utilities Commission

November 16, 1973

APPLICATION for an extension of an exception permitting an electric company's issuance of short-term notes; granted.

Page 99

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SECURITY ISSUES, § 98 — Short-term notes — Commission approval.

[N.H.] The commission continued an exception for an electric company whereby it could issue limited short-term notes without prior commission approval.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by the Twenty-first Supplemental Order No. 10,818 of this Commission, dated December 12, 1972, Granite State Electric Company was granted an exception permitting it, from time to time, to issue and renew its Bonds, Notes, or other evidences of indebtedness, payable less than twelve (12) months after the date thereof, in an aggregate amount thereof



outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal) not in excess of eight million five hundred thousand dollars (\$8,500,000), which extension expires December 31, 1973, unless such period is extended by order of this Commission; and

WHEREAS, Granite State Electric Company, on October 17, 1973, sought authority to continue the exemption in said Order No. 10,818 to March 31, 1974 conforming to new filing dates with the Securities and Exchange Commission; and

WHEREAS, this Commission after investigation and consideration, finds that said request is consistent with the public good; it is

ORDERED, that Granite State Electric Company, without first obtaining the approval of this Commission, be, and hereby is, authorized, from time to time, to issue and renew its Notes, Bonds, and other evidences of indebtedness, payable less than twelve (12) months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of eight million five hundred thousand dollars (\$8,500,000); and it is

FURTHER ORDERED, that the exception contained herein shall expire March 31, 1974, unless such period is extended by order of this Commission and it is

FURTHER ORDERED, that on January first and July first in each year, said Granite State Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Notes, Bonds, or other evidences of indebtedness.

By order of the Public Utilities Commission on this sixteenth day of November, 1973.

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NH.PUC\*11/16/73\*[77260]\*58 NH PUC 100\*New England Power Company

[Go to End of 77260]

**Re New England Power Company**

I-F13,332, Third Supplemental Order No. 11,177

58 NH PUC 100

New Hampshire Public Utilities Commission

November 16, 1973

PETITION for a continued exception allowing an electric company to issue short-term notes; granted.

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SECURITY ISSUES, § 98 — Short-term notes — Commission approval.

[N.H.] Finding it to be in the public good, the commission permitted an electric company to continue issuing short-term notes up to a limited amount without prior commission consent.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 10,752 of this Commission, dated October 6, 1972, New England Power Company was granted permission, from time to time, to issue and renew its Bonds, Notes, or other evidences of indebtedness, payable less than twelve (12) months after the date thereof, in an aggregate amount outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of one hundred five million dollars (\$105,000,000) which permission expires December 31, 1973 unless such period is extended by order of this Commission; and

WHEREAS, New England Power Company, on October 17, 1973, sought authority to continue the permission under Supplemental Order No. 10,752 of March 31, 1974, conforming to new filing dates with the Securities and Exchange Commission; and

WHEREAS, this Commission, after investigation and consideration, finds that said request is consistent with the public good; it is

ORDERED, that New England Power Company, without first obtaining the approval of this Commission be, and hereby is, authorized, from time to time, to issue and renew its Notes, Bonds, or other evidences of indebtedness payable less than twelve (12) months from the date thereof, in an aggregate amount thereof outstanding at any one time (not including any such indebtedness which is to be retired with the proceeds of any such issue or renewal), not in excess of one hundred five million dollars (\$105,000,000); and it is

FURTHER ORDERED, that the permission contained herein shall expire March 31, 1974, unless such period is extended by order of this Commission; and it is

FURTHER ORDERED, that on January first and July first in each year said New England Power Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of said Notes, Bonds, or other evidences of indebtedness, until the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of November, 1973.

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NH.PUC\*11/21/73\*[77261]\*58 NH PUC 101\*Exeter and Hampton Electric Company

[Go to End of 77261]

## Re Exeter and Hampton Electric Company

D-F6582, Supplemental Order No. 11,189  
58 NH PUC 101  
New Hampshire Public Utilities Commission  
November 21, 1973

PERMISSION to issue and sell common stock.

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**Page 101**  
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SECURITY ISSUES, § 96 — Common stock — Unsubscribed shares.

[N.H.] An electric company was allowed to issue and sell common stock to existing shareholders with any unsubscribed shares being offered to the public.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, Exeter & Hampton Electric Company offered to issue and sell not in excess of 39,500 shares of its Common Capital stock to its shareholders in accordance with Order No. 11,151; and

WHEREAS, approximately 8,550 shares were not subscribed (the unsubscribed shares) to by the Company's shareholders; and

WHEREAS, the Company was authorized to sell any unsubscribed shares to other investors at a price of seventeen dollars and fifty cents (\$17.50) per share; and

WHEREAS, the Company has entered into an agency agreement with Merrill Lynch, Pierce, Fenner and Smith, Incorporated to effect sales of the unsubscribed shares; and it is

ORDERED, that Exeter & Hampton Electric Company be, and hereby is, authorized to issue and sell its unsubscribed shares at a price of seventeen dollars and fifty cents (\$17.50) per share, such sales to be made in accordance with this Order and subject to the terms, compensations and other conditions of the agency agreement with Merrill Lynch, Pierce, Fenner and Smith, Incorporated; and it is

FURTHER ORDERED, that the proceeds from the sale of said common stock be used solely for one or more of the following purposes: (a) to pay off its outstanding Short-term indebtedness; and (b) to finance present and future additions, and improvements to its plant, equipment, and for other lawful corporate purposes; and it is

FURTHER ORDERED, that on January first and July first in each year Exeter and Hampton Electric Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, showing the disposition of the proceeds of such Common Stock until the whole of such proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of November, 1973.

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NH.PUC\*11/29/73\*[77262]\*58 NH PUC 102\*Manchester Gas Company

[Go to End of 77262]

## Re Manchester Gas Company

D-F6607, Order No. 11,198

58 NH PUC 102

New Hampshire Public Utilities Commission

November 29, 1973

AUTHORIZATION of the issuance of additional mortgage bonds.

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SECURITY ISSUES, § 95 — Mortgage bonds — Purposes.

[N.H.] A gas company was allowed to issue additional first mortgage bonds in a negotiated agreement in order to repay indebtedness incurred for plant additions.

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APPEARANCES: Michael P. Hall and John R. McLane, Jr., for the petitioner.

**Page** 102

BY THE COMMISSION:

Report

By this unopposed petition, filed November 8, 1973, Manchester Gas Company (the "Company") seeks authority to issue additional First Mortgage Bonds. At the hearing on the petition, held in Concord on November 27, 1973, the Company represented that it is a corporation, organized under the laws of the State of New Hampshire having a principal place of business in the City of Manchester, New Hampshire, engaged as a public utility in the purchase, manufacture, distribution and sale of natural and manufactured gas.

As of June 30, 1973 the Company had outstanding 197,731 shares of Common Stock of a par value of twenty-five dollars (\$25) per share; 6,986 shares of Preferred Stock of a par value of one hundred dollars (\$100) per share; one hundred seventy six thousand dollars (\$176,000) of First Mortgage Bonds, 5% Series, due 1977; one million dollars (\$1,000,000) of First Mortgage Bonds, 6% Series, due 1992 and forty five thousand dollars (\$45,000) Secured Notes due 1982.

As of June 30, 1973 the Company also had outstanding Short-Term Notes Payable in the

aggregate principal amount of five hundred thousand dollars (\$500,000).

As of the date of the hearing, November 27, 1973, the Company had outstanding Short-Term Notes Payable in the aggregate principal amount of one million dollars (\$1,000,000).

The Company proposes to issue and sell to Teachers Insurance and Annuity Association of America (TIAA) for cash at per one million dollars (\$1,000,000) of First Mortgage Bonds, 8 1/4%, due 1993, under its present indenture of mortgage, and a Second Supplemental Indenture.

In anticipation of projected financing requirements early in 1973, the Company explored various methods and sources of mortgage money. The Company determined that a loan proposal by TIAA was the most advantageous source available at the time. In March, 1973 TIAA made a commitment to loan the money, substantially on terms as outlined in the petition and at the hearing. At the time of the commitment Moody's Baa rated utilities average yield was 7.92% and an issue of this size and type would have generally commanded a higher yield. The commitment by TIAA to the Company at 8 1/4% represented favorable financing at the time and compares favorably with the current Moody's Baa rated utilities average yield of 8.48%.

The Company proposes to apply the proceeds from the sale of said bonds to the payment of indebtedness incurred for, or to the cost of, fixed plant additions and for other lawful corporate purposes.

The Company submitted in evidence its Balance Sheet as of June 30, 1973, as per books and pro forms to reflect the sale of the additional bonds.

Certified copies of the necessary corporate authorizations were submitted in evidence at the hearing.

Based on the foregoing Balance Sheet of the Company and on the issuance of one million dollars (\$1,000,000) principal amount of bonds, the pro forma capitalization ratios of the Company is First Mortgage Bonds 40.8%, Preferred Stock 12.9% and Common Equity 46.3%.

Upon investigation and consideration of the evidence submitted, the Commission is of the opinion that the granting of the several authorizations sought will be consistent with the public good. Our order will issue accordingly.

#### Order

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that Manchester Gas Company be, and hereby is, authorized to issue and sell for cash its First Mortgage Bonds, 8 1/4%, due 1993, at par in an aggregate principal amount of one million dollars (\$1,000,000); and it is

FURTHER ORDERED, that the proceeds from the sale of said First Mortgage Bonds be applied to the payment of indebtedness incurred for, or to the cost of, or to the reimbursement of the treasury of the Company for extensions enlargements and additions to the plant and property of the Company,

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and for other lawful corporate purposes; and it is

FURTHER ORDERED, that Manchester Gas Company be, and hereby is, authorized to mortgage its present and future property, tangible and intangible, including franchises and to confirm the present mortgage by its Second Supplemental Indenture thereto as security for its outstanding First Mortgage Bonds; and it is

FURTHER ORDERED, that this authorization to issue First Mortgage Bonds contained herein shall be exercised on or before December 31, 1973, and it is

FURTHER ORDERED, that on or before January first and July first, in each year, said Manchester Gas Company shall file with this Commission a detailed statement, duly sworn to by its Treasurer, or an Assistant Treasurer, showing the disposition of the proceeds of said securities, until the expenditures of the whole of said proceeds shall have been fully accounted for.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of November, 1973.

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NH.PUC\*12/03/73\*[77263]\*58 NH PUC 104\*Granite State Electric Company

[Go to End of 77263]

**Re Granite State Electric Company**

I-F14,159, Order No. 11,201

58 NH PUC 104

New Hampshire Public Utilities Commission

December 3, 1973

AUTHORIZATION for the sale of equipment and vehicles.

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BY THE COMMISSION:

Order

WHEREAS, Granite State Electric Company, on November 30, 1973, sought authority to sell certain automotive equipment and vehicles in an amount in excess of that allowed by the terms of this Commission's Order No. 6987; and

WHEREAS, this Commission, after investigation and consideration, finds that said sale is consistent with the public good; it is

ORDERED, that Granite State Electric Company be, and hereby is, authorized to sell certain automotive equipment and vehicles, as stated in its application of November 30, 1973, at a total selling price of approximately two hundred and twenty-five thousand dollars (\$225,000).

By order of the Public Utilities Commission of New Hampshire this third day of December, 1973.

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NH.PUC\*12/05/73\*[77264]\*58 NH PUC 105\*Alexander Standish et al.

[Go to End of 77264]

## Re Alexander Standish et al.

D-E3509, Order No. 11,202

58 NH PUC 105

New Hampshire Public Utilities Commission

December 5, 1973

PETITION for license to transfer rights in an underwater electric cable; granted.

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ELECTRICITY, § 6 — Underwater cables — Transfer of rights.

[N.H.] Although an underwater cable was already in place, the commission found it was inadequate for current service needs and it ordered rights in the cable transferred to an electric cooperative which was empowered to replace and maintain the cable.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed November 5, 1973, New Hampshire Electric Cooperative, Inc. seeks a license pursuant to RSA 371:17 — 20 to construct and maintain underwater cables across Lake Winnepesaukee in the Town of Meredith; and

WHEREAS, on June 7, 1956 authority was granted to Alexander Standish in Order No. 6817 subparagraph A for such construction and maintenance of an underwater cable; and

WHEREAS, pursuant to the aforesaid authority, the cables required have been so constructed and maintained; and

WHEREAS, the present installation lacks the capability to serve the demands made thereon; and

WHEREAS, the New Hampshire Electric Cooperative, Inc. has agreed to assume and undertake the replacing of said cable including its construction and maintenance; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately 2,177 feet of the Lake from a pole on the mainland on private property of Alexander Standish known as Hornets Nest Point to other private property of Alexander Standish on Beaver Island and will provide service to the said Standish; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found

that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that the authority previously granted to Alexander Standish under Order No. 6817 subparagraph A be, and hereby is, transferred to the New Hampshire Electric Cooperative, Inc.; and it is

FURTHER ORDERED, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc. to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Meredith, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this fifth day of December, 1973.

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NH.PUC\*12/11/73\*[77265]\*58 NH PUC 106\*Municipal Electric Department of Wolfeboro

[Go to End of 77265]

### Re Municipal Electric Department of Wolfeboro

D-R6403, Supplemental Order No. 11,205

58 NH PUC 106

New Hampshire Public Utilities Commission

December 11, 1973

IMPLEMENTATION of a new fuel adjustment factor.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,861, ([1973] 58 NH PUC 8) First Revised Page 8A (Fuel Adjustment) and First Revised Page 8B (Purchased Power Adjustment) of the Municipal Electric Department of Wolfeboro tariff, N.H.P.U.C. No. 3 were made effective January 15, 1973; and

WHEREAS, the wholesaler's case before the Federal Power Commission has now been settled; and

WHEREAS, the new factor of adjustment of 6.25 percent as compared with the 9.79 percent presently being billed; it is

ORDERED, that the new factor of adjustment i.e. 6.25 percent be, and hereby is, permitted to become effective on January 1, 1974 up to and including August 1, 1974; and it is

FURTHER ORDERED, that the Department shall proceed, without undue delay, to fold into its basic rates the adjustment factor representing the increased power cost; and it is



FURTHER ORDERED, that the provisions of Order No. 10,861, insofar as the Fuel Adjustment Clause be, and hereby are, extended, subject to further review, since this matter is still pending before the Federal Power Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of December, 1973.

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NH.PUC\*12/11/73\*[77266]\*58 NH PUC 106\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77266]

### **Re New Hampshire Electric Cooperative, Inc.**

D-E6610, Order No. 11,206

58 NH PUC 106

New Hampshire Public Utilities Commission

December 11, 1973

GRANT of license to install a submarine electric cable.

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**Page 106**

ELECTRICITY, § 6 — Cables — Underwater conductors.

[N.H.] An electric cooperative was permitted to construct an underwater cable in public waters in order to meet the reasonable requirements of public service.

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BY THE COMMISSION:

Order

WHEREAS, by petition filed November 5, 1973, New Hampshire Electric Cooperative, Inc. seeks a license pursuant to RSA 371:17 — 20 to construct and maintain underwater cables across Lake Winnepesaukee in the Town of Meredith; and

WHEREAS, the petition represents that the proposed construction will cross approximately 1,200 feet of the Lake from pole no. 46/18 on private property of Lloyd Lund along Cattle Landing Road in the Town of Meredith to private property of Norman and Grace Baker on Bear Island and provide service to the said Bakers and others; and

WHEREAS; following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and

that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc. to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Meredith, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of December, 1973.

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NH.PUC\*12/11/73\*[77267]\*58 NH PUC 107\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77267]

**Re New Hampshire Electric Cooperative, Inc.**

D-E4301, Supplemental Order No. 11,207

58 NH PUC 107

New Hampshire Public Utilities Commission

December 11, 1973

APPLICATION for authority to construct underwater electric cables; granted.

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ELECTRICITY, § 6 — Cables — Underwater.

[N.H.] An electric cooperative was allowed to replace its existing overhead transmission lines with submarine cables.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by petition filed October 25, 1973, New Hampshire Electric Cooperative, Inc. seeks a license pursuant to RSA 371:17 — 20 to install and maintain a submarine crossing under Lake Winnepesaukee in the Town of Tuftonboro; and

**Page 107**

WHEREAS, the petitioner was granted authority for the existing overhead installation under Order No. 8274 dated July 20, 1964; and

WHEREAS, petitioner proposes to replace said existing lines with a submarine crossing; and

WHEREAS, the petitioner represents that the proposed construction will cross approximately

140 feet of the Lake from Pole No. 49/841A1 on Devens Island to Pole No. 49/841A2 on Little Bear Island; and

WHEREAS, following due notice no other interested parties recorded any objections to the proposed construction and upon investigation of all the facts before the Commission, it is found that the proposed construction is necessary to meet the reasonable requirements of the public and that the license sought may be issued and exercised by the petitioner without substantially affecting the public rights and the waters crossed; it is

ORDERED, that a license be, and hereby is, granted to New Hampshire Electric Cooperative, Inc. to install and maintain an underwater cable under Lake Winnepesaukee in the Town of Tuftonboro, all in accordance with the above description which is contained on a plan on file at the office of the Commission.

By order of the Public Utilities Commission of New Hampshire this eleventh day of December, 1973.

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NH.PUC\*12/11/73\*[77268]\*58 NH PUC 108\*New England Power Company

[Go to End of 77268]

**Re New England Power Company**

D-F6580, Supplemental Order No. 11,208

58 NH PUC 108

New Hampshire Public Utilities Commission

December 11, 1973

ORDER authorizing an electric utility to issue and sell mortgage bonds at competitive bidding.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by Order No. 11,153 ([1973] 58 NH PUC 90) of this Commission, dated October 31, 1973, issued in the above entitled proceeding, New England Power Company was authorized to issue and sell for cash its First Mortgage Bonds, Series T, maturing in not more than thirty (30) years from the date thereof, and to bear such interest rate as will be determined by competitive bidding, in the amount of forty million dollars (\$40,000,000) principal amount; and

WHEREAS, New England Power Company has determined that the Bonds shall mature in 2003; and

WHEREAS, in compliance with said order, New England Power Company has secured proposals for the purchase of said Series T Bonds in a manner satisfactory to the Commission, the most favorable offer being one hundred and 963/1000 percent (100.963%) and accrued

interest for forty million dollars (\$40,000,000) principal amount of First Mortgage Bonds, Series T, bearing interest at the rate of eight and three-eighths percent (8.375%) per annum, thus establishing a cost of money to the Company of eight and 2875/10,000 percent (8.2875%) per annum to maturity; upon consideration, it is

ORDERED, that New England Power Company be, and hereby is, authorized to issue and sell for cash, its First Mortgage Bonds, Series T in the amount of forty million dollars (\$40,000,000) at a price of one hundred and 963/1000 percent (100.963%) of the principal amount, plus accrued interest

Page 108

from December 1, 1973, said Bonds to bear interest at the rate of eight and three-eighths percent (8.375%) per annum; and it is

FURTHER ORDERED, that the authorization contained herein be subject to all the terms and conditions stipulated in our original order in this proceeding.

By order of the Public Utilities Commission of New Hampshire this eleventh day of December, 1973.

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NH.PUC\*12/20/73\*[77269]\*58 NH PUC 109\*Ashland Electric Department

[Go to End of 77269]

## Re Ashland Electric Department

I-R14,033, Supplemental Order No. 11,223

58 NH PUC 109

New Hampshire Public Utilities Commission

December 20, 1973

ORDER allowing a new fuel adjustment factor to become effective.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, by virtue of Order No. 10,923, ([1973] 58 NH PUC 22) page 4A (Fuel Adjustment) and page 4B (Purchased Power Adjustment) of the Ashland Electric Department tariff were made effective March 1, 1973; and

WHEREAS, the wholesaler's case before the Federal Power Commission has now been settled; and

WHEREAS, the new factor of adjustment is 12.69 percent as compared with the 13.06 percent presently being billed; it is

ORDERED, that the new factor of adjustment i.e. 12.69 percent be, and hereby is, permitted to become effective on January 1, 1974 up to and including August 1, 1974; and it is

FURTHER ORDERED, that the Department shall proceed, without undue delay, to fold into its basic rates the adjustment factor representing the increased power cost; and it is

FURTHER ORDERED, that the provisions of Order No. 10,923, insofar as the Fuel Adjustment Clause, be and hereby are, extended, subject to further review, since this matter is still pending before the Federal Power Commission.

By order of the Public Utilities Commission of New Hampshire this twentieth day of December, 1973.

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NH.PUC\*12/20/73\*[77270]\*58 NH PUC 109\*Hudson Water Company

[Go to End of 77270]

### Re Hudson Water Company

I-R14,160, Order No. 11,224

58 NH PUC 109

New Hampshire Public Utilities Commission

December 20, 1973

APPROVAL of a special rate contract between a water company and a private citizen.

Page 109

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BY THE COMMISSION:

Order

WHEREAS, the Hudson Water Company, a utility selling water under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 5 with Frederic P. Worthen effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for water service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twentieth day of December, 1973.

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NH.PUC\*12/20/73\*[77271]\*58 NH PUC 110\*Hudson Water Company

[Go to End of 77271]

### **Re Hudson Water Company**

I-R14,161, Order No. 11,225

58 NH PUC 110

New Hampshire Public Utilities Commission

December 20, 1973

ACCEPTANCE of a special rate contract between a water company and two individuals.

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BY THE COMMISSION:

Order

WHEREAS, the Hudson Water Company, a utility selling water under the jurisdiction of this Commission, has filed with this Commission a copy of its Special Contract No. 4 with Ferd Gaukstorn and Bob Robbins, effective on the date service first taken or sixty (60) days after service first made available, whichever is earlier, for water service at rates other than those fixed by its schedule of general application; and

WHEREAS, upon investigation and consideration, this Commission is of the opinion that special circumstances exist relative thereto, which render the terms and conditions thereof just and consistent with the public interest; it is

ORDERED, that said contract may become effective as of the effective date thereof.

By order of the Public Utilities Commission of New Hampshire this twentieth day of December, 1973.

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NH.PUC\*12/21/73\*[77272]\*58 NH PUC 111\*Public Service Company of New Hampshire

[Go to End of 77272]

### **Re Public Service Company of New Hampshire**

Intervenors: New Hampshire Electric Cooperative, Inc., VOICE, New Hampshire Legal Assistance

D-R6081, Order No. 11,226

58 NH PUC 111

New Hampshire Public Utilities Commission

December 21, 1973

PETITION by an electric company for temporary rate relief; denied.

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1. APPORTIONMENT, § 10 — Capacity costs — From out of state.

[N.H.] Growth in an electric company's service area coupled with a new generating unit should provide some relief from the high costs of buying capacity from without the state. p. 113.

2. SECURITY ISSUES, § 111 — Financing methods — Long-term and permanent financing.

[N.H.] The commission encouraged an electric company to place more reliance on long-term and permanent financing than on short-term debt in order to reduce high interest costs. p. 113.

3. ACCOUNTING, § 38.1 — Investment tax credit — Rate base.

[N.H.] Investment tax credits were not deducted from rate base in order to preserve them for the company and its customers. p. 114.

4. REVENUES, § 14 — Revenue losses — From out of state.

[N.H.] A company's revenue losses in nonjurisdictional areas cannot be charged to retail customers within the jurisdiction. p. 114.

5. ACCOUNTING, § 38 — Federal income taxes.

[N.H.] The commission rejected a company's federal income tax accounting method which caused customers to pay rates based upon the cost of capital while tax reductions associated with capital were used to benefit the stockholders. p. 114.

6. RATES, § 303 — Fuel adjustment clause — Extension.

[N.H.] Despite a new generating unit that would greatly reduce a company's costs, a fuel adjustment clause was extended to account for fluctuating fuel costs during the time before which the unit became operable. p. 114.

7. RETURN, § 26.4 — Cost of common equity.

[N.H.] The commission authorized an 11 per cent rate of return on common equity. p. 115.

8. REVENUES, § 14 — Requirements — Adjustment — Nonjurisdictional revenues.

[N.H.] An adjustment was made to a company's revenue requirements to reflect wholesale for resale rates and retail rates in other states which are not subject to commission jurisdiction. p. 115.

9. RATES, § 85 — Temporary rates — Permanent relief as a factor.

[N.H.] On remand the commission granted some rate relief to an electric company and due to that decision, it denied the company's request for temporary increases. p. 116.

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APPEARANCES: Franklin Hollis and Joseph S. Ransmeier for the petitioner; Warren E. Waters and George L. Manias, special counsel to the commission for the public utilities commission; Charles T. Gallagher for New Hampshire Electric Cooperative, Inc.; Richard Cotton, of New

Hampshire Legal Assistance, for VOICE.

BY THE COMMISSION:

Report

These proceedings were initiated on July 8, 1971, when Public Service Company of New Hampshire, (hereinafter sometimes referred to as the "Company"), a public utility engaged in the business of supplying electric service primarily in the State of New Hampshire, filed ("Tariff 18") with this Commission a complete revision of its Tariff, N.H.P.U.C. No. 17 — Electric ("Tariff 17").

Pursuant to the authority vested in this Commission by RSA 378:6, on July 14, 1971, by Order No. 10,335, we suspended the proposed rate increase pending an investigation

Page 111

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and public hearings, as authorized by the provisions of RSA 378:5.

On July 21, 1971, the Company filed a "Petition for Temporary Rates" with this Commission, pursuant to the provisions of RSA 378:27.

On February 10, 1972 the Company placed its Tariff 18 in effect under a repayment bond as provided by RSA 378:6. The effective date of its Tariff 18 however was April 11, 1972, as a result of delays occasioned by a federal court action seeking an injunction, and the temporary freeze on utility rate increases imposed by Presidential Order under the federal law.

On August 8, 1972, we issued Order No. 10,679 rejecting Tariff 18 ordering that a new tariff be filed designed to produce an increase in gross revenues of \$4,334,000 and ordering that the difference between the amount set in the order and the amount collected under Tariff 18 under bond be refunded.

On August 25, 1972 the Company filed a Motion for Rehearing on Order No. 10,679. On August 31, 1972 we denied the Motion for Rehearing by Order No. 10,717.

The Company and VOICE appealed to the New Hampshire Supreme Court the decision and order of the Commission, Order No. 10,679, and from the order denying the motion for rehearing.

On December 29, 1972 the Company filed Tariff 19 requesting that rates be allowed in excess of the rate increase granted by Order No. 10,679. Pursuant to authority vested in this Commission by RSA 378:6, on January 31, 1973, by Order No. 10,867, we suspended the proposed rate increase pending an investigation.

On September 28, 1973 the New Hampshire Supreme Court vacated the orders and remanded the case to this Commission.

On October 5, 1973 and on October 11, 1973 we issued Supplemental Order No. 11,118 and Order No. 11,126 ordering the Company and all other parties to file in writing whatever evidence they deem pertinent to the case, designed to expedite a decision on the remand.

On October 5, 1973 the Company filed with the New Hampshire Supreme Court a Motion for Rehearing on the issue of temporary rates.



On October 23, 1973 the Company filed with the Commission a "Motion for Rehearing" requesting, among other things, that this Commission revoke Supplemental Order No. 11,118 and No. 11,126.

On October 26, 1973 we issued Supplemental Order No. 11,149 suspending Supplemental Order No. 11,118 and No. 11,126 pending further consideration.

On November 5, 1973 the Company filed a petition with this Commission for Temporary Rate and Other Relief.

On November 21, 1973 the New Hampshire Supreme Court denied the Company's Motion for Rehearing on the issue of temporary rates.

The decision of the New Hampshire Supreme Court of September 28, 1973, vacating Order No. 10,679 and remanding the case to this Commission, presumed "that the purposes of this remand can be accomplished on the present record, the Company reports, and such additional evidence as may be pertinent." The Court held that "this may avoid the complication and expense of a new and full-fledged rate hearing." With this procedure we agree. The entire record of the lengthy case and hearings, data submitted by the Company in their petition of November 5, 1973, annual and monthly data submitted to this Commission by the Company on a routine basis, and such further data needed by this Commission and obtained from the Company by the Commission staff and further data available to this Commission by reference to published statistics gives this Commission adequate basis for making a determination of just and reasonable rates.

In its petition of November 5, 1973 the Company submitted data for the twelve months ended July 31, 1973. We have accepted this period as being representative of current operations and we have used this period in order to expedite and to facilitate the completion of the case for the purposes for which it was remanded. We have also considered the retroactive effect of a decision now on the rates of Tariff 18 collected under bond and, accordingly, we reviewed the varying cost of capital since the effective date of Tariff 18.

The Company's operations are complex. Current forces peculiar to the Company,

Page 112

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environmental forces beyond control of the Company and forces peculiar to the area the Company serves create diverse and important changes on the financial results of the Company. Inflation, interest rates and the energy problems are some of the environmental forces which affect the Company and all of us. The relationship of demand and generating capacity illustrates the effect of the growth of the area versus management decisions and timing of construction of new operating capacity, the latter being under the control of the Company.

[1] The area served by the Company has grown steadily. This annual increment to demand has resulted in some continuing positive cost trends: (e.g. in recent years labor costs have decreased as a percentage of revenues, even while wage rates continued to climb. The absorption ratio of other semi-fixed expenses has likewise benefited from incremental demand.)

Presently, and for many months, the area growth has forced the Company to buy power from

other states as its total generating capacity became inadequate to meet demands. With demand materially in excess of generating capacity, the consumer loses as high cost power is bought from without the State and transmitted to the consumer over long distances and at great expense. The need for these power purchases will continue until May, 1974 when the 400,000 kilowatt generating plant at Newington ("Newington") becomes operational.

Newington will increase the Company's generating capacity by approximately 50% and will result in a significant change in cost factors. Older, smaller and economically marginal plants will become standby units. Expensive power purchases from without the State, along with transmission charges, will be eliminated or drastically reduced.

Since the time of the original rate proceedings in this case and since the time of our Order No. 10,679, August 8, 1972, the energy markets have become chaotic both as to price and available supply. Economic and other environmental factors prevent any one company, dependent upon certain fuels, from escaping the economic consequences resulting from these factors, although the degree and importance of these consequences will vary significantly among companies. The Company's cost of oil at the Schiller plant for the year 1972 averaged \$1.98 per barrel. By November, 1973 the cost of oil at Schiller was \$6.07 per barrel. The impact of fuel costs at the Company's generating plants and the fuel cost element of purchased power has become of such importance to the company's financial operation that further allowances must be made for this element.

Currently the market for fuel is chaotic both in this country and the rest of the world. Supply and price are not susceptible of accurate prediction in the short-term. History shows that when an important commodity is the subject of such crisis factors, probabilities are high that economic and political forces will result in some stability and some discernible trends on the commodity occurring months later.

Cost of capital and the determination of a just and reasonable rate of return was extensively examined in these lengthy proceedings. We have thoroughly reviewed the evidence and testimony in these proceedings and we have examined and reviewed later information on the actual results of the Company's operations.

[2] Since the date of our order, August 8, 1972, the Company has used financing that placed very heavy dependence on short-term money rates. At August 31, 1972 the Company had \$9,750,000 of short-term debt, representing approximately 3% of total capitalization, with a cost rate of 5.4%. At July 31, 1973 the Company had outstanding a \$25,000,000 term loan, with interest at a premium over the prime rate, and \$23,440,000 of short-term debt, representing approximately 14% of total capitalization. The cost rate on the term loan was 9.4% and the cost rate on the short-term debt was 8.2%. This heavy reliance on the short-term money markets came at a time when short-term rates soared by a substantial margin to record highs for this Country. Long-term interest rates increased in cost during this period, but neither to record levels nor proportionately to short-term rates. The Company's financing plans for the future contemplate a greater reliance on long-term and permanent financing and much less reliance on the short-term market. Record high levels

of short-term rates reached in recent months are most probably not likely to be exceeded in the intermediate future. Rather, the preponderance of the evidence indicates that interest rates will be at lower levels in future months.

[3] The issue raised in relation to the rate base on deduction of the investment tax credit was, we believe, correctly decided in the original order. We did not then and do not now propose to deduct from the rate base the investment tax credits arising under the 1971 act. We are aware that such a deduction would result in loss of the credit under the 1971 act to the Company and to the consumer. While different approaches have been used by regulatory commissions for handling the pre-1971 investment tax credit, and argument can be made for different treatments, we believe that our original holding was logical and reasonable.

The issue raised as to the proper treatment in the rate base for plant held for future use has become unimportant for the twelve months period ended July 31, 1973, since the average and end of period amounts do not vary materially. In any event, we believe that our original decision was correct both in logic and result.

[4] During the period of these proceedings, the Company has suffered from the loss of revenues that otherwise might have been collected from areas outside of the control and/or jurisdiction of this Commission. Subsequent to the original filing in these proceedings, the Company filed with the Federal Power Commission for increased rates for its resale service rates. The Company asserted that its 1971 rates were producing only a rate of 4.62% on its 1971 test year. Increased rates went into effect in January 1973, and the Company is now benefiting from these rates, but lost their benefit during some months of the twelve months period ended July 31, 1973.

During the period ended July 31, 1973 the Company had not received increased rates in Maine and Vermont. Also, the Company did not receive in this period increased rates on its unit power sales.

Because of various phases and rules of federal law some portions of rate increase, otherwise collectible by the Company, were lost to the Company.

Losses of potential increased revenue beyond the control and/or jurisdiction of this Commission cannot be charged to the retail consumer in this jurisdiction. We have considered these factors and amounts for purposes of deciding this case.

We have reviewed the Company's advertising and promotional policies. The Company has significantly changed its policies and the expenses incurred during the twelve months period ended July 31, 1973 were substantially lower under the new policies. We have considered these expenses in the light of decision by the New Hampshire Supreme Court and made adjustments in reaching our decision for these expenses incurred during this period.

[5] Beginning with the year 1971, the Company changed its accounting practice for recording federal income taxes. This change was made by the Company without seeking approval of the Federal Power Commission or this Commission. This accounting is in violation of the Uniform System of Accounts prescribed by the Federal Power Commission and we do not accept it. Since the time of the accounting change the effect has become very material.

In essence, the Company's accounting practice increases current federal income taxes

charged against utility net operating income applicable to rate base to more than the actual federal income tax liability and offsets this supposed increase by increasing other income from non-utility operations. By this practice the consumer is asked to pay rates based upon cost of capital but tax reduction applicable to a portion of the capital is credited directly to the stockholders. We do not accept this accounting for federal income taxes and we have made adjustments to correctly state the federal income tax expense chargeable to utility net operating income.

## Conclusions

### *I Fuel Adjustment Charge*

[6] The importance of this factor to the Company at this time requires that we make allowance for this charge in establishing a new level of rates. With an important new

Page 114

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generating plant, Newington, to be operational in less than six months and with the resulting material cost changes to be derived from the plant, together with the immediate unpredictability of fuel costs and availability, we allow the fuel adjustment charge, as filed with Tariff 18 and as collected under bond, to be retained by the Company, except for so much as is necessary to properly and retroactively adjust the rate of Tariff 18 to a new level of rates, and to be continued to be collected and retained by the Company until September 30, 1974.

### *II Rate Base Issues*

As heretofore discussed, no change is required for the treatment of the pre-1971 investment tax credit and the plant held for future use.

### *III Advertising and Promotional Expenses*

The expenses of a promotional nature that were incurred in the twelve months period ended July 31, 1973 have been disallowed in calculating a new level of rates.

### *IV Rate of Return*

[7] We find that the Company's cost of common equity does not exceed 11% and that a just and reasonable rate of return should be equal to a level of 11% on common equity under current operating conditions. Based on an 11% cost of common equity, we find that an overall rate of return of 7.7% is just and reasonable. We find that this allowed rate of return 7.7% should provide sufficient earnings to assure the financial integrity of the Company, and permit it to attract the necessary capital.

The average cost of capital based on an 11% cost of common equity, for the 16 months through July 31, 1973, the period Tariff 18 has been collected under bond, has been 7.4%. At July 31, 1973, approaching the peak in short-term money rates, the cost of capital was 7.9%, based upon present financing plans and our estimates of interest rates, the cost of capital at September 30, 1974 would be 7.7%.

### *V Rate Base*

We find that the rate base upon which the Company is entitled to have the opportunity to

earn a fair rate of return is \$258,918,000. This rate base differs from that submitted with the Company's petition of November 5, 1973, in that we have disallowed certain pro forma expense adjustments claimed by the Company for working capital (\$545,000 difference in working capital allowance).

### VI Revenue Requirements

[8] We find that the adjustment needed to arrive at the revenue requirements is as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Rate Base	\$ 258,918,000
Rate of Return	7.7%
Required Net Operating Income	\$ 19,937,000
Net Operating Income, submitted by Company (Petition of Nov. 5, 1973)	\$ 16,317,000
Revenue Adjustments – Net of Taxes, submitted by Company	3,752,000
Reversal of Overstatement of Federal Income Tax Expense charged to Utility Operations and Offset by Entry as Non-Operating Income	\$ 1,300,000
Promotional Advertising and Installation Charges – Net of Taxes	\$ 222,000
Net Operating Income, Earnings Level	\$ 21,591,000
Excess Net Operating Income	\$ 1,654,000

Since the wholesale for resale rates, and smaller amounts sold at retail in other states, are under other regulatory jurisdiction, we must exclude the amount of adjustment which would relate to these rates. For the twelve months period ended July 31, 1973 revenues, as adjusted to reflect the current rates being collected (adjustments submitted

### Page 115

by the Company and used in this report), indicate that 82% is subject to this Commission's jurisdiction. Accordingly, the excess net operating income to be adjusted is \$1,356,000. The revenue adjustment needed to arrive at the revenue requirements found in this report is \$2,730,000 ( $\$1,356,000 \div 49675$ ), the excess revenues collected under bond under Tariff 18 for this twelve months period. The results of the new level of rates on the twelve months period ended July 31, 1973 is as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Net Income – As Reported by the Company	\$ 11,714,000
Preferred Dividend Requirements	2,676,000
Balance for Common Stock	\$ 9,038,000
Adjustments to Restate under New Level of Rates	
Unit Power Sales	\$ 94,000
Unbilled Revenues	85,000

Tariff 18, Fuel Adjustment Charge	1,488,000	
Tariff 18, Rates in excess of Order No. 10,679	812,000	
Less Excess earnings	(1,356,000)	1,123,000
Balance for Common Stock, Restated		\$ 10,161,000
Average Common Equity		\$ 92,221,000
Restated, Rate of Return on Common Equity		11.0%

The earnings rate under the new level of rates found in this report for the twelve months period ended July 31, 1973 is as follows:

[Graphic(s) below may extend beyond size of screen or contain distortions.]

Net Income as Reported by Company		\$ 11,714,000
Preferred Dividend Requirements		2,676,000
Balance for Common Stock		\$ 9,038,000
Adjustments Net of Taxes		
Revenue Adjustments	\$ 3,752,000	
Excess Earnings under Tariff 18	(1,356,000)	
	\$ 2,396,000	
Promotional Expenses	222,000	\$ 2,618,000
New Earnings Rate		\$ 11,656,000
Rate of Return on Common Equity		12.6%

### VII *Tariff 19 Rejected*

Tariff 19 filed by the Company on December 29, 1972 is hereby rejected in accordance with the provisions of RSA 378:7.

### VIII *Petition for Temporary Rate Denied*

[9] The Petition for Temporary Rate and other Relief filed by the Company on November 5, 1973 is denied since the rate relief granted by this decision should provide sufficient earnings to assure the financial integrity of the Company.

Order

By the COMMISSION:

Upon consideration of the foregoing report, which is made a part hereof; it is

ORDERED, that the tariff N.H.P.U.C. No. 18 — Electricity (superseding tariff N.H.P.U.C. No. 17 — Electricity) as filed by Public Service Company of New Hampshire on July 8, 1971 to become effective August 9, 1971 and which was suspended by Commission Order No. 10,335 dated July 14, 1971, and which tariff N.H.P.U.C. No. 18 was made effective under the provisions of New Hampshire Revised Statutes Annotated 378:6 on April 11, 1972 by Commission Amended Fourth Supplemental Order No. 10,562, be, and hereby is, rejected; and it is

FURTHER ORDERED, that Tariff N.H.P.U.C. No. 19 — Electricity as filed by Public Service Company of New Hampshire on December 29, 1972 and which was suspended by Commission Order No. 10,867,

Page 116

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dated January 31, 1973 be, and hereby is rejected in accordance with the provisions of RSA 378:7; and it is

FURTHER ORDERED, that, in accordance with the rate change authorized by this report and order, Public Service Company of New Hampshire file a new tariff N.H.P.U.C. No. 20 — Electricity setting forth therein rates designed to produce an annual decrease in gross revenues of two million, seven hundred thirty thousand dollars (\$2,730,000) such rates reflecting a change in the present rates in the same proportion and applying to all classes as those set forth in Tariff N.H.P.U.C. No. 18 — Electricity, now being collected under bond; and it is

FURTHER ORDERED, that when said new filing has been approved by this Commission, a supplemental order will issue authorizing said tariff; and it is

FURTHER ORDERED, that the difference between the amounts collected under rates now in effect under bond and the amount authorized herein, less the amount of the rate case expense, is to be refunded to all customers with interest; and it is

FURTHER ORDERED, that the Company file with this Commission a computation of the amount to be refunded and the manner in which it proposes to make such refund, final approval of which will be included in a supplemental order; and it is

FURTHER ORDERED, that the Petition for Temporary Rate and Other Relief filed by the Company on November 5, 1973 is denied.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of December, 1973.

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NH.PUC\*12/27/73\*[77273]\*58 NH PUC 117\*Bretton Woods Telephone Company

[Go to End of 77273]

## Re Bretton Woods Telephone Company

D-E6627, Order No. 11,230

58 NH PUC 117

New Hampshire Public Utilities Commission

December 27, 1973

APPLICATION by a telephone company for an extension of its lines and service area; granted.

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SERVICE, § 209 — Extensions — Telephone — Waiver of rights.

[N.H.] Where a telephone company had released its franchise rights to a certain area, another telephone company was permitted to extend its service into that area as it would be for the public good.

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BY THE COMMISSION:

Order

WHEREAS, Bretton Woods Telephone Company, a utility operating under the jurisdiction of this Commission, by a petition filed December 10, 1973, seeks authority, pursuant to RSA 374:22, 26, as amended to further extend its lines into a limited area in the Town of Carroll; and

WHEREAS, New England Telephone and Telegraph Company has agreed to relinquish its franchise rights in this limited area; and

WHEREAS, the customers living in this limited area have no objection to the transfer of the franchise; and

WHEREAS, after investigation and consideration, this Commission is satisfied that the granting of the petition will be for the public good; it is

Page 117

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ORDERED, that permission be, and hereby is, granted to Bretton Woods Telephone Company to do business as a telephone public utility in this limited area in the Town of Carroll, said area outlined on a map on file in the office of this Commission and marked as "Exhibit A" in this case, and for that purpose to construct and maintain the necessary lines and apparatus; and it is

FURTHER ORDERED, that revised Exchange Area maps outlining the change hereby authorized be filed by both companies within sixty (60) days of the date hereof.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of December, 1973.

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NH.PUC\*12/28/73\*[77274]\*58 NH PUC 118\*New Hampshire Electric Cooperative, Inc.

[Go to End of 77274]

## Re New Hampshire Electric Cooperative, Inc.

D-F6396, Supplemental Order No. 11,232

58 NH PUC 118

New Hampshire Public Utilities Commission



December 28, 1973

ORDER authorizing an electric cooperative to borrow from the United States government.

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SECURITY ISSUES, § 111 — Financing methods — United States government loans.

[N.H.] Where there had been a change in federal laws, an electric company's authorized loan from the government was reauthorized at a higher interest rate.

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BY THE COMMISSION:

Supplemental Order

WHEREAS, our Order No. 10,870, dated February 13, 1973 ([1973] 58 NH PUC 10) authorized the New Hampshire Electric Cooperative, Inc. to issue and sell for cash, an aggregate principal amount not in excess of five million two hundred thirty thousand four hundred fifty-seven dollars (\$5,230,457) of its Mortgage Notes to the United States Government, acting through the Rural Electrification Administration, said Note, or Notes, to bear interest at the rate of two percent (2%) per annum, and to be payable not more than thirty-five (35) years from the date of issue; and

WHEREAS, as a result of changes in federal law the balance of the borrowings must be made at an interest rate of five percent (5%) per annum; and

WHEREAS, the New Hampshire Electric Cooperative, Inc. has filed data projecting the financial ability to carry and amortize a loan at the increased interest rate, and

WHEREAS, it appears that the balance of the borrowings at the new interest rate is consistent with the public interest; it is

ORDERED, that the New Hampshire Electric Cooperative, Inc. be, and hereby is, authorized to borrow the balance, two million five hundred fifty-four thousand four hundred fifty-seven dollars (\$2,554,457) at an interest rate of five percent (5%) per annum.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of December, 1973.