

Northern Utilities, Inc.
Docket No. DG 10-250
NHPUC Commission Exhibit 5
In response to the Hearing on October 20, 2010
Date of Response: October 22, 2010
Witness: Joseph F. Conneely

ORIGINAL
N.H.P.U.C. Case No. DG 10-250
Exhibit No. # 5
Witness
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Request:

October 20, 2010 Hearing information request regarding Northern's remaining environmental response remediation requirements and costs.

What work remains to be done and what is the expected time frame for completing that work?

What are the estimated total costs for that work?

What ERC costs does Northern expect to incur for the period June 2010 to July 2011?

Response:

Northern has two projects remaining at its former Exeter MGP site:

The Storm Water Outfall

An oily, tar-like material was observed on the surface of the Squamscott River in the area of the drainage system outfall. It was determined to originate from the former Exeter MGP site and is suspected to have entered the drainage system through cracks which were detected and sealed as part of the site decommissioning. Temporary remediation measures designed in concert with the University of New Hampshire and approved as a temporary measure by both the Town of Exeter and the NHDES were completed. The temporary measure consisted of specially designed mats that prevent the undesirable materials from rising to the surface.

As the Squamscott River is a navigational waterway, it falls under the jurisdiction of the Army Corps of Engineers (COE). There are four long term remedies presently under consideration by the COE, Town of Exeter, NHDES and Northern:

- 1, Expand the area covered by the mats. This is the least intrusive for this sensitive area and the least expensive. It would cost \$164,000 to install and have annual maintenance costs of \$10,500 for 10 years.
- 2, Combine the expansion of mats described above with an impermeable cap. This would cost \$285,000 to install and have annual maintenance costs of \$13,000 for 10 years.
- 3, Solidify of the substance. This would be a permanent remedy but does not remove the material, just immobilizes it. It also is a very intrusive project and could only be done during the COE

mandated winter months. The cost would be \$640,000 initially and have annual maintenance costs of \$2,000 for 10 years.

- 4, Remove the material by dredging. This also is very intrusive and the most expensive option. The cost would be \$1,250,000.

The Sewer Relocation

A housing complex was built on land formerly occupied by the former Exeter MPG Site on Water Street in Exeter. A sanitary sewer line traversed the area to reach a pumping station behind the complex and lies beneath the complex. The Town of Exeter Department of Public Works (DPW) has applied for government stimulus money to relocate this sewer line. The relocation project will involve constructing a new sewer line around the perimeter of the building and abandoning the existing line in place. The excavations for this project will take place in areas where the Exeter MPG site materials are known to exist.

Additionally, in anticipation of future sewer work in the Water Street area, if this project is commenced by the DPW, Northern intends to remove the Exeter MPG site materials from near the sewer line in that portion of Water Street adjacent to the complex at the same time so as not to have to remobilize to do it later. The anticipated costs of these remedial actions is \$200,000- \$250,000.

Northern is engaged in extensive discussions with the DPW as to what responsibilities Northern will assume so as to limit Northern's costs. Neither portion of this project will be done unless, and until, the DPW receives this government stimulus money.

Northern also has one on-going phytoremediation program at its Rochester MGP site. The final phase of the phytoremediation project will be completed by year end 2010. Minor vegetation replacement will be needed in spring 2011 and a comprehensive study of the effect transpiration has on the underlying hydrology will be conducted in 2011. This phytoremediation project is expected to cost between \$20,000 and \$30,000. If the comprehensive vegetation study results are favorable, it will most likely produce costs of about \$6,000 per year for five to seven years to ensure the vegetation stands are established. If the results of this study are unfavorable, additional work may be needed to alter the underlying groundwater transmissivity. Past experiences with this type of site remediation suggests costs of less than \$20,000.

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As Northern's remaining remediation projects require collaboration with outside agencies to determine the appropriate remediation approaches, Northern is unable at this time to give definitive time tables for completing its ERC remediation operations or more precise cost estimates other than those outlined above. Although Northern is unable to predict with certainty its total environmental remediation costs for the period June 2010 to July 2011, Northern wishes to note that it has incurred approximately \$75, 000 since June 1, 2010 for environmental remediation.

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