

Public Service Company of New Hampshire d/b/a Eversource Energy
Docket No. DE 21-117

Date Request Received: January 14, 2022
Data Request No. RR-001

Date of Response: January 18, 2022
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Request from: Public Utilities Commission

Witness: Erica Menard

Request:

Provide a breakdown of ongoing environmental remediation activities included in the environmental remediation adder.

Response:

Please refer to Exhibit 8 in Docket No. DE 20-095 for a complete list of the sites and costs that make up the estimated environmental remediation obligation as of January 31, 2021.

Exhibit 6, at 1-3, provides a detail of changes to the ongoing environmental remediation obligation for the Keene, Franklin and Coakley Landfill sites.

Exhibit 6, at 4-6, provides a narrative description explaining the reasons for the changes to the environmental remediation obligation estimates.

RS #11 - KEENE FORMER MGP
EFFECTIVE COST PERIOD: Q2 2021 - Q4 2050

TASK	ESTIMATED COST/ESTABLISHED RESERVE	DESCRIPTION
GROUNDWATER MANAGEMENT PERMIT (GMP) COMPLIANCE TASKS (A1 and A2)		
Post Remediation Permit / GMP Compliance GW Monitoring and Reporting / DNAPL Monitoring / Post Remediation Performance Inspections	\$ 566,053.75	Based upon the latest GMP approved in an email from NHDES in April 2021 (valid for 5 years), an updated cost estimate has been prepared in Q2 2021 by the consultant. As confirmed with Eversource Accounting and Remediation Management, a 30-year estimate (Q1 2021 - Q4 2050) for monitoring/reporting (\$518,591.25), and 10-year cost estimates (Q1 2021 - Q4 2030) for DNAPL monitoring (\$27,812.50) and post-remediation performance inspections (\$19,650) are included.
<i>Subtotal</i>	\$ 566,053.75	
OTHER PROJECT TASKS		
Decommissioning of Existing Monitoring Wells (when applicable) (B)	\$ 8,394.00	Based upon consultant's estimate developed using contractor unit cost.
NHDES Cost Recovery (C)	\$ 11,848.28	Internal estimate developed based upon NHDES Cost Recovery payments incurred from 2017 - 2020 and calculated over 10 years (Q1 2021 - Q4 2030).
<i>Subtotal</i>	\$ 20,242.28	
EVERSOURCE ENERGY		
Eversource Labor and Mileage: GMP Compliance Work / DNAPL Monitoring / Post Remediation Performance Inspections	\$ 29,314.80	Internal labor, mileage and allocations @ 5% overall estimate.
<i>Subtotal</i>	\$ 29,314.80	
CONTINGENCY and TAX		
Contingency	\$ -	Not included.
Tax	\$ -	Not included.
<i>Subtotal</i>	\$ -	

ESTIMATED TOTAL \$ 615,610.83 Lead Sheet Spend Remaining

Current Reserve at March 31, 2021 \$ 1,002,606.73

Increase (Decrease) **\$ (386,995.90)**

A1 = Weston & Sampson's April 2021 Cost Estimates for GMP Groundwater Monitoring and Reporting (30 years, no inflation)

A2 = Weston & Sampson's April 2021 Cost Estimate for GMP DNAPL Monitoring and Removal and Post Remediation Performance Inspection (10 years, no inflation)

B = Weston & Sampson's April 2021 Cost Estimate for Monitoring Well Decommissioning

C = Eversource's April 2021 Internal Cost Estimate for NHDES Cost Recovery over 10 years

RS #16 - FRANKLIN MGP SITE

EFFECTIVE COST PERIOD: July 2021 and forward

TASK	ESTIMATED COST/ESTABLISHED RESERVE	DESCRIPTION
<i>Response Letters to NHDES (A)</i>		
Naphthalene at Monitoring Well NB-112	\$ 2,000.00	1 letter report
Proposed ISCO	\$ 1,500.00	1 letter report
Subtotal:	\$ 3,500.00	
<i>Groundwater Monitoring and Reporting - 30 Years (A)</i>		
Labor & Expense	\$ 109,500.00	2 events per year for 30 years
Groundwater Sampling Equipment	\$ 34,200.00	Rental fees, etc. for 30 years
Laboratory Analysis	\$ 144,900.00	7 monitoring wells per event; 2 events per year for 30 years
Groundwater Data Submittal	\$ 90,000.00	Two submittals per year for 30 years
Annual Report	\$ 75,000.00	One submittal per year for 30 years
Subtotal:	\$ 453,600.00	
<i>NHDES GMP Renewal (A)</i>		
Labor & Expenses	\$ 12,000.00	1 permit renewal every 5 years for 30 years
NHDES Application Fee	\$ 12,000.00	Every 5 years for 30 years
NHDES Review Fee	\$ 2,400.00	Estimate (exact cost determined by NHDES based on time spent)
Subtotal:	\$ 26,400.00	
<i>Source Area Additional Assessment (A)</i>		
Labor & Expenses	\$ 4,785.00	
Travel Expense & Per Diem	\$ 978.00	
Direct Push Subcontractor	\$ 7,820.00	
Laboratory Analysis	\$ 3,450.00	
Subtotal:	\$ 17,033.00	
<i>Miscellaneous</i>		
Mileage & Payroll	\$ 38,203.05	
Contingency	\$ 10,010.66	2% of Consultants Detailed Fee Estimate (inflation)
Subtotal:	\$ 48,213.71	
ESTIMATED TOTAL	\$ 548,746.71	
Current Reserve at July 31, 2021	\$ 664,717.06	
Increase (Decrease)	\$ (115,970.35)	

(A) Lightship Engineering Detailed Fee Estimate dated

RS #18 - COAKLEY LANDFILL SUPERFUND SITE

EFFECTIVE COST PERIOD: October 2021 thru future

TASK	ESTIMATED COST/ESTABLISHED RESERVE	DESCRIPTION
<i>Site Cleanup</i>		

Operable Unit-1 (OU-1) Cash Flow Projections (A)	\$ 188,668.58	Updated cost projections for 2021 (July-Dec) thru 2042 provided by Foley Hoag LLP on 11-1-2021.
Operable Unit-2 (OU-2) Cash Flow Projections (A)	\$ 146,609.48	Updated cost projections for 2021 (July-Dec) thru 2042 provided by Foley Hoag LLP on 11-1-2021.
Internal Payroll	\$ 5,100.00	Labor estimate over the next 3 years
<i>Subtotal:</i>	<i>\$ 340,378.06</i>	

ESTIMATED TOTAL	\$ 340,378.06
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Current Reserve at September 30, 2021	\$ 322,941.45
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Increase (Decrease)	\$ 17,436.61
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(A) Updated cost projections for 2021 (July-Dec) thru 2042 provided by Foley Hoag LLP on 11-1-2021.

1. Q2 Reserve Spend Decrease – Remediation Site #11 – Keene Former MGP (PSNH)

In early March 2021, the Groundwater Management Permit (“GMP”) Renewal Application (valid for the next 5 years) for the Keene Former Manufactured Gas Plant (“MGP”) site was submitted to New Hampshire Department of Environmental Services (“NHDES”). Based upon review of historical monitoring results within the Groundwater Management Zone, modifications to the sampling plan were proposed. These modifications included a reduction in frequency from semi-annual sampling to annual sampling, elimination of two wells, and the addition of one well.

Later in March 2021, NHDES provided an email response (triggering event) indicating the renewed permit would include modifications. These modifications included the proposed plan for annual sampling during October of eight wells within the Groundwater Management Zone for analysis of VOCs and PAHs), biennial sampling during October of one well for analysis of VOCs and PAHs, and the elimination of semi-annual data submittals with the only required submittal to include an annual summary report during December which covers all monitoring activities completed during that year. NHDES also maintained the requirements for semi-annual gauging of wells during April and October and removal of NAPL from two wells when detected, and continuation of annual post-remedial performance monitoring.

Based on these modifications to the permit, the Company’s consultant provided a new cost estimate for the next 5 years; providing a 5-year estimate is consistent with past practice for this site. The cost estimate for this 5-year permit was then used to update and recalculate the site's 30-year cost estimate (2021-2050) for groundwater monitoring and reporting, and to establish a budget for 10 years (2021-2030) of continued tar monitoring and post remediation performance inspections of Mill Creek, 10 years of NHDES cost recovery charges (reduced from 30 years), and Eversource overheads at 5 percent of the overall estimate (reduced from 30 years). These estimates do not account for inflation. Accordingly, a reserve decrease was recommended in the amount of \$386,995.90 and recorded in April 2021.

2. Q3 Reserve Spend Decrease – Remediation Site #16 – Franklin Former MGP (PSNH)

On March 24, 2019, an *in-situ* chemical oxidation (“ISCO”) Pilot Test Summary and Modified Work Plan were submitted to the NHDES for review. As a result of the PFAS detected in groundwater, not associated with the former MGP, the NHDES requested an assessment of impacts of ISCO on PFAS, if any. In response to this request, Eversource completed two bench scale treatability studies to assess: the impacts of ISCO on PFAS in groundwater; and the effects of the ISCO Pilot Test on the constituents of concern on site. Overall, the results of the Phase I & II ISCO Bench Scale Treatability Studies and ISCO Pilot Test concluded that concentrations of PFAS decreased within the treatment area after the Pilot Test with select exceptions. Based upon favorable results from the Phase I and II Treatability Studies, the implementation of full-scale ISCO remediation was expected to have similar results.

On August 11, 2021, a letter was received from the NHDES (triggering event) in response to the previously submitted Pilot Test Summary and Modified Work Plan. In the letter NHDES provided a summary of assessment activities performed by Nobis Group at the former Ciao Pasta Site (NHDES Site #201704004; 194-202 Central Street) located southeast of the Franklin MGP Site. Naphthalene was

detected in the samples collected from two wells at the former Ciao Pasta Site, including a concentration exceeding the Ambient Groundwater Quality Standard (“AGQS”) in the sample from monitoring well NB-112S. The NHDES suggested that Naphthalene at these wells may be associated with waste residuals from the Franklin MGP Site. As such, the NHDES has requested that Eversource’s consultant assess the potential for MGP waste-impacted groundwater to have migrated southeast and offsite.

Upon review of the ISCO pilot test summary reports, NHDES did not object to its full-scale implementation, provided:

- The remedy shall not cause an increase in concentrations of PFAS or the occurrence of PFAS in groundwater at concentrations exceeding applicable AGQS at locations where it is not already occurring.
- The remedy shall not cause the discharge of PFAS to surface water at locations where it is not already occurring; and
- A Remedial Action Contingency Plan (“RACP”) shall be prepared that outlines a network of groundwater monitoring wells and surface water monitoring locations that will be sampled for PFAS for a period following implementation of the ISCO remedy.

Given the conditions required by the NHDES, the decision was made to no longer pursue the proposed *in situ* chemical oxidation to remediate groundwater on site. As a result, continued groundwater monitoring pursuant to the existing site GMP will be performed until an alternative remedy is identified.

The Company requested that its consultant provide an updated, detailed cost estimate for 30-years of site groundwater monitoring under the existing GMP. Included are tasks for groundwater monitoring and reporting, analytical laboratory expenses, periodic renewals of the NHDES GMP and additional site assessment activities requested by the NHDES in connection with the former Ciao Pasta site. The cost estimate for these tasks is \$500,533. Additional cost estimates for internal labor, mileage and a contingency resulted in a total 30-year cost estimate of \$548,746.71. The present reserve budget based upon the August 31, 2021 reserve balance equals \$664,717.06. As a result, with the removal of the ISCO remediation task and an update of the projected 30-year groundwater monitoring costs, a reserve budget decrease of \$115,970.35 was recommended and recorded in August 2021.

3. Q4 Reserve Spend Increase – Remediation Site #18 – Coakley Landfill (PSNH)

The Coakley Landfill Superfund Site received industrial and incinerator wastes from 1972 through 1985. PSNH’s waste originated from the Newington, Schiller, and Daniel Street stations, the Portsmouth, Rochester, and Seacoast Division offices, and the Seabrook Education Center. PSNH is part of a Potentially Responsible Party (“PRP”) group referred to as the “Generator Group.” PSNH’s allocated contribution share is 2.0399% of the site liability for operable unit (“OU”) 1 (OU-1) and 3.3898% for OU-2. OU-1 (source control) provided for the remediation of the source of contamination at the landfill and OU-2 (management of migration) addresses groundwater contamination which has migrated from the landfill.

On November 1, 2021, Foley Hoag LLP provided revised future budget projections. Using 2021 present dollars, the estimate for remaining OU-1 costs from 2021 (July-Dec) to 2042 is \$9,248,913. PSNH’s share of OU-1 costs is \$188,668.58. The budget projection estimates for

future OU-2 costs from 2021 (July-Dec) to 2042 is \$4,324,891. PSNH's share of OU-2 costs is \$146,609.48. PSNH's estimated total costs thru 2042 for OU-1 and OU-2 equals \$335,278.06. With a current reserve site balance of \$322,941.45 as of the September 30, 2021, a reserve increase of \$12,336.61 (\$335,278.06 - \$322,941.45) is required to meet future cost projections detailed above. An additional \$5,100 is also recommended for internal labor (legal and environmental) costs over the next three (3) years, thus a total reserve increase of \$17,436.61 was requested and recorded in November 2021.