

November 28, 2012

Page 1 of 2

7 p.m. - Selectmen's Meeting Room

Re: Proposed Rate Increase for Aquarion Water Company

Gentlemen:

With regard to the proposed rate increase -

Consumers in Hampton are very fortunate to have an excellent private company which provides a safe water supply in compliance with state & federal regulations. As a Town, a "non-profit", we are continually in arrears regarding infrastructure improvements and struggle each year to provide adequate sewer, drainage, and road construction.

Since their purchase of Hampton Water Works in 2002, this Company has invested in major improvements to the system including: replacing the 1950's degraded water line on Little River Rd; replacing the water storage tank on Mill Rd with a larger capacity tank which provides increased fire suppression capability; invested 1.5 million replacing the water lines at Hampton Beach - the highest fire risk area of town; and per the Major Capital Projects list attached, spent \$5,238,523 in the three towns for years 2008 to 2011. Any water volume from our hydrants related to fire suppression is not metered to Hampton, and all property owners with access to hydrants pay reduced premiums on their property insurance. The "A" Street fire alone was metered at about ~~one~~^{two} million gallons. As former Hampton Moderator John Walker frequently observed "no free lunch".

I have served in a volunteer capacity on the Hampton Water Works Advisory Council, and serve currently on the Aquarion Customer Advisory Council along with other volunteers from Hampton, North Hampton and Rye. We have the opportunity to make suggestions, ask questions, view the physical premises including equipment monitoring the wells and interact with Mr. McMorran and his outstanding staff.

None of us who serve in this unofficial advisory capacity are compensated in any way. We pay our water bills like everyone else.

Unfortunately in recent years, as consumers we are paying more for home heating oil, gas, food, utilities, etc. Why should we expect that our water costs would remain the same? If Aquarion was just "treading water" and not investing in improvements that would be a different circumstance. They have also worked successfully to encourage consumer and student awareness of the need for water conservation – should they be punished for that? I no longer water my lawn, and have installed water efficient shower and toilet facilities in my home substantially lowering my annual use.

This same Board of Selectmen, which is challenging the validity of the proposed rate increase, is presiding over a crumbling infrastructure of roads, sewers and drainage, with inadequate staffing of our emergency service departments. I am grateful every day that a private company, which has been responsible and responsive, is providing us with a clean, reliable water supply.

Aquarion's management team used good business judgment this year in refinancing to lower the interest on their \$4 million outstanding debt, while acquiring an additional \$1 million at the same low rate to continue improvements to the system. Infrastructure needs (construction and reconstruction) will never go away. This Company is in business to provide a service and gain a profit. As a taxpayer I rely on you to determine what rate percentages are valid to protect all of our interests, and I do not oppose a rate increase if you judge it to be appropriate.

Mary-Louise Woolsey



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