

Stewards of the Environment

May 23, 2018

Debra A. Howland Executive Director and Secretary New Hampshire Public Utilities Commission 21 S. Fruit Street, Suite 10 Concord, NH 03301

RE: Docket No. DW 17-154, Aquarion Water Company of New Hampshire, Inc. 2018 Water Infrastructure and Conservation Adjustment (WICA) Project Update

Dear Ms. Howland:

This letter is to inform the New Hampshire Public Utilities Commission ("Commission"), Office of the Consumer Advocate, the Towns of Hampton, North Hampton, and Rye, and the North Hampton Water Commission that a different main replacement project will be performed than was proposed and approved in Docket No. DW 17-154. An original and six copies of this letter as well as an electronic copy are being provided to the Commission.

Update to WICA Project Schedule for 2018

In Order No. 26,094, the Commission approved Aquarion Water Company of New Hampshire's ("Aquarion" or "Company") 2018 projects and budgets as reasonable and necessary. As stated in the Company's WICA tariff:

"Project Changes: If, after the Company has received Commission approval for Year 1 projects, because of changed circumstances or significant new information the Company plans to undertake projects in Year 1 that were not included on the list of approved WICA projects for that year or it has decided not to proceed with one or more projects that were included on the Commission-approved list, it shall promptly notify the Commission and all parties to the proceeding in which the list of WICA projects was approved that the Company plans to add to or delete projects and the reason for the proposed changes."

In a letter dated December 13, 2017, the Company informed the Commission that it would be adjusting projects in Docket No. DW 17-154, specifically, that it would be delaying its Hampton River crossing and that it would move its Mill Road main replacement project up from 2019 to 2018. Since that letter, events have developed which warrant the Company changing its proposed projects further. Specifically, the Company plans to postpone main replacements on Sixth, Seventh, Ninth, and Tenth Streets in Hampton in order to expand the Mill Road main replacement project and take advantage of cost savings. These projects were reflected in the Company's initial filing in DW 17-154 in the Testimony of Carl McMorran, Attachment CM-1, page 3 of 9.



The Mill Road project will involve replacing 4,200 feet of 8" asbestos cement water main with a new 12-inch water main at an estimated cost of approximately \$1,049,694. As the Commission is aware, Aquarion deemed this project a priority based on main break history and the need to increase hydraulic capacity within the area of the water system. In addition, moving the Mill Road project from 2019 to 2018 will allow the Company to complete the work prior to NHDOT paving the roadway. This move will result in significant savings to Aquarion and its customers. The coordination with NHDOT allows for the work to be completed with only trench paving. If the project were to be installed after the NHDOT paved the roadway, the project would need to include full restoration of the roadway (curb to curb) at an additional cost of \$200,000 to \$300,000, depending on the requirements from the NHDOT for the related road restoration. Pursuant to Pages 16 through 18-A of its tariff, Aquarion will provide an accounting of the linear feet replaced and costs of its 2018 projects in its 2018 WICA filing.

Please let me know if you have any questions. I can be reached at (203) 337-5990.

Sincerely,

Joshua Unger

Senior Regulatory Compliance Specialist

CC: DW 17-154 Docket-Related Service List (electronic copy only) Henry Fuller, North Hampton Water Commission (mailed copy)