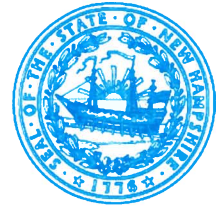




The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

October 25, 2019

NHPUC 30OCT'19AM10:59

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

**Re: DW-19-147 Hampstead Area Water Company Southern New Hampshire
Regional Water Project**

Dear Ms. Howland:

The New Hampshire Department of Environmental Services (NHDES) is writing this letter of support for the Hampstead Area Water Company's (HAWC) Petition for approval of financing for costs directly related to and necessitated by the Southern New Hampshire Regional Water Project.

The Southern New Hampshire Regional Water Project (SNHRWP) seeks to use Manchester Water Works as a supplemental source of supply for water systems serving the Towns of Windham, Salem, Atkinson, Hampstead and Plaistow. HAWC water users and rate payers will realize the following benefits as a result of the additional supply capacity provided by the SNHRWP.

1. Increased reliability of water supply. Some existing wells are experiencing declining yields.
2. Improved water quality by allowing HAWC to prioritize higher quality wells. Some wells have experienced increasing concentrations of regulated contaminants such as arsenic, radium, and alpha particles. HAWC will be able to serve a safer product to customers by taking their lowest quality wells offline and blending in regional water.
3. Reduction in system complexity by allowing HAWC to take up to ten of its existing 19 wells offline.
4. Ability to expand to address contamination and/or loss of water in private wells.

HAWC's participation in the SNHRWP is critical because the regional water supply must be wheeled through the HAWC water system in order to serve the Town of Plaistow. The Town of Plaistow has no alternative source of water supply.

Please note that the New Hampshire Drinking Water and Ground Water Trust Fund (the Trust Fund) is providing a grant for HAWC's construction costs necessitated by and solely related to the SNHRWP. In addition, costs HAWC will incur as a result of the SNHRWP, including but not limited to, operation and maintenance, bulk water purchase and tax liabilities will be offset in part by wholesale water sales to the Town of Plaistow. In view of the foregoing, NHDES believes that

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Debra A. Howland
October 25, 2019
Page 2

HAWC's Petition is in the best interests of its customers as it will enable the company to continue to provide safe and reliable service at just and reasonable rates, and to play a critical role in the SNHRWP.

In summary, NHDES supports HAWC's request for financing for costs directly related to and necessitated by the Southern New Hampshire Regional Water Project.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert R. Scott". The signature is written in a cursive style with a large, sweeping flourish at the end.

Robert R. Scott

cc: Charlie Lanza, General Manager, HAWC