

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DW 20-____

**Petition of Pennichuck East Utility, Inc. for Approval of Financings
From CoBank, ACB and Refinancing of Intercompany Loans**

DIRECT PREFILED TESTIMONY OF JOHN J. BOISVERT

May 22, 2020

1 **Professional and Educational Background**

2 **Q. What is your name and what is your position with Pennichuck East Utility, Inc.?**

3 A. My name is John J. Boisvert. I am the Chief Engineer of Pennichuck Water Works,
4 Inc. (“PWW”), which provides services to PEU, Inc. (“PEU” or the “Company”)
5 pursuant to a management allocation agreement. I have worked for PWW since
6 February 1, 2006. I am a licensed professional engineer in New Hampshire and
7 Maine.

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9 **Q. Please describe your educational background.**

10 A. I have a Bachelor of Science degree and a Master of Science degree in Civil
11 Engineering from the University of New Hampshire in Durham, New Hampshire. I
12 also have a Master’s degree in Environmental Law and Policy from Vermont Law
13 School in South Royalton, Vermont.

14
15 **Q. Please describe your professional background.**

16 A. Prior to joining PWW, I served as a Team Leader for Weston & Sampson Engineers
17 of Portsmouth, New Hampshire in their Water Practices Group from 2000 to 2006.
18 Prior to Weston & Sampson, I was employed by the Layne Christensen Company of
19 Shawnee Mission, Kansas as Regional Manager for their Geosciences Division in
20 Dracut, Massachusetts from 1994 to 2000. I completed graduate school in 1992 and
21 was employed by Hoyle, Tanner, & Associates of Manchester, New Hampshire as a
22 Project Engineer from 1992 to 1994. Prior to entering full time graduate programs at
23 the University of New Hampshire and Vermont Law School, I was employed by Civil

1 Consultants of South Berwick, Maine as a Project Engineer from 1986 to 1989 and by
2 Underwood Engineers of Portsmouth, New Hampshire as a project Engineer from
3 1985 to 1986.

4

5 **Q. What are your responsibilities as Chief Engineer?**

6 A. As Chief Engineer, I am responsible for the planning, design, permitting,
7 construction, and startup of major capital projects, including pipelines,
8 reservoirs/dams, building structures, pumping facilities, treatment facilities, and
9 groundwater supplies. I oversee the Company's Asset Management program and
10 provide regular technical assistance to PWW's Water Supply Department, Operations
11 Department, Customer Service Department, and Senior Management.

12

13 **Q. What is the purpose of your testimony?**

14 A. I will be describing the capital expenditures of \$803,275 completed in 2019 that the
15 Company is seeking to refinance with CoBank. These expenditures for 2019 cover
16 project costs not fully funded by the New Hampshire State Revolving Fund (SRF) or
17 the New Hampshire Drinking Water and Groundwater Trust Fund (DWGTF) and
18 capital expenditures for maintenance capital items described in the Company's
19 Qualified Capital Project Adjustment Charge (QCPAC) filing DW 20-019.

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21 **Q. What is the value of capital expenditures during the period between January 1,**
22 **2019 and December 31, 2019 the Company completed and placed into service as**

1 **“used and useful” to its distribution, storage, treatment, and supply facilities, for**
2 **which the Company requests term financing through CoBank?**

3 A. The Company made and reported capital investments totaling \$1,769,527 in 2019.
4 Four major projects described in the table below with total expenditures of
5 \$1,406,072 received SRF loans totaling \$1,050,006. None of the work completed in
6 2019 on the PEU-PWW Interconnection project used DWGTF grant funds. The
7 DWGTF grant was fully expended on work completed in 2018. The remainder of the
8 expenditures associated with those four projects not covered by the SRF loans or the
9 DWGTF grant totaled \$356,066. The Company is seeking to finance this amount
10 through CoBank.

Project	Workorder No	Total Expenditure	SRF Loan Amount	DWGTF Grant Amount	Remainder CoBank Requested Amount
PEU-PWW Interconnection	1900424 1900434 1908514	\$59,691	\$0	\$0	\$59,691
Locke Lake Water Main (Georgetown, Bradford, N.Barnstead, & Belmont)	1917479 1901644 1901645 1901646 1901647	\$1,050,006	\$1,050,006	N.A.	\$0
Rolling Hills Water Main	1825265 1901649 1918198	\$188,089	N.A.	N.A.	\$188,089
Weinstein/Dame Station Upgrades	1506139 1603114 1703756 1813249 1907079	\$108,286	N.A.	N.A.	\$108,286
Totals		\$1,406,072	\$1,050,006	\$0	\$356,066

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2 **Q. The major capital expenditures identified above account for \$356,066 of the total**
3 **CoBank request of \$803,275. Could you please describe the projects for which**
4 **the remaining \$446,209 CoBank request will be applied to?**

5 **A.** Yes. The projects associated with the remaining \$447,209 are generally associated
6 with maintenance capital projects or items/equipment. Maintenance capital
7 expenditures are typically for the replacement of equipment assets (pumps, controls,
8 meters) and the replacement or upgrade of existing assets (distribution valves,
9 hydrants, and services) as well as tools and equipment to properly operate and
10 maintain Company water systems. These expenditures include investments in new
11 customer growth required by tariff for assets owned by the Company including new
12 customer meters and new single-family customer services (main to stop section). The
13 specific expenditures are detailed as follows:

14 • Small Booster Pump, Well Pump, and Chemical Feed Pump Replacement
15 (Total: \$84,137) – This expenditures a for “run rate” replacement of failed or
16 worn booster, well or chemical feed pumps throughout 2019.

17 • Misc. SCADA and Electrical Upgrades in booster stations (\$12,212)

18 This work included:

19 ○ Three variable frequency drive (VFD) replacements for pumps at the
20 Liberty Tree, Forest Ridge, and Spruce Pond community water
21 systems in Raymond, Exeter, and Windham, NH respectively
22 (\$5,609).

- 1 ○ Generator SCADA controls/integration at the Hardwood community
- 2 water system in Windham, NH (\$2,115).
- 3 ○ Added remote communications equipment at the Forest Ridge
- 4 community water system in Exeter, NH to communicate with the main
- 5 treatment facility in Nashua, NH. (\$4,488)
- 6 • Services (\$14,560) – Four services for single family owner-built homes were
- 7 added.
- 8 • Renewed Services (\$34,824) – Eight new services to replace existing failed
- 9 services.
- 10 • Hydrant Replacement (\$9,911) – Replaced three non-functioning hydrants.
- 11 • New meters (\$72,651) – 650 installed or replaced new meters for new
- 12 customers and replacement meters.
- 13 • New and replaced radio reads (\$22,291) – 222 new radio reads for new meters
- 14 and failed existing radios.
- 15 • Valve installation (\$33,630) – Replaced five non-functioning gate valves.
- 16 • Investment in Developer Installed Services (\$37,724) – One times annual
- 17 revenue investment per tariff (main extensions).

18 **Q. Does this complete your testimony?**

19 A. Yes.

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