

Stephen P. St. Cyr & Associates

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August 27, 2020

Debra A. Howland
Executive Director and Secretary
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, N. H. 03301-2429

Re: Abenaki Water Company – White Rock
Petition to Approve NH DWSRF financing for White Rock Improvements
CHANGE IN SCOPE

Dear Ms. Howland:

In accordance with the “Temporary Changes in Filing Requirements” dated March 17, 2020 enclosed please find Abenaki Water Company’s (“AWC” or “Company”) revised financing schedules to support the change in scope of the White Rock (“WR”) Improvements. The change reduces the original financing request from \$400,000 to \$125,000. The change is due to delaying the search for a new source of supply.

After further review, the 3 existing wells have been able to sustain demand throughout the peak season and during this year’s summer drought. AWC has spoken with NHDES and they agree that as long as AWC WR is able to sustain demand, then source exploration may not be necessary at this time. Should this become an issue in the future, then further exploration may need to be addressed. The NHDES continues to support this project and has assured the Company that SRF at the previously provided terms and conditions (except for the lower amount) will continue to be available for the project.

The lining of the tanks (\$50,000) and the addition of the distribution valves (\$45,000) continue to be needed. AWC has added a \$5,000 contingency amount to each item to make sure that there are adequate funds to complete the items. AWC has also added \$30,000, including a \$5,000 contingency to replace 2 pressure reducing valves (“PRVs”). AWC performed a study of the system PRVs in July and August 2020. The findings of the study indicated that 2 PRVs located in the higher elevations of the system were not operational. As a result of the faulty PRVs, there are locations within the system that have pressures up to 120 psi. The replacement of the 2 PRVs will relieve high pressure presently being experienced. The high pressures put undue stress onto the already fragile distribution system. See attached 8/14/20 PRV Test report.

The Company believes that taking incremental steps, which improves the system and reduces the risk of emergency water outages, as long as demand is sustained, is in the best interest of the customers and the Company.

The reduction in the scope of the project will result in a significant reduction in the proposed increase (not yet filed) in rates and avoid an even higher rate increase.

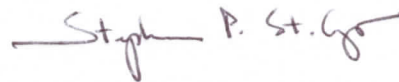
Please note that the Company has reviewed its responses to Staff data requests – sets 1 & 2. All of the responses are still appropriate, except that now certain responses (1-5, 1-6, 1-9 & 1-15a and 2-3 & 2-5) pertaining to the source of supply are no longer applicable.

As a reminder, it is important that this project be constructed this construction season and not be delayed until next year. The Company and its customers do not want to run the risk of another break resulting in no water for customers and thousands of more dollars needing to be spent.

As such, the Company respectfully requests that the NHPUC approve the SRF financing request of \$125,000 and find that the request is in the public good and that the terms and conditions are fair and reasonable.

If you, the Staff and/or the Commissioners have any questions or comments, or need additional information, please contact me directly at 207-423-0215.

Sincerely,

A handwritten signature in dark ink, appearing to read "Stephen P. St. Cyr". The signature is written in a cursive style with a horizontal line under the first name.

Stephen P. St. Cyr

Cc: Nick A. LaChance