

10/30/20

ORDER OF NOTICE

On or before June 30, 2020, and no later than the 30th day of every month following, until otherwise ordered by the Commission, each Utility shall file written responses and updates in subsequent months to the following requests for information. The responses should be current as of the end of the month immediately preceding. Additionally, these responses will be submitted regardless of whether the Utility has previously provided written responses to similar requests from Commission Staff.³

- 1) Provide information regarding changes in payment behavior or patterns and account receivables levels since the declaration of the State of Emergency on March 13 and the Governor's Emergency Order #3 issued on March 17. Such information should be provided for each utility rate class.
 - Receivable balances for September 2020 are lower than the same months in 2019, 2018 and 2017.
 - 94% of our customers are residential customers. The remaining 6% are split among several other classes (commercial, industrial, churches, campgrounds, municipal, etc) which are too small to give relevant comparisons.
 - As of 9/30/20 the number of customers who would be on the disconnect list is greater to the levels prior to the pandemic.

- 2) Provide the following data for each utility rate class:
 - The number, and percentage, of customers who made partial or no payment in September of 2019 and 2020.
 - September 2019 – 1,350 accounts with no payments (35%)
 - September 2020 – 1,327 accounts with no payments (33%)
 - Our software system can't give us the number of customers who made partial payments.
 - The number, and percentage, of customers who made partial or no payment in September of 2019 and 2020 and did not have an outstanding balance during the prior six months.
 - Our software system can't give us the number of customers who made partial payments or compare no payments against the previous six months.

- 3) Describe any programs or initiatives undertaken to assist customers specifically as a result of the COVID-19 pandemic, the State of Emergency, Emergency Order #3, and the related stay-at-home restrictions.

- No material changes since last month's response.
 - HAWC put out a notice on 3/13 notifying all customers that reiterated the ability for customers to pay online or touchless pay with a drop box at our office.
<https://www.hampsteadwater.com/covid-19-notice-to-customers>.
 - In addition, the company implemented safety protocols for all emergency service calls in line with CDC and DES protocols including wearing the proper PPE.
- 4) Provide a detailed description of customer outreach undertaken to date.
- Based on the agreement signed on 9/8/20, the Company has begun contacting customers with past due balances. Every customer is offered a payment arrangement with terms based on the 9/8/20 agreement. The company has also posted a link on its website to a list of agencies that offer financial hardship programs.
 - On March 16th, The Company sent a notice to all its customers regarding Covid-19. This notice provided that all non-essential appointments were canceled until further notice, on location bill drop off should be via a drop box at the front door, and we further reinforced customers to take advantage of online bill pay. In addition to this notice the company implemented new protocols for all employees.
- 5) Describe the Utility's review and evaluation of best practices and successful initiatives undertaken in other states.
- No material changes since last month's response.
 - The Company reviewed CDC documentation, DES documentation, and neighboring utilities when making decisions about cancelling all appointments and implementing safety protocols.
- 6) Describe whether the Utility has updated its sales forecasts in light of the pandemic and its effects on the economy.
- No material changes since last month's response.
 - As a water utility, sales are most greatly impacted by rain, or more specifically, the lack of rain. Currently, NH is in a Severe Drought period as classified by the US Drought Monitor agency. The company has an outdoor watering ban in effect for its Atkinson\Hampstead Core System. If this continues, sales may be lower than projected.
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- 7) Describe any operational changes the Utility is making or planning to make in response to the effects of the pandemic, including changes in budgets or personnel.
- No material changes since last month's response.
 - Regarding Operations there have not been many changes with the exception of the safety protocols previously mentioned, and eliminating non-essential service calls which include stopping meter change outs for 2020
- 8) Describe any changes to capital projects and related planning budgets the Utility has

made or is planning to make in response to the effects of the pandemic.

- No material changes since last month's response.
 - The Company has elected to forego its typical 300 meter changeouts this year. This decision was made to eliminate visits into private homes.
- 9) Describe any supply chain disruptions the Utility is experiencing or expects may occur and the effects of such supply chain disruptions.
- No material changes since last month's response.
 - At this time the Company is not experiencing any supply chain disruptions.
- 10) Describe whether the Utility and/or its parent company has adequate access to capital or has been negatively affected in accessing the capital markets or has been downgraded by any credit rating services.
- No material changes since last month's response.
 - The company has received a loan under the PPP program which it expects to be fully forgiven under the terms of the program. The company has not needed any other capital during this period, therefore it cannot comment on the availability of capital.
- 11) Describe incremental costs associated with the COVID-19 pandemic since the State of Emergency order, how the cost is calculated, cost to date, accounting treatment, impact on earnings, and proposed or planned rate treatment.
- No material changes since last month's response.
 - Costs are not large enough to be capitalized or added to the rate base. They will be expensed. Masks for staff were provided by the State and DES at no charge. We will continue to provide mitigation (masks, cleaning, etc) to our employees to comply with the universal guidelines and will continue to do so while they are necessary. If the costs increase, the Company may decide to capitalize them and add them to the rate base.