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Sent: Friday, January 8, 2021 12:57 PM
To: PUC: <PUC@puc.nh.gov>
Subject: DW 20-117 - HAWC requested rate increase of 65%

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TO: Ms. Debra Howland
Executive Director New Hampshire Public Utilities Commission
21 Fruit Street, Suite 10
Concord, NH 03301-7319

RE: DW 20-117 Hampstead Area Water Company, Inc. Request for Change in Rates

Dear Ms. Howland,

We are writing to you today as a concerned citizens and small business owners whose home and small business are located in Atkinson, NH. I will not re-hash all the details, as I am sure you are aware, but I will outline some particular concerning facts as I was made aware of them.

As documented by NHPR, HAWC is the only example of a water company in NH that is owned by the same family that owns a building company and there are inherent conflicts of interest here that the PUC has not addressed. Lewis Builders Development Inc. (LBDI) wants to build "800 condos, a hotel and an entertainment complex" on the Atkinson Resort & Country Club (ARCC), so HAWC has incurred much debt (\$3.5 million = \$892,000 for MSDC + \$1.1 million to expand water tank from 500K to 1 million gallons + \$1.5 million in CIAC Tax) to provide water to these sister organizations. HAWC, LBDI, and ARCC are all owned by the Lewis/Morse family. This debt should be paid for by ACRR & LBDI and NOT passed down to the towns of Atkinson and Hampstead (current request is a 609.5% increase on fire hydrant maintenance) nor onto their current ratepayers (current request is 65% increase).

Currently there are 72 customers with pipes larger than 5/8" whose rates would increase by 90% to 149%. Some of these customers are town buildings, like Atkinson's Kimball Library, which will cause their increased costs to be passed down to all town residents. Also concerning is that with these massive increase requests, HAWC is recommending significantly LOWER rates for Private Fire Protection. Lowering rates on their own sister company's condos while increasing rates on residents and rate payers in an incredible conflict of interest that the PUC must address. Per HAWC's 2019 Annual Report, 19% (1,299 of 6,767) of Atkinson residents have water supplied by HAWC. The rest of us have private wells. I have read other docket documents where the PUC thinks it is acceptable to pass along massive debt to the town and thus its residents through obnoxiously and ridiculously large increases in fire hydrant maintenance fees. Over 609% increase is shocking.

What the town pays for fire hydrant maintenance should be reasonable and customary and based on the actual cost to support the service. It should not be a means for the water company to recoup costs onto a larger entity, the town, and thus its taxpayers. There is no reason why over 80% of Atkinson residents should be subsidizing HAWC, Lewis Builders and the Atkinson Resort & Country Club. As a PUC regulated company, the PUC approved a debt that is not in the interest of the ratepayers or the

residents of Atkinson and Hampstead (the only 2 towns with fire hydrants maintained by HAWC). PUC approved the debt for future water users, condo owners on the Atkinson Resort & Country Club.

In addition, PUC has been handing out massive franchise areas to HAWC, thereby creating an unfair monopoly. Other competing developers must ask HAWC for water and when HAWC says “no” the developer has no choice but to sell their land. This developer had to sell the 17.56 acre Winchester plot for \$30,100 less than was valued in 1997 (\$370,000 \diamond \$339,900). Centerview Hollow Land Company, another Lewis company, bought it and miraculously there is now water for Lewis Builders to build the 30+ condos when all other developers were told there was no water.

[https://urldefense.com/v3/https://www.eagletribune.com/news/concern-over-proposed-hampstead-condo-project/article_834d3fda-771a-5acd-9c14-62cf51102a15.html ;!!Oai6dtTQULp8Sw!EVtmcn6KmrkQ9z2u2PL2BPqnI8Ilz_YI8CK3Eij6QDtUjrpWEAplvUYwdbPT4\\$](https://urldefense.com/v3/https://www.eagletribune.com/news/concern-over-proposed-hampstead-condo-project/article_834d3fda-771a-5acd-9c14-62cf51102a15.html)

In summary, the PUC is complicit in giving HAWC an unfair monopoly, allowing HAWC to incur this debt, enabling the Lewis family to force the towns and residents to subsidize their developments, and needs to be a responsible part of the solution. Sending massive rate increases to consumers and towns/residents (for fire hydrant maintenance) is unconscionable and not acceptable. The rate increase request by Hampstead Area Water Company (HAWC) is outrageously high, creates an undue burden, and should be rejected by the PUC.

Sincerely,

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