

TAB 6

Customer Notice

Puc 1604.02(a)(5)



HAMPSTEAD AREA

WATER COMPANY, INC

54 SAWYER AVENUE, ATKINSON, NH 03811

TEL: 603.362.4299 FAX: 603.362.4936
www.hampsteadwater.com

Dear Water Customer,

On November 24, 2020 The Hampstead Area Water Company, Inc. (HAWC) filed for a rate increase with the New Hampshire Public Utilities Commission ("NHPUC").

This rate increase covers the increased operating costs since the last general rate case in 2017, plus provides additional revenues in support of HAWC's infrastructure investment and operations. This includes improvements made by the company to participate in the Southern New Hampshire Regional Water Project (SNHRWP) including the construction of a 1-million-gallon water storage tank and numerous upgrades to the company's core system to receive additional water from SNHRWP. These infrastructure improvements were necessary to enhance water supply capabilities throughout the core system and provide additional water capacity for our customers.

The company commissioned a Cost of Service Study (CSS) at the request of the NHPUC as part of this rate case. The CSS concluded a two-tier consumption rate best allocated costs for water use and promote conservation. It also concluded that additional charges for residential fire protection are appropriate to better allocate costs to those customers.

The proposed consumption rate increase for single-family residential customers, which include individually metered condominium units and individually metered apartment units, will go from a single rate to a proposed two-tier rate. The rate for those customers that use up to 400 cubic feet per month will increase from \$6.11 to \$6.83 per 100 cubic feet. The rate for those customers that use more than 400 cubic feet per month will increase from \$6.11 to \$10.24 per 100 cubic feet. The rate for all other non-single-family and non-residential customers will increase from \$6.11 to \$9.31 per 100 cubic feet. The existing monthly base charge for customers with a 5/8" meter, which is about 98% of all customers, will increase from \$10.00 to \$16.33 per month.

Additionally, municipal fire protection charges are proposed to increase from \$200.00 per hydrant per year to \$1,419.00.

The filing will be subject to comprehensive review by the NHPUC in a proceeding that may last up to a year. Enclosed is a copy of NHPUC Order # _____ which provides more detail on this proceeding.

We at HAWC would like to express our appreciation to you, our customers. We thank you for your support while we continue improving our abilities to better serve you now and into the future. Should you have additional questions please feel free to contact our office Monday through Friday 8:00 am to 4:30 pm at (603) 362-4299 or by email at customerservice@hampsteadwater.com. You may also contact the NHPUC directly at 800-852-3793.

Sincerely,

Charlie Lanza
General Manager