

# TAB 1

Cover Letter

Puc 1604.02(a)(1)



November 24, 2020

By electronic mail ([executive.director@puc.nh.gov](mailto:executive.director@puc.nh.gov))

Ms. Debra Howland  
Executive Director & Secretary  
NH PUC  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

RE: The Hampstead Area Water Company, Inc. - DW 20-117  
Petition to Approve Approval of Permanent Rates and Proposed Tariff Revisions

Dear Ms. Howland:

Pursuant to Puc 1604.02(a)(1) the company submits this cover letter accompanying the electronic copy of the Petition for the above-referenced matter. Pursuant to the Commission's March 17, 2020 letter citing to the COVID-19 emergency, the Company will not file any paper copies. The Company will maintain the original paper copy of this submission and file accordingly upon further notice from the Commission.

A summary of the requested rate relief and the nature and magnitude of the requested changes is as follows:

1. The company seeks rate relief for the first time since 2017. (See docket DW 17-118). Specifically, the company seeks to establish rates at the following:

The projected volumetric increase for single-family residential customers is based on a proposed two-tier rate. Those customers that use up to 400 cubic feet per month will increase from \$6.11 to \$6.83 per 100 cubic feet. Those that use more than 400 cubic feet per month will increase from \$6.11 to 10.24 per 100 cubic feet.

All other non-single-family residential customers will increase from \$6.11 to 9.31 per 100 cubic feet. The existing charge for a 5/8" customer, which is about 98% of all customers, will increase from \$10 to \$16.33 per month.

The Temporary Rate to become effective December 15, 2020 on a service rendered basis, would as follows:

Meter Size:	Annual Present Rates:	% increase	Annual Proposed Rates:	# of Customers	Annual Revenues
5/8" Meter	\$ 120.00	0.00%	\$ 120.00	3,785	\$454,200
3/4" Meter	240.00	0.00%	240.00	-	-
1" Meter	360.00	0.00%	360.00	65	23,400
1 1/2" Meter	720.00	0.00%	720.00	2	1,440
2" Meter	1,200.00	0.00%	1,200.00	5	6,000

The total number of customers is 3,857 with annual revenues of \$485,040. On a per general customer basis, the average costs would go from \$557.00 to \$642.21, an increase of \$85.21 or 15.30%

2. To revise the Company's tariff to reflect these new rates.

The magnitude of this change relates chiefly to the company's participation in the Southern New Hampshire Regional Water Project. The project will allow the company to connect to the Manchester Water Works water supply to provide this water to both the company's core system customers but also the town of Plaistow to alleviate water contamination in the town. The magnitude of this change also includes completion of a 1-million gallon water storage tank, and converting the company's core system pump stations from chlorine disinfection systems to chloramine sanitation systems as part of the Project. It has been about 3 years since rates were adjusted, and that the proposed rate increase will cover increased costs over the last 3 years plus improvements and additions to the infrastructure, increased labor costs, and other expenses.

The Puc 1604.02(a)(2) Report of Proposed Rate Changes is provided as a schedule in the Appendices to pre-filed testimony of Stephen P. St. Cyr, at Tab 15.

The Puc 1604.02(a)(3) Written Testimony is attached to the rate case petition through pre-filed testimony of Mr. Charles Lanza, General Manager of the company, at Tab 7, Mr. Stephen P. St. Cyr, at Tab 8, and Mr. David M. Fox, at Tab 9.

The Puc 1604.02(a)(4) Filing Requirement Schedule as established by Puc 1604.07 is provided within the schedules in the Appendices accompanying the pre-filed testimony of Stephen P. St. Cyr, at 15.

The Puc 1604.02(a)(5) copy of the proposed statement to be transmitted to the utility's customers is at Tab 6.

I may be reached directly at (603) 362-1936 if you have any questions.

Very truly yours,

*/s/ Anthony S. Augeri*

Anthony S. Augeri  
General Counsel

AA/hg  
enclosures

e cc: Harold Morse, President  
Christine Lewis Morse, VP  
John Sullivan, Controller  
Charlie Lanza, GM  
Steven P. St. Cyr  
OCA litigation