



Town of Danville



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Tax Collector

Kimberly T. Burnham

June 23, 2021

Ms. Debra Howland
Executive Director & Secretary
Public Utility Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

RE: Docket No. DW 20-117 – Hampstead Area Water Company, Inc.
Town of Danville, NH Proposed Rate Increase

Dear Ms. Howland,

The Town of Danville objects to the proposed rate increase by the Hampstead Area Water Company (HAWC). Based on the proceedings in PUC Docket DW-20-117 (HAWC, Inc. Rate Proceedings) the rationale for this objection is as follows:

TAB 1 – Cover Letter from Hampstead Area Water Company, Inc., dated November 24, 2020, Petition to Approve Approval of Permanent Rates and Proposed Tariff Revisions.

"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".

Residents of the Town of Danville do not benefit from the connection to the Manchester Water Works. HAWC cites that the rate increase will cover increased costs over the last 3 years plus improvements and additions to the infrastructure, increased labor costs, and other expenses to improve and 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.

TAB 7 - Hampstead Area Water Company, Inc. – Rate Proceedings, Testimony of Charles Lanza

Question: What has HAWC accomplished for capital improvements?

Answer: Since the Company's last rate case HAWC has completed the construction of a 1 Million Gallon Water Storage Tank in Atkinson, constructed a new pumping and treatment station as part of the SNHRWP, added generators at various satellite systems, permitted and constructed two new large groundwater withdrawals in Atkinson and Hampstead, and has upgraded sources at multiple satellite systems.

(As stated above, Danville does not benefit from these capital improvements)

TAB 8 – Rate Processing, Testimony of Stephen P. St. Cyr

Question: What are HAWC's plans for other interconnections, e.g., with Sandown and Danville to benefit from pipeline water?

Answer: The Company has no immediate plans for interconnections with Sandown or Danville.

(As stated above, Danville does not benefit as the Company has not immediate plans for interconnections)

Question: Did the company make any pro forma adjustments to expenses?

Answer: Purchased Water for Company - \$372,075. In addition to purchasing water from SNHRWP to resell to Plaistow, the Company is also purchasing 250,000 gallons a day from Manchester to serve its core customers in Hampstead and Atkinson.

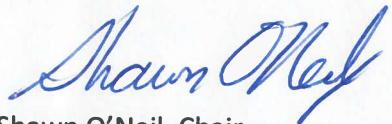
Again, the Company will be purchasing the water at \$3.05 per ccf, resulting in a water expense of \$372,075.

(As stated above, Danville does not benefit from this water purchase)

Finally, please reconsider a rate increase for Danville as its residents' do not benefit from capital improvements, interconnection to Manchester infrastructure or the purchase of water.

Thank you in advance for your cooperation and consideration.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Shawn O'Neil".

Shawn O'Neil, Chair
Town of Danville, NH

