

EXHIBIT 1

# Walnut Ridge Water Company, Inc.

54 SAWYER AVENUE, ATKINSON, NH 03811 (603) 362-5333

April 20, 1994

*Billed in October each year.*

Gentlemen:

The Walnut Ridge Water Company will supply to the Town of Atkinson the necessary facilities to provide a fire district subject to the following conditions:

1. The cost to the town for the availability and maintenance to the fire district would be \$1,925 per year.
2. The cost to maintain each hydrant would be \$160.00 per year.
3. For each additional hydrant requested by the town, the cost of installation would be \$2500.00 per hydrant. Hydrant placement will be in a mutually agreeable location.
4. The Company can provide for fire protection on all of its existing lines that are 6" or greater. (This would include approximately four (4) miles of lines currently in place.)
5. On all future line extensions installed by the Company, The Town will have the option to pay the difference in line sizing in order to provide for fire protection.
6. The system does not have standby generation and will not be required to provide standby generation for fire protection.
7. The fees in sections 1 & 2 will become effective January 1, 1996.

The annual maintenance fee, as referenced in section 1, would allow for the fire department to conduct two (2) practice sessions per year at a mutually convenient time for both the fire department and the water company. It is understood by all parties that it is the policy of the Public Utilities Commission that Fire Protection is a Municipal obligation for which the Water Company must charge the municipality for the cost as outlined above. All final rates will be authorized by the Commission and set forth in The Walnut Ridge Water Company Tariff.

Dated April 25, 1994

*Peter A. Lewis*  
-----  
Peter A. Lewis, Water Company

*Michael Murphy*  
-----  
Fire Chief

*[Signature]*  
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Board of Selectmen

*[Signature]*  
-----  
Board of Selectmen

*[Signature]*  
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Board of Selectmen

DW 05-177 – Exh 1 - April 20, 1994 – Agreement with Town of Atkinson, page 2 of 2

**TOWN OF ATKINSON  
OFFICE OF THE SELECTMEN**

21 ACADEMY AVE.  
ATKINSON, NH 03811  
TELEPHONE 603-352-5266

The Town of Atkinson is writing to acknowledge its receipt of the mutual agreement between the Town of Atkinson and Walnut Ridge Water Company dated April 20, 1994. We have reviewed the agreement as presented and understand and agree with its content.

We further recognize that the final rate will be authorized by the Public Utilities Commission and set forth in the Walnut Ridge Tariff. It is expected that these rates will not exceed those cited in Sections One and Two.

The Town is responsible to pay Walnut Ridge Water Company the fees as specified in Sections One and Two after January 1, 1996.

All parties agree to work together in a mutually cooperative manner.

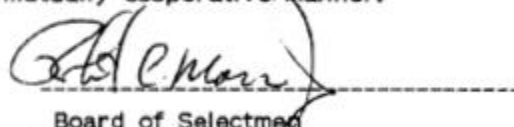
Dated April 25, 1994



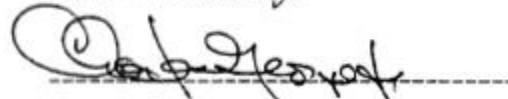
Peter A. Lewis, Water Company



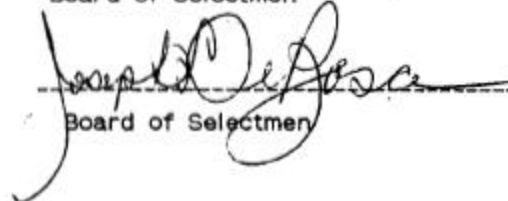
Fire Chief



Board of Selectmen



Board of Selectmen



Board of Selectmen

**DW 05-177 – Atkinson Fire District – Petition, page 1 of 5**

STATE OF NEW HAMPSHIRE  
THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
HAMPSTEAD AREA WATER COMPANY, INC

DW 05-

**PETITION FOR APPROVAL OF FIRE DISTRICT AND FIRE PROTECTION RATE**

The Petitioner, Hampstead Area Water Company, Inc. (HAWC) respectively submits its petition the N.H. Public Utilities Commission (Commission) for approval of a fire district and fire protection rates for the Town of Atkinson in its Atkinson Franchise. In support of this Petition, HAWC says:

1. HAWC is presently franchised in two (2) abutting areas of Atkinson, New Hampshire, as described in Docket DE-76-179, by Order No. 12,827, for the Walnut Ridge Water Company franchise, and Docket DE- 87-226, by Order No. 19,129 for Bryant Woods Water Company franchise.
2. By Order No. 19,992 in Docket DE-90-129, Walnut Ridge Water Company, Inc, acquired the assets and assumed the liabilities of Bryant Woods Water Company, including its franchise area, and the tariff for Bryant Woods Water Company was adopted as the Tariff for the entire Walnut Ridge Water supply system.
3. By Order No. 23,954 in Docket DW-01-204, Walnut Ridge Water Company, Inc. and Lancaster Farms Water Company was merged into HAWC. Lancaster Farms Water Company was originally granted franchise authority in Salem, New Hampshire, by Order No. 17,312 in Docket 84-267
4. By Order No. 19,717, in Docket DE-89-047, HAWC acquired the assets and assumed the liabilities of the other water companies located Hampstead along with their respective

**DW 05-177 – Atkinson Fire District – Petition, page 2 of 5**

tariffs. All of these water companies were owned by Peter A. Lewis, the owner of HAWC.

5. HAWC is presently franchised in most areas of Hampstead and Atkinson, New Hampshire, and has franchised satellite systems in various towns in Rockingham County (see Schedule A, attached).
6. On April 20, 1994, Walnut Ridge Water Company, Inc, a predecessor company of HAWC entered into an agreement with the Town of Atkinson to supply water and operate and maintain a fire district in the Town of Atkinson on its then existing water distribution line within its franchise for the Atkinson. That Agreement is attached as Exhibit 1.
7. That the Agreement provides that HAWC charges a flat rate of \$1,925 per year for the availability of water and maintenance of the fire district, plus a per hydrant cost of \$160 per hydrant for maintenance of the hydrants. Any additional hydrants were to be installed on as needed basis at an installation cost of \$2,500 per hydrant. See Exhibit 2 - Pre-Filed Testimony of Peter A. Lewis.
8. That currently there are fifty three hydrants operating within the district. See Exhibits 4 and 5
9. That the total annual payment by the Town of Atkinson for the fire district is \$8,480 for the hydrants and \$1,925 for the fire district for a total of \$10,405.
10. That HAWC is requesting approval for the operation of the fire district and approval of rates for same

**DW 05-177 – Atkinson Fire District – Petition, page 3 of 5**

11. It would be in the public good for HAWC to operate a fire district in the Town of Atkinson and have a fire protection rate established. HAWC provides the following in support:

- a. HAWC has been operating water systems in the Town of Atkinson and in other communities throughout Rockingham County since 1977.
- b. HAWC has the expertise and the facilities to maintain and operate a fire district in the Town of Atkinson.
- c. HAWC has the capacity to supply sufficient water for emergency supply to the Atkinson Fire Department by reason of the 400,000 gallon water storage tank located on its premises in the Town of Atkinson. See Exhibit 3 - Pre-Filed Testimony of Oliver Poirier.
- d. That the rate proposed was negotiated with the Town of Atkinson and has the agreement of the Fire Chief and the Board of Selectmen, and is fair and reasonable.

12. That HAWC is requesting this rate be effective upon approval by the Commission.

WHEREFORE your Petitioner prays:

- A. That the Commission find that it would be in the public good for HAWC to be permitted to operate a fire district within the Town of Atkinson and charge the fire protection rate as proposed;
- B. That the Commission, by appropriate order, grant HAWC permission operate a fire district within the Town of Atkinson and to charge the fire protection rates as proposed, effective upon approval by the Commission;

**DW 05-177 – Atkinson Fire District – Petition, page 4 of 5**

C. That the Commission make such further findings and orders as may be appropriate on the circumstances.

Dated the 1<sup>st</sup> day of November, 2005.

Respectfully submitted,  
HAMPSTEAD AREA WATER COMPANY, INC.

  
Peter A. Lewis  
President

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**DW 05-177 – Atkinson Fire District – Petition, page 1 of 5**

Schedule A

<b>HAWC System History</b>				
<b>Company</b>	<b>Year</b>	<b>Docket</b>	<b>Order</b>	<b>Franchise Area</b>
Walnut Ridge Water Company	1977	DE 76-179	12,827	Atkinson
Lancaster Farms-Salem	1984	DR 84-267	17,312	144 Acres
Bricketts Mill-Hampstead	1985	DE 85-149	17,848	80 Acres
Squire Ridge-Hampstead	1985	DE 85-274	17,967	140 Acres
Kent Farm-Hampstead	1987	DE 86-198	18,560	1,700 Acres
Kent Farm-Hampstead	1987	DE 86-198	18,598	Supp Order
Woodland Pond-Hampstead	1987	DE 87-211	18,980	701 Acres
Bryant Woods-Atkinson	1988	DE 87-226	19,230	2,340 Acres
Hampstead Area Water Company	1989	DE 89-047	19,717	Hampstead Merger*
Hampstead Area Water Company	1989	DE 89-047	19,751	1,650 Bryant Woods Merger**
Walnut Ridge Water Company	1990	DE 90-129	19,992	Merger**
HAWC-Bricketts Mill Extension	1990	DE 90-049	19,783	55 Acres
HAWC-Hampstead	1991	DE 91-121	20,224	1,246 Acres
HAWC-Hampstead	1991	DE 91-144	20,320	1,350 Acres
HAWC-Rainbow Ridge-Plaistow	1993	DE 92-129	20,774	370 Acres
HAWC-Stoneford-Sandown	1996	DE 96-201	22,551	152 Acres
HAWC-Colby Pond-Danville	1998	DE 97-154	22,854	301 Acres
HAWC-Oak Hill-Chester	2000	DW 00-059	23,577	177 Acres
HAWC-Walnut Ridge & Lancaster	2002	DW 01-204	23,954	Atkinson Merger***
HAWC-Camelot Court- Nottingham	2004	DW 02-198	24,296	44 Acres
HAWC-Cornerstone-Sandown	2004	DW 02-198	24,296	188 Acres
HAWC-Lamplighter-Kingston	2004	DW 02-198	24,296	13.66 Acres
HAWC-Maplevale-East Kingston	2004	DW 03-150	24,299	107 Acres
HAWC-Dearborn Ridge-Atkinson	2005	DW 04-055	24,501	37 Acres
HAWC-Hampstead Expansion	2005	DW 04-062	24,520	
HAWC-Mill Woods-Sandown	2005	DW 05-063		35 Acres
HAWC-Waterford Village- Sandown	2005	DW 05-070		
HAWC-Atkinson Expansion	2005	DW 05-092		
HAWC-Autumn Hills-Sandown	2005	DW 05-		

\*Merged Bricketts Mill, Kent Farm, Squire Ridge and Woodland Pond into HAWC

\*\*Merged Bryant Woods into Walnut Ridge with requirement that the Bryant Woods rates apply

\*\*\*Merged Lancaster Farms and Walnut Ridge into HAWC

**DW 05-177 – Exh 2 – Testimony of Peter Lewis, page 1 of 3**

**EXHIBIT 2**

**THE STATE OF NEW HAMPSHIRE**

**PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF**

**HAMPSTEAD AREA WATER COMPANY, INC.**

**PRE-FILED TESTIMONY IN SUPPORT OF PETITION FOR APPROVAL OF FIRE  
DISTRICT AND FIRE PROTECTION RATE**

**DW-05-**

**PRE-FILED TESTIMONY OF PETER A. LEWIS**

1. Q. Please state your name, address and position with Hampstead Area Water Company, Inc.

A. My name is Peter A. Lewis, of 54 Sawyer Avenue, Atkinson, NH and I am the President, Sole Director and Sole Shareholder of Hampstead Area Water Company (HAWC).

2. Q. Describe the overall history of HAWC?

A. HAWC is presently franchised in two (2) abutting areas of Atkinson, New Hampshire, as described in Docket DE-76-179, by Order No. 12,827, for the Walnut Ridge Water Company franchise, and Docket DE- 87-226, by Order No. 19,129 for Bryant Woods Water Company franchise. By Order No. 19,992 in Docket DE-90-129, Walnut Ridge Water Company, Inc, acquired the assets and assumed the liabilities of Bryant Woods Water Company, including its franchise area, and the tariff for Bryant Woods Water Company was adopted as the Tariff for the entire Walnut Ridge Water supply system. By Order No. 23,954 in Docket DW-01-204, Walnut Ridge Water Company, Inc. and Lancaster Farms Water Company were merged into HAWC.



DW 05-177 – Exh 2 – Testimony of Peter Lewis, page 2 of 3

Lancaster Farms Water Company was originally granted franchise authority in Salem, New Hampshire, by Order No. 17,312 in Docket 84-267. By Order No. 19,717, in Docket DE-89-047, HAWC acquired the assets and assumed the liabilities of the other water companies located Hampstead along with their respective tariffs. All of these water companies were owned by me, Peter A. Lewis and now are part of HAWC. HAWC is presently franchised in most areas of Hampstead and Atkinson, New Hampshire, and has franchised satellite systems in various towns in Rockingham County, as listed in the Petition as Schedule A.

3. Why are you requesting a fire district in Atkinson, New Hampshire?

A. We had been requested by the Town of Atkinson to provide water service for fire protection for the Town sometime in 1994. We already had franchises that are located in Atkinson at the time.

4. Q. What were those franchises?

A. Those franchises were Walnut Ridge and Bryant Woods, which have since become part of HAWC.

5. Q. Could you describe the contract that is being presented?

A. The Agreement provided that HAWC charge a flat rate of \$1,925 per year for the availability of water and maintenance of the fire district, plus a per hydrant cost of \$160 per hydrant for maintenance of the hydrants. Any additional hydrants were to be installed on as needed basis at an installation cost of \$2,500 per hydrant.

6. Q. What is the original fire protection system?

A. We were able to provide a sufficient water supply for fire protection due to the installation of a 400,000 gallon tank on the HAWC premises, which had been done prior to 1994.

**DW 05-177 – Exh 2 – Testimony of Peter Lewis, page 3 of 3**

It provided sufficient capacity for the Town of Atkinson fire protection needs. We installed hydrants as requested by the Town of Atkinson. The initial number of hydrants was 33.

7. Q. What is the present size of the fire protection system?

A. The current size is 53 hydrants. Those hydrants are shown the map attached to the Petition as Exhibit 4. The list of hydrants is Exhibit 5.

8. Q. Have there been any changes to the rates listed in the original contract?

A. No, those rates have not changed since the beginning of the contract in 1994. The contract has not been changed since it was originally signed. It was our intent to have these rates included in the Atkinson tariff.

9. Q. What do you consider these rates to be a fair rate for the Atkinson Fire Protection District?

A. Yes.

10. Q. Does this conclude your testimony?

A. Yes.

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