

Stephen P. St. Cyr & Associates

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August 20, 2021

Dianne Martin

Chairwoman

Public Utilities Commission

21 S. Fruit St., Suite 10

Concord, NH 03301-2429

Re: DW 21-061 Abenaki Water Company – Rosebrook
Petition to Approve NH DWSRF Financing for Rosebrook Pressure Reduction Project

Dear Chairwoman Martin:

On behalf of Abenaki Water Company (the “Company”), the following provides a status update as requested in your letter dated August 5, 2021.

With respect to the application and loan approval by the Department of Environmental Services (“DES”), the application has been approved by the Trust Fund Counsel. Once Commission approval is obtained, the loan will be submitted to the Governor and Executive Council for final approval within 4-6 weeks depending on meeting schedules. Upon final approval, the Company will be able to close on the loan.

With respect to the engineering plans and specifications, the Company, in collaboration with Horizon Engineering and Aquarion Water Company, continues to refine the proposed design alternatives, with the goal to minimize the cost while still correcting deficiencies outlined in DES’s Letter of Deficiency (“LOD”). As the excessive pressure problem has spanned several ownerships, the complexity of solutions and the time necessary to arrive at an effective outcome, while minimizing costs impacts is clearly evident. Additionally, as with any large project involving multiple stakeholders, the Company has found it challenging to arrive at a solution that satisfies all parties. The Company is currently negotiating a new schedule with the DES that will address the LOD, timetable and potentially the phasing in of the pressure reduction project. The proposed timeline is as follows:

- October 1, 2021 – Select a solution and submit to DES a description of that solution.
- December 1, 2021 – Submit to DES a Basis of Design (“BOD”) report for the selected solution, including design criteria and permitting requirements. If a phased solution is selected, the BOD will include the Phase 1 elements.

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- March 15, 2022 – Submit to DES design plans and specifications for the selected solution. If a phased solution is selected, the plans and specifications will include only Phase 1 elements.

The Company's proposed schedule will provide the time needed to develop a solution that meets the various needs of all the stakeholders. The DES has indicated that they are "comfortable with the dates proposed ..." and "an amended Letter of Deficiency will be drafted..."

Once a solution has been selected, and the projected costs are finalized, the Company will update its financing schedules submitted with the filing to include a calculation of the rate impact of the borrowing.

The Company respectfully requests that the docket remain open while the engineering and discussions continue. Also, it is important to preserve the low cost financing with the Trust Fund.

If you have any questions or comments on the status update letter, please let me know via email at stephenpstcyr@yahoo.com or by calling 207-423-0215.

Sincerely,



Stephen P. St. Cyr

cc: Service List