

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-1

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Future water purchased from Plaistow:

Has Plaistow agreed to sell water to both the Sweet Hill and Twin Ridge systems? If so, at what price and in what amounts? Please provide a copy of executed water purchase agreement with the Town of Plaistow.

RESPONSE:

The Company will be a retail customer of Plaistow therefore there is no purchase water agreement other than a request for service application. The request for service cannot be entered in to until the Company receives approval for this requested financing. The Company will purchase water at the Plaistow published water rates and compensate Plaistow for the required Merrimack Source Development Charge that is part of the overall requirement of the Sothern NH Regional Water System. The Plaistow meter charge (1.5 inch meter) is \$283.50 per quarter and the consumption charge is \$7.00/1,000 gallons.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-2

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Sweet Hill interconnection to Plaistow:

Boisvert testimony p. 9, line 9, and Exhibit JJB-2, p. 8, both indicate an interconnection length of 1600 feet; whereas the graphic on Exhibit JJB-1, p. 2, and the Notes in the upper left of Exhibit JJB-2, p. 7 both appear to indicate about half that distance. Please explain.

RESPONSE:

The 1,600 linear feet expressed in the testimony is correct. The graphic on JJB-1, P.2 is incorrect and the new interconnection main should have been extended to the existing pumping station. A corrected graphic is included as JJB-1, P. 2, which is attached and will be filed with PUC as requested in Data Request 1-16.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-3

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Twin Ridge interconnection to Plaistow:

Mr. Boisvert's testimony at p. 8, line 20 indicates a 150 foot connection length; a note in the upper left of Exhibit JJB-2, p. 1 indicates "Approx. 40 ft of 8" line"; and Item 3 under Construction Costs on Exhibit JJB-2, pp. 2, 3 and 4 indicates 120 feet of water main length. Please explain.

RESPONSE:

The amount of 120 linear feet should be held in all three cases at this time. Discussions with the Town of Plaistow have yet to determine the actual connection point to the Town's water main and the location of the meter vault. Final design will determine that location because the NHDOT recently reconstructed the intersection of Route 125 and Walton Road requiring the Company to coordinate with the Town's engineer and NHDOT to identify the exact location of the meter vault and connection point. The connection location is expected to be within 120 feet of water main length from the Company's water main on Walton Road. The correction to page 8 of the testimony has been corrected and a copy is attached hereto. The updated testimony will be filed with PUC consistent with DR 1-16.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-4

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Twin Ridge pressures:

Mr. Boisvert's testimony at p. 12, line 20 through p. 13, line 5 indicates booster pumps will not be needed in Twin Ridge if all water comes from Plaistow. Please explain how the hydraulic grade line (HGL) data in the upper left of Exhibit JJB-2, p. 1 supports this conclusion.

RESPONSE:

The current range in operating pressure maintained by the existing booster pumps and hydropneumatic tank is 49 psi to 62 psi resulting in an existing hydraulic grade line that ranges between 279 feet in elevation to 320 feet in elevation. The Plaistow hydraulic grade line is 286 feet in elevation, thus the Plaistow hydraulic grade line falls within the existing hydraulic grade line range and existing system pressures that the customers currently experience.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-5

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Operation and Maintenance Costs:

The total of Operation and Maintenance Costs toward the bottom of Exhibit JJB-2, p. 3 (\$21,289.07) does not appear to include Item 4, Electric Costs (\$5,237.80). A similar exclusion appears to occur on pages 4, 8 and 9. Please explain.

RESPONSE:

There was an error in the formula that sums the operational costs. This error failed to add in the electric costs. Although the NPV values will change because of this error, the conclusion of the analysis does not. A revised Exhibit JJB-2 is attached, and the updated exhibit will also be filed with PUC in accordance with Data Request 1-16. The attached updated Exhibit JJB-3 has also been updated to reflect these changes on pages 3, 4, 8 and 9. The direct testimony of John Boisvert has also been amended on pages 11, 15 and 17 to reflect the updated operations costs. A revised, redlined copy of pages 11, 15 and 17 of the testimony is attached for your review, and will be filed with PUC pursuant to DR 1-16.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-6

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Twin Ridge Operation and Maintenance Cost with Inflation:

The last line of the Operation and Maintenance Costs section on Exhibit JJB-2, p. 4 indicates “2019 Total with Inflation (7%)”. Please indicate:

- a) The purpose of this line.
- b) Why a similar line does not appear in Operation and Maintenance Costs sections on other sheets.
- c) Why the uninflated amount (\$64,343.95) is entered in the spreadsheets on pages 5 and 6.

RESPONSE:

- a) The line serves no purpose in the analysis and was deleted from the updated Exhibit JJB-2.
- b) Please see response to c) below.
- c) The revised value is \$74,819.55. Uninflated values were used in order to be consistent with other costs.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-7

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Repair/Replacement Costs: Please indicate the nature and purpose of:

- a) The \$3,000, \$10,000 and \$30,000 figures under “Repair/Replacement 2022 Cost” on Exhibit JJB-2, p. 5.
- b) The \$15,000 and \$10,000 figures under “Repair/Replacement 2022 Cost” on Exhibit JJB-2, p. 10.

RESPONSE:

- a) These values represent expenses that would be anticipated on an annual basis to maintain, repair, or replace the system components that they are associated with.
- b) These values represent expenses that would be anticipated on an annual basis to maintain, repair, or replace the system components that they are associated with.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-8

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Sweet Hill Chemical Costs:

Please provide any update for the assumed \$200 of “Current Chemical Costs” highlighted in yellow toward the bottom of Exhibit JJB-2, p. 7, where it indicates “Waiting for information”.

RESPONSE:

The \$200 amount is correct, and it is for sodium hypochlorite. The “Waiting on information” comment is deleted on page 7 of the attached, updated Exhibit JJB-2 and Exhibit JJB-3.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-9

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Sweet Hill Non-Summer Usage:

Please indicate the derivation of the 967,500 gallons of Total Non-Summer Usage indicated at the bottom right of Exhibit JJB-2, p. 8.

RESPONSE:

The average gallons per day (gpd) for similar single-family residences is approximately 150 gpd during non-irrigation periods. This analysis assumed that the irrigation period (summer usage period) consists of 5 months with 30 days per month for a total of 150 days. This leaves $365\text{day/year} - 150\text{ days/year} = 215\text{ days/year}$ of non-summer use. The non-summer use is calculated at $215\text{ days/year} \times 150\text{ gpd/home} \times 30\text{ homes} = 967,500$ gallons of non-summer use per year.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-10

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Sweet Hill Meter Pit Cost

Please indicate where the cost of the meter pit is included in the Construction Costs section of Exhibit JJB-2, pages 8 and 9.

RESPONSE:

Meter pit costs were inadvertently left out of the original estimate. The meter pit costs of \$42,500 have been added to line item 2 of the estimated construction costs on each page. The amended pages 8 and 9 are included in the attached, updated Exhibit JJB-2.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-11

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Sweet Hill New Treatment System

Please indicate the nature and purpose of the \$50,000 for Item 11, New Treatment System, in the Construction Costs section Exhibit JJB-2, p. 9 for Sweet Hill.

RESPONSE:

The estimate is for the installation (material & labor) of two small catalytic carbon filters to remove chloramines and the associated instrumentation (chlorine analyzer and pressure monitoring transducers), piping, valves, etc. required to install the catalytic carbon filters. This is based on a similar system that is currently being installed at the Pennichuck East Utility (PEU) W&E community water system.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-12

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Exhibit JJB-1 Pages 3-4; DES letter dated August 31, 2020 - Revised September 1, 2021

Please explain the following

- a) What was the purpose of the revised letter?
- b) What changes were made from the original letter to the revision?
- c) Why were the dates included in the revised letter are all prior to September 1, 2021?
- d) Please provide correspondence between DES and PWW regarding DES' change in timing of the approved funding. If none, please explain.
- e) Please provide a copy of current correspondence from DES confirming the 2020 DWSRF funding is still available to PWW.

RESPONSE:

a) & b) The original approval letter from the NHDES indicated that the Twin Ridge and Sweet Hill water systems were part of Pennichuck East Utility (PEU). This revised letter corrected utility to Pennichuck Water Works, Inc.

c) August 31, 2020 was the date of the original award letter. The NHDES references "FY 2020", this date refers to the corresponding pre-application period. In the Company's case, applications for funding are submitted to the NHDES in 2020 for projects planned for construction in 2021. In this case, the Company did not complete final applications to the NHDES and petition the NHPUC for approval of the funding until it was certain that Plaistow would actually have their water system operational.

d) The NHDES and the Company have been paying close attention to the overall progress and completion of the Southern NH Regional Water System. Until early this year (2022) it was uncertain when the Plaistow water system would be operational due to Plaistow's difficulties in securing an easement for a required booster station. The booster station is now under construction and the ability and timeframe for Plaistow to make their system operational is

known. The NHDES is currently reviewing final application materials and each project's request for Environmental Review. In addition, NHDES staff are preparing final loan documents pending completion of the final application and Environmental Review process

e) Please see the attached email correspondence from Ms. Johnna McKenna of the NHDES verifying the award is still valid and available to the Company, attached as Exhibit DOE DR 1-12.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-13

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Exhibit JJB-2 Pages 5 and 10

Please explain why these expenses are referred to as PEU expenses.

RESPONSE:

Both pages should read as PWW expenses. The amended pages 5 and 10 are included in the attached, updated Exhibit JJB-2. Similar revision and update was made to the attached Exhibit JJB-3, both of which will also be filed with PUC in accordance with Data Request 1-16.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-14

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Re: Petition page 4 and Boisvert page 6

Please provide detail to support the replacement cost of the Twin Ridge Treatment system, storage tanks, and station estimated as \$1,039,085.

RESPONSE:

The replacement cost for the Twin Ridge treatment system, storage tanks and station are based on a very similar size and scope (treatment, storage volume, structures, electrical systems, controls, and site work) project completed at the PEU Liberty Tree community water system in Raymond. The Liberty Tree project cost approximately \$773,000 in 2012. The 2012 cost was increased at a rate of 3% per year to achieve an estimated 2022 cost as presented the testimony.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-15

Date of Response: 6/24/22
Witness: Larry D Goodhue

REQUEST:

Re: LDG-10; City of Nashua approvals

Please provide a status update pertaining to PWW's request to the City of Nashua for approval of these DWSRF borrowings. Please provide a copy of the City of Nashua resolutions.

RESPONSE:

The Company met with the Pennichuck Special Water Committee of the Nashua Board of Alderman on June 14th, with regards to this approval. The Committee voted to recommend approval of the resolutions to approve this financing and was passing that recommendation onto the Board of Alderman for final approval. The final voted approval on this has not yet been received by the Company, but as soon as it is available, will submit it into the docket as committed to in the pre-filed testimony. It is expected that this submission will be filed no later than Friday July 1, 2022.

DW 22-033
PENNICHUCK WATER WORKS, INC.
SRF FILING FOR SWEET HILL/TWIN RIDGE
DOE Data Requests - Set 1

Date Request Received: 6/16/22
Request No. 1-16

Date of Response: 6/24/22
Witness: John Boisvert

REQUEST:

Updates to Filing

If updates or corrections are made as a result of the questions in this set of Data Requests, please submit a cover letter and copy of all changed pages to the Public Utilities Commission as an update to the filing.

RESPONSE:

Company understands and agrees. Revisions are included and will be filed with PUC as necessary.