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Photo by Kathy Seward Mackay

Nashua resident Bill Hatch asks a question during the citywide forum on the sale of Pennichuck Corp. on Friday night.

## City, utility debate future at forum

Saturday, January 11, 2003

By ANDREW NELSON, Telegraph Staff

NASHUA – While city leaders want residents to consider the future when they stand in the polling booth Tuesday, Pennichuck Corp. executives asked residents to judge them on their past record.

Maurice Arel, president of the company, said the company has "150 years of excellent service" in the community and it would remain that way if Philadelphia Suburban Corp. successfully merges with the local water company.

"It is in their best interest that Pennichuck operates in the same prudent manner," said Arel, a former mayor.

However, Brian McCarthy, the chairman of the ad hoc aldermanic committee studying the city acquisition of Pennichuck, argued the future is better in the long run if the company is owned by the people.

"Rates will go up, make no mistake about it. We can reduce that by bring (Pennichuck) into public ownership," said McCarthy.

Arel and McCarthy sat just a few feet from each other, sipping bottled water from paper cups as nearly 100 people looked on in the City Hall auditorium Friday night. The forum concluded a week of meetings across the city before residents vote on Tuesday. The city Democratic and Republican committees sponsored the event.

Voters will consider Tuesday whether the city should continue studying the possible acquisition of Pennichuck, an investor-owned company, and make it a public utility.

The company is in the midst of a merger with Philadelphia Suburban, one of the largest water companies in the country. The stock-for-stock offer is valued between \$95 million and \$106 million.

Peter Leishman, a former Milford selectman and state representative, moderated the forum, fielding questions from the audience and reading written questions.

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[An archive of the Telegraph's coverage regarding the sale of Pennichuck Corp.](#)

Residents asked about finances, possible water rate increase and governance. Applause broke out twice when residents asked pointed questions of Arel, such as why the company didn't offer the city the option to buy the company.

"I don't think anybody thought the city would be interested," said Arel.

Bill Hatch of 20 Cathedral Circle asked if "something so egregious" occurred to justify overturning years of tradition with an investor-owned utility.

In reply, McCarthy said the merger means "control getting further and further away from the people who consume it," along with the cost savings that benefit public utilities and the stewardship of the watershed.

Arel said the finances are "debatable" and added his private company has done a better job protecting the watershed than the regulatory boards in City Hall, with hundreds of feet of buffer between development and the water.

"The city would be a heck of a lot better" if it had adopted and enforced Pennichuck-like buffers years ago, he said.

Proponents of a yes vote said a favorable vote on Tuesday is not the final decision, but allows the city to continue its investigation of Pennichuck.

Gene Porter of 77 Concord St. wants people to support the referendum.

"It seem to me we are in the middle of the fact-finding," Porter said.

George Ginsburg, of 6 Dover St., said he wants the study of the company to continue and include the finances and the water quality. "I want the next step to be give me the facts," he said.

The meeting is scheduled to be broadcast on WYCN, Channel 13, at 5 p.m. and 8 p.m. Saturday and Sunday.

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