

**STATE OF NEW HAMPSHIRE**  
**PUBLIC UTILITIES COMMISSION**

**DW 04-048**

In the Matter of:  
City of Nashua  
Petition for Valuation  
Pursuant to RSA 38:9

**Reply Testimony**

**Of**

**Nashua's Chief Financial Officer Carol Anderson and  
Deputy Treasurer and Tax Collector Ruth Raswyck**

**May 22, 2006**

STATE OF NEW HAMPSHIRE  
BEFORE THE  
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

*City Of Nashua: Petition For Valuation Pursuant To RSA 38:9*

Docket No. DW 04-048

**REPLY TESTIMONY OF CAROL ANDERSON AND RUTH RASWYCK**

1 Q. Please state your names and positions as they relate to this proceeding.

2 A. Carol Anderson, City of Nashua Chief Financial Officer

3 Ruth Raswyck, City of Nashua Deputy Treasurer/Deputy Tax Collector

4 Q. Have you previously submitted testimony in this proceeding?

5 A. Carol Anderson has previously submitted testimony and has been deposed.

6 Ruth Raswyck has been deposed.

7 Q. What is the purpose of your testimony today?

8 A. The purpose is to rebut certain statements made in the direct testimony of

9 Donald L. Ware and Bonalyn J. Hartley, furnished on behalf of

10 Pennichuck Water Works, and Amanda O. Noonan, PUC Staff Director of

11 Consumer Affairs. We believe the testimony incorrectly portrays both the

12 quality of the current customer service practices of PWW and the

13 proposed customer service practices of the City of Nashua using Veolia to

14 operate the water system and City staff for billing and collection.

15 Q. Please clarify the proposed City staffing for customer service calls as

16 compared with what PWW has stated that it provides.

17 A. Carol Anderson: In response to Staff DR 4-21,<sup>1</sup> I described the current  
18 staffing of the billings and collection customer service staff of the City  
19 Treasury/Tax Collection Department and indicated that the City would  
20 hire two new customer service representatives primarily assigned to water  
21 billing and collection in addition to the two Veolia employees assigned to  
22 water system operating issues. Ms. Noonan inferred that this would  
23 reduce service from the level maintained by PWW, i.e., nine full-time and  
24 two part-time employees. However, she overlooks that the six current  
25 employees in the City Treasurer/Tax Collection Department are cross  
26 trained for property tax and sewer bills and would be trained for water  
27 bills as well in order that all employees will be available to back up one  
28 another in periods of peak activity for each type of bill. The six current  
29 employees do an excellent job handling 56,000 property tax bills, 72,000  
30 residential sewer bills and 13,000 commercial/industrial sewer bills per  
31 year.

32 Q. Please comment on how the City will handle customer calls on operational  
33 issues that are received at the billing and collections office.

34 A. Carol Anderson: Ms. Hartley, Mr. Ware, and Ms. Noonan all suggest that  
35 confusion will arise from separating the functions of billing and collection  
36 from customer service for operational issues. This is baseless. The City  
37 has operated successfully this way for many years with the Nashua  
38 Wastewater System. City hall staff in the Treasury/Tax Collection  
39 Department refer operational calls to knowledgeable personnel at the

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<sup>1</sup> Exhibit A, attached hereto.

40 wastewater treatment plant, and wastewater employees refer billing and  
41 collection issues to the tax collector's office. This works without delay or  
42 confusion. See Responses to Staff DR 4-21, 4-22, and 4-23.<sup>2</sup> When  
43 problems require analysis of billing data to determine leaks or other  
44 operational problems, clerical and technical personnel will cooperate as  
45 they do in PWW or in any municipally operated water system.

46 Q. What will be the effect of City ownership on the handling of delinquent  
47 customer accounts?

48 A. Ruth Raswyck: Contrary to Ms. Hartley's opinion that City ownership  
49 would have a negative effect on customers with unpaid bills, I believe that  
50 the City's lien power under RSA 38:22 would make collection efforts less  
51 disruptive than PWW practices. PWW must rely on disconnections and  
52 the threat of disconnections to collect arrearages and minimize  
53 uncollectible charges. With the lien power of RSA 38:22, the City would  
54 have protection, and customers could avoid disconnection in the short run.  
55 The lien would bear interest and need to be paid prior to transfer of title,  
56 but that is ordinarily a routine matter given the amounts involved.

57 Q. Is the City considering "outsourcing" billing and collection functions?

58 A. Ruth Raswyck: No. Mr. Ware and Ms. Noonan evidently mistakenly  
59 inferred this from a statement in my deposition where I said that the City  
60 may outsource the printing of water bills, as it currently does with  
61 property tax bills.

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<sup>2</sup> Exhibit A, attached.

62 Q. Do you have any concerns about PWW's quality of customer service  
63 based on your experience?

64 A. Ruth Raswyck: The city has extensive experience with PWW water  
65 consumption readings because the City purchases data from PWW as a  
66 basis for wastewater user charges and billings. In early 2002, Nashua's  
67 periodic analysis of PWW's data disclosed major discrepancies in the  
68 winter meter readings based on unusually high or low readings. Further  
69 analysis disclosed that the meter readings were incorrect for some 15  
70 percent of the 17,000 sewer accounts. When this was brought to PWW's  
71 attention, they acknowledged responsibility for the widespread errors,  
72 which had evidently escaped any quality control efforts by PWW. In  
73 recent weeks, PWW has notified us of significant problems in the data  
74 from certain groups of meters comprising about one-third of the accounts.  
75 The full extent of the problem has not yet been determined.

76 Q. Does this conclude your reply testimony?

77 A. Yes.