

STATE OF NEW HAMPSHIRE
THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

HAMPSTEAD AREA WATER COMPANY, INC

DW 08-

PETITION FOR APPROVAL OF FINANCING

The Petitioner, Hampstead Area Water Company, Inc. (HAWC), respectfully petitions the N.H. Public Utilities Commission (Commission) for approval of financing for additions and upgrades to the System assets, and for additional wells within the System. In support of this Petition, HAWC says:

1. 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).
2. That as part of the Company's planning for 2008, the Company is seeking financing for the various items, including:

- a. SCADA System upgrades to various facilities within the system located in Atkinson and Danville (See Exhibits 1-1 through 1-2, attached):

i. Village Drive, Atkinson	\$22,310.00
ii. Shop Water Tank, Atkinson	\$ 1,988.35
iii. Pit Hatch, Atkinson	\$ 1,988.35
iv. Colby Pond, Danville	<u>\$22,310.00</u>
Total	<u>\$48,596.70</u>

- b. Water System Model and Water System mapping related to the Hampstead/Atkinson interconnection (See Exhibit 1-3, attached):

i. Hydrolic System Model	\$45,000.00
ii. GIS System	<u>\$39,000.00</u>
Total	<u>\$84,000.00</u>

3. That HAWC has had to drill and install additional wells in Atkinson at Bryant Woods development and the Dearborn Ridge development. Currently the costs to date for the Bryant Woods well is \$8,515.18 (See Attached Exhibit 2) and the cost for the Dearborn wells is \$24,217.59 (See Attached Exhibit 3), for a total cost of \$32,732.77.
4. That the total amount of the financing will be \$165,329.47.
5. In support of the financing request, HAWC proposes that the financing will:
 - a. Allow management to obtain important information regarding its water resources and system assets as well as monitoring the System's plant and water supply needs.
 - b. Pay for the expenses incurred in installing the wells in Bryant Woods and Dearborn Ridge.
6. It would be in the public good for HAWC to have approval of this financing request.

HAWC provides the following in support:

- a. As HAWC has more information and data concerning the water supply within its franchise, it can better serve the needs of the expanding population therein.
- b. Upgrading HAWC'S System monitoring equipment will enable HAWC to better serve its customers.
- c. Modernizing its supply wells ensures its customers will have a consistent and reliable water supply.

See the Pre-filed Testimony of Stephen St. Cyr attached as Exhibit 4.

7. That the Company proposes to have three Promissory Notes for each group of financing requested, one for the SCADA proposals in the principle amount of \$48,596.70, one for the Water System Mapping and Hydrolic Model in the principle amount of \$84,000.00, and one for the costs of the Bryant Woods and Dearborn Ridge wells in the principle amount of \$32,732.77. The term of the Notes as proposed would be 10, 5 and 20 years. The interest rate would be 8.25% (2.25 % above the prime rate of 6.00%). The Company is assuming that the loan begins July 1, 2008. (See attached Exhibits 5-1 through 5-3, attached, as well as the Pre-filed Testimony of Stephen St. Cyr attached as Exhibit 4).

WHEREFORE your Petitioner prays:

- A. That the Commission find that it would be in the public good for the HAWC to be permitted to finance the well installations and the water system monitoring software and equipment, as proposed;
- B. That the Commission, by appropriate order, grant the HAWC permission to finance the well installations and the water system monitoring software and equipment, as proposed
- C. That the Commission make such further findings and orders as may be appropriate on the circumstances.

Dated the 4th day of March, 2008

Respectfully submitted,
HAMPSTEAD AREA WATER COMPANY, INC.


Christine Lewis Morse
Vice President

Schedule A

HAWC System History

Company	Year	Docket	Order	Franchise Area
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	55 Acres
HAWC-Bricketts Mill Extension	1990	DE 90-049	19,783	1,246 Acres
HAWC-Hampstead	1991	DE 91-121	20,224	1,350 Acres
HAWC-Hampstead	1991	DE 91-144	20,320	370 Acres
HAWC-Rainbow Ridge-Plaistow	1993	DE 92-129	20,774	152 Acres
HAWC-Stoneford-Sandown	1996	DE 96-201	22,551	301 Acres
HAWC-Colby Pond-Danville	1998	DE 97-154	22,854	177 Acres
HAWC-Oak Hill-Chester	2000	DW 00-059	23,577	
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	519.56 Acres
HAWC-Mill Woods-Sandown	2005	DW 05-063	24,544	35 Acres
HAWC-Waterford Village- Sandown	2005	DW 05-070	24,545	90.37 Acres
HAWC-Jameson Ridge-Atkinson	2005	DW 05-092	24,592	67.85
HAWC-Autumn Hills-Sandown	2005	DW 06-016-	24,608	45.55 Acres

*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