

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

ORIGINAL
N.H.P.U.C. Case No. DW 10-141
Exhibit No. RR 5
Witness Stephen Eckberg
DO NOT REMOVE FROM FILE

Docket Nos. DW 10-141, DW 07-105, DW 10-043, and DW 11-021

Lakes Region Water Company, Inc.

Date Request Received: March 21, 2012

Date of Response: 3/30/2012

Record Request No. 5

Witness: Thomas Mason, Jr.

Jake Dawson

Record Request 5: LRWC to provide complete status of compliance issues, to include status of permits and their expiration dates, status of outstanding fees, penalties and charges.

Response:

I STATUS OF COMPLIANCE ISSUES.

The Commission asked for the compliance status of all 17 Lakes Region Water Company systems as a result of the Notice of Violation (NOV) issued by the NHDES on January 24, 2012 for the Indian Mound system and on January 20, 2012 for the Deer Cove system. Staff Advocate Exhibit 10.

The Company's compliance status is as follows (as of March 30, 2012):

On March 20, 2012, NHDES Drinking Water Bureau Administrator Sarah Pillsbury identified three compliance issues as being open. The three items, two of which have been closed, are as follows:

Item A.) System Id No. - 1842030 : System Name - **Indian Mound Golf Club** - Notice of Violation [NOV] issued in January 2012 for a sanitary survey issues pertaining to unsafe pumphouse electrical service and inoperable treatment equipment.

Item B.) System ID No. - 1842060 : System Name - **Deer Cove Water** - Notice of Violations [NOV] issued in January 2012 for failure to submit water quality samples in accordance with the lead and copper rule.

Item C.) System ID No. - 1612010 : System Name - **Paradise Shores/Suisvale** -Letter of Deficiency [LOD 08-033] originally issued in March 2008 for deficiency of source capacity, this LOD has been amended/ re-issued three times, with compliance deadline shifts each time. The current (third amended) LOD was issued in April 2009; associated tasks in this third amended

LOD has compliance deadlines to address the system's source deficiency through November 2010 (all past due). This third amended LOD remains open, and no tasks have been closed out.

LRW Exhibit 20. Items A and B were addressed immediately by the Company. For example, the work to resolve the NOV for the Indian Mound system was completed on November 23, 2011, the day following the November 22, 2011 Sanitary Survey. The NHDES does not normally "close" NOVs. However, as explained below and shown in the attached correspondence, on March 23, 2012 the NHDES reported that both NOVs had been resolved based on documentation provided by the Company.

The Paradise Shores/Suissevale LOD remains open as its resolution will require a significant capital investment from the Company. In addition, as explained in LRW Exhibit 14 (permitting and NHDES correspondence), LRW Exhibit 17 (NHDES Summary), LRW Exhibit 20, and in the Company's response to Record Request 4, the nature of the project is dependent on the level of demand required to serve Suissevale. As a result, the NHDES has approved the Company's proposal to develop a small production well at Mt. Roberts as an interim measure. In the event that Suissevale remains a wholesale customer and does not develop its own large production well under Env-Ws 374, it is likely that the Company will need to obtain a large production well permit for the Mt. Roberts project.

Item A - Indian Mound Golf Club.

The January 24, 2012 Notice of Violation is the result of a sanitary survey of the Indian Mound pump house by the NHDES on Tuesday, November 22, 2011. The Indian Mound pump house is the highest project on the Company's 5 year capital improvement plan. See LRW Exhibit 6, Page 32. The Company has budgeted \$50,000 for a "complete pump house rebuild and Corrosion Control system."

The Company inspects the Indian Mound pump house regularly, at least once a week due to its age and condition. Less than a week prior to the November 22, 2011 sanitary survey, a leak in one of the tanks was discovered. A temporary tank and water line to replace the leaking tank. Unfortunately, the male adapter in the temporary line cracked following its installation and a leak of approximately 1 gallon per minute occurred prior to the sanitary inspection.

The Indian Mound NOV states that the "point well in the pump house is at risk of flooding over the cap". However, the risk of flooding of the cap was extremely remote because the pump house has a drain set at three inches above the floor. This effectively eliminated the risk of any flooding over the well cap.

The Company took the following corrective measures as a result of the November 22, 2011 Sanitary Survey and the January 23, 2012 NOV:

- November 23, 2011. The leaking fitting was repaired and the flooding was corrected. The treatment system reported to be inoperable due to the flooding conditions was corrected and fully operational.

- January 25, 2011. The electrical hazard was corrected by the installation of conduit.
- On-going. The Company's leak detection efforts are on-going. The Company intends to evaluate upgrades to its distribution system and has agreed to submit a Water Conservation Plan for the system to the NHDES on a voluntary basis by May 1, 2012.
- By email dated March 23, 2012, the NHDES administratively closed the January 24, 2012 NOV.

A copy of the NHDES's email and photo documentation related to the closure of the January 24, 2012 NOV is attached. As reported in LRW Exhibit 20, the Company has sought SRF Funding for additional improvements to the Indian Mound system.

Item B – Deer Cove Water.

On January 20, 2012, the Company received an NOV for failure to collect samples due December 31, 2011 for the Deer Cove Water system. These samples were inadvertently omitted due a change in the operation of the treatment system which modified the Company's prior sampling schedule.

The Company published notice of the failure to sample to its customers on March 19, 2012. The Company collected all of the required samples starting in Q4 of 2011, prior to issuance of the NOV. The Company has submitted all of the required samples required by the NOV. On March 23, 2012, the NHDES notified the Company that it is in compliance and the NOV has been closed.

Item C – Paradise Shores/Suissevale.

As noted above, the Paradise Shores/Suissevale LOD remains open, and the Company is addressing compliance under a schedule approved by the NHDES in January 2012. LRW Exhibit 14.

The final closure of the Mt. Roberts LOD will require a significant capital investment from the Company. As explained in LRW Exhibit 14 (permitting and NHDES correspondence), LRW Exhibit 17 (NHDES Summary), LRW Exhibit 20, and in the Company's response to Record Request 4, the need to permit the project as a small production well under Env-Ws 372, or a large production well under Env-Ws 374, is dependent on the level of demand that will be required to serve the Company's wholesale customer at Suissevale (POASI).

By way of summary, the Company believes that if Suissevale remains a wholesale customer and does not develop its own large production well, the Company will likely need to obtain a large production well permit for the Mt. Roberts project under Env-Ws 374. However, if Suissevale obtains its own large production well, the Company believes that its present proposal to permit Mt. Roberts as a small production well will likely be sufficient to provide the supply and storage capacity necessary for the Balmoral and Suissevale systems.

II. STATUS OF PERMITS AND EXPIRATION DATES

The Company has a permit to operate from the NHDES for each of its 17 water systems. All of its permits are renewed annually in June and are up-to-date.

The Company has 6 certified operators licensed by the NHDES. All six certified operator licenses are up-to-date.

III. STATUS OF PENALTIES, FEES AND CHARGES

The Company's fees and charges to the NHDES are listed in the Company's response to Record Request No. 2.

The only fine or penalty imposed against the Company is that related to the connection of the Tamworth well. The Company pays approximately \$3060 per month toward the outstanding balance of the penalty. A total of \$27,380 remains to be paid by the end of September 2012.

Justin C. Richardson

From: Jake Dawson <jdawson101@hotmail.com>
Sent: Friday, March 23, 2012 10:58 AM
To: Justin C. Richardson
Subject: Fwd: PWS 1842030-Indian Mound Golf Club-Ossipee...Sig Defs Closed as per Correction-Repair photos rec'd

Sent from my iPhone

Begin forwarded message:

From: "Riel, Kevin" <Kevin.Riel@des.nh.gov>
Date: March 23, 2012 10:51:50 AM EDT
To: "Jake Dawson" <jdawson101@hotmail.com>
Cc: "Gourley, Allyson" <Allyson.Gourley@des.nh.gov>, "Klevens, Cynthia M" <Cynthia.Klevens@des.nh.gov>
Subject: RE: PWS 1842030-Indian Mound Golf Club-Ossipee...Sig Defs Closed as per Correction-Repair photos rec'd

Jake,

Cynthia Klevens forwarded me your four (4) digital photos (1842030 sig1, sig2, sig3, sig4) for my review re: closing the Sig Defs cited during my 11/22/2012 Sanitary Survey Inspection and the NOV letter issued Jan 24, 2012.

I have revised our database and have now closed the Open/Outstanding Sig Defs cited on 11/22/2012. I have cc'd Allyson Gourley for her review and follow-up re: the NOV letter. A copy of this email and your other emails will be filed along with a copy of the repair/correction photos.

See my comments below...

SIGNIFICANT DEFICIENCIES:

- NOV Letter: Top of Well can be Flooded (FLW) – The point well in the pumphouse is at risk of flooding over the cap.

CLOSED... after review of photo sig4. Said photo verifies there is no longer flooded water around the casing of the active point well, PTW 1.

- NOV Letter: Flooding Occurring Inside Pumphouse (FPH) – Flooding is occurring as the result of a temporary water line that is leaking; this situation must be corrected immediately.

CLOSED... after review of photos sig1-4. All said photos verify that the PH floor is no longer flooding. Photo sig2 shows that the formerly leaking male adapter, located prior to the blue pre-charged pressure tank, is no longer leaking.

- NOV Letter: Significant Deficiency (SIG) – Electrical hazard in pumphouse; wiring attached with wire nuts in a flooded situation.

CLOSED... after review of photos sig2-3, which shows the electric wiring now housed inside blue conduit tubing and secured with zip ties well above the PH floor.

- NOV Letter: Treatment Inoperative (TRF) – At the time of the inspection, treatment was inoperative due to hazardous flooding conditions that prohibit entering the pumphouse to maintain the treatment operations.

CLOSED... after review of photo sig1, showing the chemical treatment tank and feed line have been set back up for operation.

- NOV Letter: Significant Deficiency (SG1) – Continuous leaks in distribution system; distribution system needs to be upgraded.

CLOSED... after review and discussion with Cynthia Klevens on 3/23/2012. As per a Jake Dawson email dated 3/22/2012, "LRW Co has a very aggressive leak detection program and will be in contact with Derek Bennet from NHDES to establish a water conservation plan. In the meantime LRW Co will continue it's ongoing efforts to reduce water loss through leak detection."

Regards,
Kevin J. Riel, Environmentalist III
Drinking Water & Groundwater Bureau
NH Department of Environmental Services
kevin.riel@des.nh.gov
Office: (603) 271-2539
Cell: (603) 568-9301
Fax: (603) 271-5171

 Please consider the environment before printing this e-mail.

-----Original Message-----

From: Klevens, Cynthia M
Sent: Friday, March 23, 2012 8:34 AM
To: Riel, Kevin
Subject: 1842030 Ossipee Indian Mound Sig Def correction photos

For your review [1842030 Mar 2012 sigs](#) and reply to Jake. Thanks, Cindy

Cynthia M. Klevens, PE - 603-271-3108 / Small Systems Engineering & Tech Assistance
DES Drinking Water & Groundwater Bureau, Concord, NH 03302-0095

-----Original Message-----

From: Jake Dawson [<mailto:jdawson101@hotmail.com>]
Sent: Thursday, March 22, 2012 (5:10 to 5:14 PM)
To: Klevens, Cynthia M
Subject: Indian mound

Attachments: 4 photos (saved at H:\Photos...\1842030\Mar 2012)







