

THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

HAMPSTEAD AREA WATER COMPANY, INC

DW 14-

**PETITION TO EXPAND FRANCHISE AREA, APPROVAL OF FINANCING,
APPROVAL OF ACQUISITION OF ASSETS AND APPROVAL OF APPLICATION OF
EXISTING PERMANENT RATES**

The Petitioner, Hampstead Area Water Company, Inc. (HAWC), respectively petitions the N.H. Public Utilities Commission (Commission) to (1) to expand its franchise area within the Town of Newton, (2) for approval of financing (3) for approval of acquisition of assets; and (4) for approval of the consolidated rates to be applied to that area. In support thereof, 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 HAWC has received a request from the Owner, Centerview Hollow Land Company, LLC, and the Developer, Lewis Builders Development, Inc. (LBDI) for new water service within the Town of Newton to provide service to a new, proposed Thirty (35) unit condominium development to be merged as part of the existing abutting condominium development known as Sargent Woods. Sargent Woods was previously approved by the commission in docket DW-07-130. The expansion of the franchise would extend onto the parcel known as Town of Newton Tax Map Lot 7-5-4, off Route Smith Corner Road in Newton, New Hampshire. This would be a satellite system for the Company.
3. CVH and LBDI are both related companies to HAWC. It is intended to have HAWC expand its franchise and provide water service to this development which will be served by an extension to the new parcel.

4. CVH has granted a Water Rights and Easement Deed as shown on Exhibit 1. The location of the Sargent Woods expansion condominium development and its proposed Thirty Five (35) units are shown on Exhibit 2.
5. The proposed Franchise Expansion Area (Expansion) is shown on the Plan on Exhibit 3 as Proposed Expansion Area. The Expansion is only to the new parcel and is described by metes and bounds as part of Exhibit 4
6. Approval by the N.H. Department of Environmental Services, Water Supply Division (DES) for the additional units for the extension of the existing system has been obtained. (See Exhibit 5).
7. The construction of this system is proposed to be performed by and under the direction, supervision and control of LBDI which has extensive experience in the installation of water systems.
8. The Three Party Contract (Contract) between CVH, LBDI and HAWC is attached as Exhibit 6.
 6. Except for the proposed \$1,000.00 per unit hook-up, to wit: \$35,000.00 in total, upon full build-out of all Phases of the Development, to be paid by HAWC to LBDI (see Promissory Note, Exhibit 9), and the remaining amount of the cost of the system will be contributed by CVH to HAWC as Contribution In Aid Of Construction (CIAC).
9. With regard to the request for authority to Incur Debt and to purchase the system HAWC says:
 - A. Enclosed as Exhibit 6 is a Contract subject to the Commission's approval to purchase the system which contains the purchase price for the system, and the terms of payment.
 - B. Enclosed as Exhibit 7 is a schedule of the costs to be incurred by HAWC, if the purchase of the system is authorized by the Commission, broken down and allocated

between (a) CIAC, and (b) the proposed hook-up fees to be paid by HAWC, if authorized by the Commission.

C. Attached hereto are copies of HAWC'S pro forma Continuing Property Records (CPR) for those assets for which HAWC seeks approval to purchase (Exhibit 11), Project Cost Schedule (Exhibit 10) and a proposed Bill of Sale (Exhibit 8).

10. With regard to the request for approval of rates HAWC says:

A. That HAWC presently has a consolidated system wide rate.

B. The current consolidate rate consists of a base rate of \$10.00 monthly and a consumption rate of \$5.02 per 100 cubic feet.

C. Attached is the Testimony of Harold Morse (Exhibit 12) and John Sullivan (Exhibit 13), and in support of the requests herein.

WHEREFORE your Petitioner prays:

A. That the Commission find that it would be in the public good for the HAWC:

1. to extend and expand its Franchise Area to provide water service to the area within the Town of Newton as is shown on the attached Plan (Exhibits 2, 3 and 4);

2. ;to be permitted to acquire the assets of the system upon completion of the same;

3. to be permitted to finance the acquisition of assets as describe in the Contract (Exhibit 6) and the Promissory Note (Exhibit 9);

3. to be permitted to charge the existing consolidated rate contained in the tariff of HAWC for the Proposed Franchise Expansion Area as described in Exhibit 4;

B. That the Commission, by appropriate order, grant the HAWC permission to:

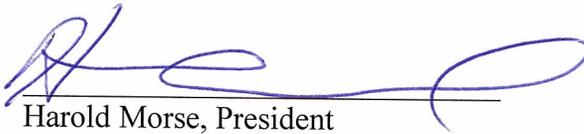
1. to extend and expand its Franchise Area to provide water service to the area within the Town of Newton as is shown on the attached Plan (Exhibits 2, 3 and 4);

2. to be permitted to acquire the assets of the system upon completion of the same;

3. to be permitted to finance the acquisition of assets as describe in the Contract (Exhibit 6) and the Promissory Note (Exhibit 9);
 4. to be permitted to charge the existing consolidated rate contained in the tariff of HAWC for the Proposed Franchise Expansion Area as described in Exhibit 4;
- C. That the Commission make such further findings and orders as may be appropriate on the circumstances.

Dated the 16th day of April, 2014

Respectfully submitted,
HAMPSTEAD AREA WATER COMPANY, INC.



Harold Morse, President