STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION 21 S. Fruit St., Suite 10 Concord. N.H. 03301-2429

November 19, 2018

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Debra A. Howland, Executive Director New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, New Hampshire 03301-2429

Re:

DW 18-128, Hampstead Area Water Company, Inc. Petition for Extension of Emergency Service Agreement

Dear Ms. Howland:

On November 15, 2018, Hampstead Area Water Company, Inc. ("HAWC" or the "Company") filed a petition requesting permission to continue to provide water service to the Tisdale Trailer Park ("Tisdale" or "Trailer Park") within the Town of Salem. The Company also requested authority from the Commission to continue to charge Tisdale the previously approved water rate beyond the original effective period ending November 1, 2018. HAWC's petition was accompanied by the pre-filed supplemental testimony of its president, Harold Morse. Staff recommends that the Commission approve HAWC's petition.

Commission Order No. 26,174 approved a water service agreement between HAWC and Tisdale effective until November 1, 2018. That service agreement, pursuant to a request by the NH Department of Environmental Services ("NHDES"), provides for HAWC to furnish temporary emergency service to Tisdale because its water supply was contaminated by e coli.

The water service agreement provided temporary emergency water service to Tisdale by HAWC via a service line from the Company's Lancaster Farm's distribution system through a 1" meter. HAWC, in turn, charged Tisdale its current 1" meter rate of \$30 per month plus its present consumption charge of \$5.95 per hundred cubic feet (ccf) of water supplied.¹

Order No. 36,174 further anticipated that by November 1, 2018, Tisdale's owner would know if efforts to rehabilitate the Trailer Park's water supply were successful. If those efforts, however, proved unsuccessful, it also anticipated that Tisdale's owner would elect to have HAWC supply the Trailer Park's water system on a permanent basis. In his supplemental testimony, Mr. Morse states that Tisdale's attempts to rehabilitate its water supply were unsuccessful. As such, HAWC will soon be submitting a filing to expand its franchise area to include the Trailer Park.

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¹ These rates were recently approved by the Commission in Order No. 26,165 (July 31, 2018) in DW 17-118. On November 7, 2018, a Settlement Agreement was presented to the Commission for a Step Adjustment which, if approved, would result in an additional \$0.16 increase in HAWC's consumption rate from \$5.95 per ccf to \$6.11 per ccf, effective January 1, 2019. The Settlement Agreement proposed no change to HAWC's current monthly fixed meter charges.

In the interim, HAWC is requesting authorization from the Commission to continue supplying Tisdale's 58 residents beyond the November 1, 2018 deadline at the previously approved rate until the Company's anticipated franchise expansion petition, to include Tisdale, is considered by the Commission and an order is issued. HAWC further requests that, pursuant to RSAs 374:22, 26 and 378:9, consideration be expedited and a hearing waived due to the continued water emergency that exists at Tisdale and the immanency of the upcoming winter season.

Upon review of the facts and circumstances surrounding HAWC's requests to continue providing emergency service to Tisdale, Staff recommends that the Commission approve the Company's petition. Staff further recommends that HAWC's continued provision of emergency service to Tisdale, under the previously approved contract, extend to no later than either such time that the Commission issues an order concerning the Company's anticipated franchise expansion petition or April 30, 2019, whichever is sooner. If you have any questions concerning this matter, please do not hesitate to contact me.

Sincerely,

Jayson P. Laflamme

Assistant Director, Gas-Water Division

cc: Service List

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 18-128-1

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FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an

electronic copy, of all documents including cover letter with:

DEBRA A HOWLAND EXECUTIVE DIRECTOR NHPUC 21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.