

TOWN OF NORTH HAMPTON

PO BOX 710
NORTH HAMPTON, NH 03862



Water Commission

Henry Fuller, Co-Chairman
Robert Landman, Co-Chairman
Tim Harned, Secretary
Richard Bettcher, Commissioner

Water Commission News — Jan 3rd, 2011

The North Hampton Water Commissioners participated in the ongoing NH Public Utilities Commission's review of Aquarion Water Company's proposed Water Infrastructure and Conservation Adjustment (WICA) projects. Aquarion provides water to ~70% of the town residents as well as Rye Beach and Hampton. The town is a very large customer; its town offices, the North Hampton school and water hydrants are served by the company. The company was founded in 1907 initially serving the Hampton Beach Precinct. There are 105 miles of water mains and 368 hydrants in the three towns.

In the last Aquarion rate case approved by the PUC, Aquarion, with the support of North Hampton, gained approval to work with North Hampton, Hampton and Rye to identify water infrastructure improvements that are of the highest priority, with the aim of presenting annually a proposed 3 year capital improvement plan. Once projects are approved, they will be reviewed upon completion for eligibility to recover the cost of the company's investments by means of a rate surcharge. The concept encourages Aquarion to accelerate the pace of its investment in water mains and hydrants and modern remote radio-read water meters. The company is allowed to recover the cost of its investment more quickly, resulting in lower long term water utility operating costs (lower costs to customers) and will provide better water service to Aquarion's customers. This WICA review process provides North Hampton, for the first time, a seat at the table at the PUC with staff and Town Counsel reviewing what priority will be given to Aquarion's annual water system improvements.

The NH Public Utilities Commission issued its first WICA surcharge Order on December 22, 2010. The order approved certain Water Infrastructure and Conservation Adjustment (WICA) projects for 2011-2012, along with a surcharge of 1.5715% to allow recovery of WICA water main and meter improvement projects performed in 2010 in the amount of \$721,546.

North Hampton residents may have noticed the water main replacement work that was undertaken by Aquarion in 2010. It replaced the aging water main on Atlantic Avenue between Mill Road and 106 Atlantic Avenue. This project expense of approximately \$537,000 took up the lion's share of the \$721,546 2010 WICA project expenses. Aquarion also updated over 750 water meters. This project is part of a 3 year undertaking to install water meters that can be read remotely with a device operated from a vehicle traveling up and down the street, thereby saving customers the expense of having an Aquarion employee having to enter each property to

visually read each customer's meter. The new meters reduces labor cost and will allow monthly (instead of quarterly) bills, resulting, North Hampton has argued to the PUC, in earlier leak detection (reduced bills to customers for leaky toilets) and increased water conservation.

In 2011 further work on the Atlantic Avenue main replacement will be completed, starting at 106 Atlantic Avenue and continuing to Woodland Road. Also, Aquarion plans to install another 1/3 of the new remote-read water meters.

The North Hampton Water Commissioners and the Fire Chief Dennis Cote have raised two important public safety issues with Aquarion and the PUC staff during this WICA review. North Hampton requested that Aquarion color-code the fire hydrants to reflect the fire flows that hydrant testing indicates each hydrant can be expected to yield. To date, Aquarion has stated that it has no plans to color-code its hydrants. It indicated it would review this request. Hampton's Fire Chief has also requested color-coded hydrants. Also, Aquarion has been asked to explain whether, during a power outage--and particularly during a prolonged power outage as the Seacoast communities experienced last winter-- that the portable generators that they claim will supply some portion of the water flows and water pressure are adequate to do so? North Hampton has proposed as a capital equipment improvement that permanent, onsite generators would better promote public safety in the instance of such power outages. Fire Chief Cote has stated that it took several days to procure the necessary portable generators last winter.

Public documents on the WICA process are at the town's website on the Water Commission webpage.

Bob Landman, Co-Chair
North Hampton Water Commission