

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
RE: HAMPSTEAD AREA WATER COMPANY, INC.
DW-11-

**PETITION FOR AUTHORITY TO BORROW LONG TERM DEBT,
FOR WATER SERVICE LINE REPLACEMENTS**

PRE-FILED TESTIMONY OF HAROLD MORSE

1. Q. Please state your name, address and position with Hampstead Area Water Company, Inc.

A. My name is Harold Morse. My business address is 54 Sawyer Avenue, Atkinson, New Hampshire. I am the President of Hampstead Area Water Company, Inc., which we refer to as "HAWC".

2. Q. Describe the overall history of HAWC?

A. 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 to the Petition). HAWC is a New Hampshire corporation, authorized by this Commission to produce and distribute water within the Company's authorized franchise areas throughout southeastern New Hampshire.

3. Q. Why is the Company seeking this financing?

A. The proposed financing would fund the replacement of water service lines, running from the main water distribution line to the shutoffs for 100 customers in the Town of Atkinson, New Hampshire, in HAWC'S core system. This replacement program would be in the best

interest for the Company in terms of system operation and resource planning and has the support of the Department of Environmental Services.

4. Q. Can you describe this replacement program?

A. The Company plans to borrow \$180,000.00 from the SRF for the construction of the replacement water service lines. This contemplates the installation of approximately 100 service line connections in the Town of Atkinson, New Hampshire.

5. Q. Why would this project be in the public interest and consistent with the public good?

A. The project would enhance the Company's ability to provide safe and reliable drinking water to its customers in its franchise areas at a reasonable cost. The replacement water service lines will provide stability to the core system by remedying current water loss and preventing water loss in the future. The system improvements being proposed and the estimated cost of the improvements are reasonably necessary to provide such service to the Company's customers.

6. Q. Does this conclude your testimony?

A. Yes.