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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

September 11, 2006 - 6:00 p.m.
Winnicunnet High School
One Alumni Drive
Hampton, New Hampshire

NPUC SEP15'06 PM12:08

RE: DW 06-094
AQUARION WATER COMPANY OF NEW HAMPSHIRE:
Verified Petition for Approval of the
Acquisition of Aquarion Company by
Macquarie Utilities, Inc.
(Hearing to receive public comments)

PRESENT: Chairman Thomas B. Getz, Presiding
Commissioner Graham J. Morrison

APPEARANCES: (No appearances taken)

Court Reporter: Steven E. Patnaude, CCR

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I N D E X

PAGE NO.

Statement by Mr. Bingaman (Aquarion) 6

Statement by Mr. Rollinson (Macquarie) 11

PUBLIC STATEMENTS BY:

Mr. Ingram 12

Ms. Charette 14

Mr. Yanuszcwski 15

Ms. Woolsey 16

Mr. Ratigan 20

Mr. Pray 23

Mr. Nordstrum 23

Ms. Anderson 26

Mr. Cotts 26

Mr. Landman 27

Mr. Conklin 28

1 are conducting this evening.

2 A public statement hearing is an
3 opportunity for parties, interested parties, the public,
4 to make comments on, among other things, in this case,
5 whether the merger should or should not proceed, and
6 whether conditions might be imposed, and other issues that
7 are relevant to the proposed merger.

8 We have a court reporter here this
9 evening, Mr. Patnaude will be putting together a
10 transcript. I'd ask that anyone who would like to speak
11 could come up and use the microphone and identify
12 yourself, and to speak loudly and clearly. There will be,
13 at some point, I anticipate there always is, there are
14 some questions, but I would just ask that it's important
15 that only one person speak at a time, so that we can get
16 this down in the transcript as clearly as possible.

17 We're going to begin with letting the
18 Company have five to ten minutes to explain their
19 position, to give some information on the proposal. But
20 what I'd like to make clear, the difference between a
21 public statement hearing and the hearing that we're going
22 to be having in Concord next week, is this is not the
23 opportunity to cross-examine the people from the Company.
24 They will give you some background, and they have already

1 indicated as well that, to the extent people have some
2 questions that they would like to follow up with them
3 about, that they will remain after the hearing closes
4 tonight and will be prepared to answer questions that you
5 might have about their proposal.

6 Let me also make a note of the
7 importance to the Commission of your comments tonight.
8 And, by the way, this is Commissioner Graham Morrison on
9 my left. And, to those of you who have just come in, my
10 name is Tom Getz, I'm the Chairman. Your statements are
11 extremely helpful for us in preparing for the hearing, the
12 adversarial or adjudicative hearing that will be held in
13 Concord next week, which will be a hearing where testimony
14 is provided by the Company and also by other parties who
15 would be -- who have sought to intervene, and that will be
16 an opportunity for cross-examination, and that will form
17 the substantive, evidentiary basis for our decision in
18 this proceeding.

19 I'd like to also note that,
20 unfortunately, Mark Naylor, who's the Director of our
21 Water Division, is ill and couldn't be here tonight, and
22 the counsel for our Water Division went home with a sick
23 child today. But, if there is something that you would
24 like to follow up with Commission Staff after the hearing

1 or within the next few days, you can call Mr. Naylor at
2 the Commission. His phone number is, you can get through
3 the switchboard, is 271-2431, if there are questions that
4 you would like to follow up with Staff about the proposal
5 or about the hearing or any other procedures.

6 I think that takes care of all of the
7 preliminary matters. So, what we will do now is we'll
8 turn to the Company, and they can make their presentation.
9 And, then, I'll go through lists of people who would like
10 to comment. And, if you still -- if there's still people
11 that would like to make comments, just make sure you bring
12 the forms up and give them to Mr. Patnaude.

13 So, I will turn at this time to
14 Mr. Bingaman from Aquarion Water Company.

15 **MR. BINGAMAN:** Thank you, Mr. Chairman,
16 Commissioner Morrison. Thank you very much for this
17 opportunity to present a few -- an overview and a few
18 facts about the proposed change in ownership. My name is
19 Larry Bingaman, and I'm the Senior Vice President of
20 Operations for Aquarion Water Company of New Hampshire and
21 Massachusetts.

22 **FROM THE FLOOR:** Can you talk a little
23 louder please?

24 **MR. BINGAMAN:** My name is Larry

1 Bingaman, and I'm the Senior Vice President of Aquarion
2 Water Company of New Hampshire and Massachusetts. I'd
3 like to also introduce a few other of our guests that are
4 with us this evening. Adam Torrey, who is the Operations
5 Supervisor here in Hampton; Mr. Bob Rollinson, who is with
6 Macquarie; Chuck Firlotte, who is the President and CEO of
7 Aquarion from Connecticut; Rob Kupchak, also a
8 representative of Macquarie; Steve Camerino, our attorney
9 in these proceedings; and Linda Discepolo, who is our
10 Director of Regulations and Water Rates. And, we'll be
11 around, as the Chairman said, afterward to answer any
12 questions that might come up.

13 Just by way of background, in February
14 of this year, Aquarion's current parent company, Kelda
15 Group, announced that it had agreed to sell Aquarion and
16 its water utility subsidiaries to Macquarie. And, that's
17 because Kelda has decided to exit the United States and to
18 focus its business on the U.K., where it is headquartered.
19 The transaction, which is a sale of stock, is currently
20 being reviewed by the New Hampshire Public Utility
21 Commission, as well as by other public utility commissions
22 in other states where Aquarion has water utility
23 operations.

24 You may recall that Aquarion came to New

1 Hampshire in 2002, when we acquired the former Hampton
2 Water Works Company as part of an acquisition of other
3 operations from the American Water Works Company that then
4 owned these operations here. Under Aquarion ownership,
5 the local management and staff has continued to operate
6 and be the point of contact for our customers. This
7 proposed change in ownership that we're reviewing today is
8 really nothing more than a change in shareholders and will
9 not alter the way Aquarion provides service to our New
10 Hampshire customers, because local management and the
11 staff will continue to lead the Company and be the point
12 of contact.

13 In testimony to the PUC, Macquarie has
14 made it clear that it intends to continue the focus of
15 local management and a local customer service presence.
16 Macquarie Utilities has significant experience in the
17 utility business, and it has experience and background in
18 water, gas, and electricity utilities, to name a few.
19 Through its utility investments in the United States,
20 Macquarie is responsible for providing gas, water,
21 electricity services to more than 10 million consumers.
22 And, given its experience, we believe it can offer
23 significant technical, managerial and financial planning
24 expertise to Aquarion.

1 And, by way of example, the following
2 are a few of the commitments that Macquarie has made
3 concerning this change in ownership: The local customer
4 service staff in New Hampshire will continue to be the
5 point of contact for our customers to pay bills and for
6 customer inquiries. Our Customer Advisory Council will
7 continue so Aquarion can obtain direct information from
8 our customers and have direct access to customers so that
9 they can act as a sounding board for us, concerning
10 policies and procedures of the Company.

11 In the last four years, Aquarion has
12 invested more than \$5 million in the infrastructure
13 system, to not only improve the system itself, but to find
14 additional supplies, lift the building moratorium, and
15 generally improve water quality and service. This year
16 we'll be investing some \$1.3 million in the water system,
17 and over the next four years we'll invest some
18 \$6.9 million to further improve the water system. And,
19 Macquarie has made it clear that it supports this
20 investment program.

21 Macquarie, because of its worldwide
22 access to capital markets and financial expertise, will
23 help facilitate a cost-effective capital structure for
24 Aquarion. And, Aquarion's water rates and terms of

1 service will not change due to the change in ownership.
2 In fact, any change in our water service rates could only
3 be done so with the approval of the New Hampshire Public
4 Utility Commission. And, the Public Utility Commission,
5 as well as the New Hampshire Department of Environmental
6 Services, will continue to have oversight of Aquarion
7 after the change in ownership and we'll be required to
8 continue to comply with their rules and regulations as we
9 are today.

10 So, in conclusion, Macquarie invests in
11 companies and management it likes, and it takes a
12 long-term view in its investments. They have pension
13 funds, mutual funds and others that like long-term
14 horizons. So, they're here for the long term. Macquarie
15 has made it clear in testimony at the PUC that it is
16 committed to maintaining Aquarion's local presence and
17 staff. We look forward, as the water provider, to
18 continue to provide you with quality water and service.
19 And, if you should have any questions, you can always call
20 me at the New Hampshire office at 603-926-3319, and I'm on
21 extension 121, or Adam Torrey, who is on extension 116, or
22 the general customer service number, which is extension 2.

23 Again, we look forward to continuing to
24 serve you. And, I'd like to provide an opportunity for

1 Mr. Rollinson to deliver a few comments about Macquarie
2 and some of their views about the change in ownership.

3 Thank you very much.

4 **MR. ROLLINSON:** Mr. Commissioners,
5 ladies and gentlemen and children, I won't take a lot of
6 your time. And, I just really wish to reinforce some of
7 the points that Larry has just made, and to reaffirm the
8 things that we have said to the Commission here and to the
9 commissions in other jurisdictions where approval is
10 required.

11 Macquarie has extensive experience in
12 the operation of infrastructure assets. We take a very
13 long-term approach. It suits the investors who invest
14 with Macquarie. And, so, long-term infrastructure assets
15 are really the area that we focus on. A key priority of
16 Macquarie is to see that Aquarion continues to provide
17 high levels of service and reliability to the customers.
18 We recognize that businesses don't exist without
19 customers, and businesses are there to serve those
20 customers, and that's what our intention would be. And,
21 Aquarion will continue to retain its existing executive
22 team and its workforce, not just in New Hampshire, but
23 across the patch within the Aquarion group. There is no
24 intention to reduce the size of the workforce. The

1 workforce is one of the very key parts of this
2 organization. And, as the pumping stations, wells,
3 reservoirs are all important, but it means nothing without
4 quality staff. And, we put a lot of attention into
5 looking at the staff who are working with these businesses
6 and to encourage and support them to improve even more.

7 The last thing is that Macquarie is
8 committed to be a good and approachable corporate citizen.
9 Again, our businesses aren't anything without us having
10 the right relationships with the communities that we work
11 in, the communities that we serve, and that applies across
12 the world. These are commitments that we have made to the
13 Commission, these are commitments we have made to Aquarion
14 themselves, and these are commitments that we have made
15 across the patch to all of the communities and to the
16 business that we work with.

17 That's all I really wish to say, just to
18 reaffirm those points. Thank you.

19 **CHAIRMAN GETZ:** All right. Thank you,
20 gentlemen. The first speaker I have on the forms that
21 were submitted is Dick Ingram.

22 **MR. INGRAM:** Thank you, Mr. Chairman and
23 Commissioner Morrison. My name is Dick Ingram. And, for
24 the record, I live at 42 Atlantic Avenue, in North

1 Hampton, so I'm a resident and someone who receives
2 service from the water company. I'm here to speak in
3 support of the acquisition going forward. And, I do it
4 for very simple reasons. I see this as no change from the
5 current circumstances which we currently are dealing with,
6 a local utility owned by a foreign parent. And, in this
7 case, the foreign parent that has proposed to be the owner
8 is, in fact, a world-class company, something that we
9 don't have to be afraid of, I don't believe.

10 I also see this, as we've heard, of
11 maintaining local control and local regulation over the
12 services that we receive. And, I would expect the
13 Commission to disallow any request for a rate increase
14 that was tied to any investment or any asset or any cost
15 that was not directly associated with delivering water to
16 our homes and businesses here in this service territory.
17 So, I see no change in that.

18 As I said, you know, more than anything,
19 this is a continuation of circumstances as they exist now.
20 It will provide the local utility access to managerial
21 expertise and capital that is truly world-class in nature.
22 And, for those reasons, I would hope that this would go
23 ahead and that you would support it, and continue to man
24 the close regulation and the local accountability over the

1 quality of service and the cost of service. Thank you.

2 **CHAIRMAN GETZ:** Thank you. Kathy
3 Charette.

4 **MS. CHARETTE:** Hi. Some of us are here
5 tonight to discuss about the water bill that we received
6 for our sprinklers. Every three months we pay year in and
7 year out for water we did not receive or use at any time.
8 And, we're a little bit upset with this. We can't seem to
9 get to the bottom of it, where the money goes or what it's
10 being used for. And, so, we thought maybe you were here
11 tonight to answer some of our questions.

12 **CHAIRMAN GETZ:** Well, this sprinkler
13 issue I'm not familiar with. But let me say a couple of
14 things. One is, and the most direct to this proceeding,
15 is that's not -- I don't think that the sprinkler bills
16 will have anything to do with the decision on whether we
17 grant the merger or not, which is the subject of tonight's
18 public statement hearing. I would offer two things. One,
19 on behalf of the Company, I would imagine they would
20 follow up with whatever this issue you have about the
21 sprinkler system is, and I will have Mark Naylor, who's
22 the Director of our Water Division, call you to find out
23 what this issue is about, so that we can follow up,
24 because this, I think, is the first I've heard of this

1 issue.

2 **MS. CHARETTE:** Well, I was wondering if
3 my neighbor, Ron, could say a couple of words?

4 **CHAIRMAN GETZ:** I think we don't have a
5 terribly long list of speakers tonight. So, is there
6 anyone else who wanted to speak to that issue?

7 (No verbal response)

8 **CHAIRMAN GETZ:** Well, why don't we hear
9 a little more about it from him, and then give the Company
10 a chance to follow up with the both of you afterwards, and
11 I'll have Mr. Naylor follow up with you as well.

12 **MS. CHARETTE:** See, I was told that this
13 was an open forum tonight, which is why we had come here
14 for this reason. Thank you.

15 **CHAIRMAN GETZ:** Thank you.

16 **MR. YANUSZEWSKI:** Thank you very much.
17 My name is Ron Yanuszewski. I live at 540 High Street.
18 And, to your point that you hadn't heard about this
19 before, we have written letters to the Commission on this,
20 and we've gotten negative answers back. That this was a
21 rate setting thing. That the Commission can just give the
22 Company the ability to take our money with no services
23 allowed. But that's one of my -- that's one of my points.

24 My second point is that we have -- we've

1 gone through this, the sale of this company or the water
2 company, a couple of times in the last few years. And, we
3 heard this gentleman say that it's a "long-term
4 commitment" that the new company is going to give us.
5 Aquarion hasn't given us this long-term commitment. We're
6 going to be strapped now with new rates, and we all know
7 that. We're not naive sitting in this room to think that
8 a merger is not going to create higher rates for the
9 consumer.

10 I think this Commission should look at
11 this very closely and make sure that, when this happens,
12 that we, the consumer, are protected on this. That we're
13 not going to be hit with higher rates, because we're being
14 hit with rates now with a product we don't even use. So,
15 that's my two cents worth.

16 **CHAIRMAN GETZ:** Thank you. Mary-Louise
17 Woolsey.

18 **MS. WOOLSEY:** Good evening, gentlemen.
19 Welcome to Hampton, and thank you for coming to hear us.
20 My name is Mary-Louise Woolsey, 148 Little River Road, in
21 Hampton. A 43 year resident of the Town of Hampton. I've
22 served three terms as a Selectman, two terms on two
23 separate charter commissions, and I am now serving my
24 fifth term as a member at large of the Municipal Budget

1 Committee, and serving again this year as Chairman. I
2 also served with Representative Malcolm, who is here, and
3 also Henry Fuller, from North Hampton, who is here, on the
4 Hampton Water Works Advisory Council. And, I sit now as a
5 member of the Aquarion Customer Advisory Council.

6 We understand that we're not qualified
7 to judge whether the change of shareholders from Kelda to
8 Macquarie is viable from a fiscal or operational
9 perspective. But I have been impressed by Macquarie's
10 stated commitment to keep the local staff in place.

11 Aquarion has been a true partner in this community.

12 Mr. Bingaman and his excellent staff have been cooperative
13 and forthcoming. He has appeared numerous times before
14 the Board of Selectmen to provide information. And, he
15 has been present at each Advisory Council meeting.

16 The investment that they have made in
17 the water system, in the relatively short period of time
18 that they have owned it, includes \$1.5 million for
19 reconstruction of water lines at the beach, as part of the
20 Town's \$17.6 million infrastructure reconfiguration at
21 Hampton Beach. And, a project that was near to my heart,
22 the reconstruction of the water line on Little River Road.

23 Several years ago, the Town put aside
24 \$350,000 to reconstruct the roadway at Little River, which

1 is a rather long road. And, I went before the Board of
2 Selectmen and reminded them that there had been three
3 major water breaks. The line had blown at the bell joints
4 three separate times within a ten year period, and caused
5 significant damage. And, I said "it seemed silly for the
6 Town to spend 350,000 to reconstruct the road, and then
7 perhaps have it subjected to additional damage by another
8 water line break."

9 To my amazement, the Selectmen did
10 approach Aquarion, and they did agree to reconstruct.
11 They did a marvelous job. Not only did they agree to have
12 the work done prior to the actual physical reconstruction
13 of the roadway, but they hired an excellent contractor.
14 And, this, as you can imagine, is a pretty devastating
15 project to undertake in a community, a lot of damage and
16 potential damage to property and disruption of people's
17 lives. And, that was a beautifully done project. I can't
18 say enough about their thoughtfulness. Not just in
19 digging up the roadway and replacing the lines, but in
20 actually having a responsible excellent, excellent
21 contractor to do the work.

22 I understand there's been some question
23 by residents of North Hampton on the possible municipal
24 purchase of this utility. To borrow from the current

1 American Express advertising: There are 268 hydrants in
2 Hampton, priced in 2006 at \$350,000. Unmetered water for
3 our working fires: Priceless.

4 In Hampton, we have an annual operating
5 budget this year of \$24 million, and we have \$35 million
6 in outstanding debt service. In March 2005, you may or
7 may not be aware, that Article 30 was submitted to the
8 taxpayers and voters of Hampton. The article reads as
9 follows: "Shall the Town of Hampton authorize the Board
10 of Selectmen to support" -- "to appoint a special
11 committee to study and report to the Board of Selectmen
12 their findings and recommendations regarding the possible
13 acquisition by the Town of Hampton of Aquarion Water of
14 New Hampshire." The Town Clerk has recorded the vote on
15 that article: "Yes, 684; no, 2,899." And, the Town
16 Clerk's final notation is: "Article 30 failed." I think
17 that's probably as accurate an indication of the feeling
18 of the people in the Town of Hampton as to whether or not
19 they think acquiring the water utility is reasonable.
20 That should put to rest any question of whether we're
21 interested in acquiring this system.

22 We are aware that taxpayers in Nashua
23 have seen over \$1 million of their money spent on the
24 attempt by the City to acquire Pennichuck. And, I know my

1 oldest son is a resident of Nashua, and he and others are
2 very irritated at this waste of their taxpayers' money.

3 We have had, with Aquarion and
4 Mr. Bingaman, a well-run system, responsible to the needs
5 of the community, and sensitive to the ever-increasing
6 demands for water and replacing aging service lines. If
7 Macquarie is able to satisfy you that they have the means
8 and the commitment to manage this system up to the current
9 standards, we will be very fortunate, indeed, and we will
10 welcome them. Thank you, gentlemen.

11 **CHAIRMAN GETZ:** Thank you. John
12 Ratigan.

13 **MR. RATIGAN:** Good evening. My name is
14 John Ratigan. I'm an attorney from the Exeter law firm of
15 Donahue, Tucker & Ciandella. I represent the Town of
16 North Hampton and its Board of Selectmen and Water
17 Commissioners. Thank you for this evening for coming out
18 on behalf of the Selectmen and the Water Commissioners. I
19 would also note that, for those who think that young
20 people don't come to public meetings, I just want to let
21 you know I've done my part to lower the age of the meeting
22 attendants.

23 In North Hampton, there has been
24 long-standing dissatisfaction with the service that has

1 been received from Hampton and from its now successor
2 Aquarion. Sometimes these concerns have related to water
3 rates, sometimes fire hydrants and other maintenance
4 issues, and other times there have been serious doubts
5 about the thoughtfulness of long-term water resource
6 planning.

7 We understand that Macquarie has touted
8 that they are leaving the present management team in
9 place. That provides no reassurance to the residents of
10 North Hampton. The old management team is the new
11 management team. And, once again, we will have a set of
12 owners who are located out of this country, remote from
13 the local concerns of North Hampton residents.

14 North Hampton believes that it must take
15 a leadership role in providing long-term water resource
16 planning and stewardship for the water resources that it
17 has to provide and meet the needs of not only the Town of
18 North Hampton, but the neighboring communities of Rye and
19 Hampton that part of this customer base. It's a finite
20 resource. And, we understand that, in the long term,
21 there needs to be planning for the entire watershed, to
22 make sure that the water resources are available, not only
23 to meet the existing community needs, but also future
24 economic development needs.

1 For those who aren't Hampton residents,
2 who gain their water from private wells, they too have an
3 interest in assuring that water resources are properly
4 managed and protected. The Selectmen and the Water
5 Commissioners believe that local control is the best way
6 to ensure that private water wells always be able to
7 supply an adequate water supply for family needs. Local
8 control is the best way to supply and respond to North
9 Hampton's long-term -- long-standing concerns about water
10 system maintenance and about water supply for fire
11 protection and about water resources and their protection.

12 This morning the North Hampton Water
13 Commissioners presented a citizen petition to the North
14 Hampton Selectmen, requesting that a special town meeting
15 be called to put the question to voters of whether, in
16 effect, should the Town authorize the Selectmen to buy the
17 water company and to set up a municipal water company in
18 North Hampton. It's the Selectmen's and the Water
19 Commissioners' belief that municipal ownership will
20 establish local control. Water rates will allow North
21 Hampton residents to prioritize water system maintenance,
22 and will allow the insurance of appropriate stewardship of
23 water resources into the future. The North Hampton
24 Selectmen this petition and have directed that the issue

1 will go to voters at a town meeting, a special town
2 meeting to be held this fall. Thank you.

3 **CHAIRMAN GETZ:** Thank you. I have one
4 form I can't really read. It doesn't say whether the
5 person wants to speak or doesn't want to speak. But it's
6 Charles P-r something?

7 **MR. PRAY:** -- a-y. You're close.

8 **CHAIRMAN GETZ:** Okay. Would you like to
9 speak this evening?

10 **MR. PRAY:** Just as I said. I turned up
11 here to encourage you to help the Town of North Hampton to
12 gain control of their water resources, as a long-time
13 resident of North Hampton. That's what it's supposed to
14 say on there.

15 **CHAIRMAN GETZ:** Thank you. I don't have
16 any other forms here saying that anyone wants to speak.
17 Is there anyone who didn't submit a form who would like to
18 make a statement this evening? Sir. And, if you'd like
19 to, please come up to the mike. And, if you could just
20 state your name and address for the transcript.

21 **MR. PILLSBURY:** First of all, I had a
22 hard time finding you, went over there and down there. My
23 name is Don Pillsbury. Does that sound all right? Okay.
24 And, I live here in Hampton, New Hampshire. Okay? And, I

1 am a member of the Water Commission here, advisory group.
2 But, when I first heard of it, I was really surprised to
3 find out that our water company was really an English
4 company. It wasn't even a U.S. company. And, I'd like to
5 ask how many people knew that the water company was from
6 England?

7 (Show of hands.)

8 **MR. PILLSBURY:** Quite a few. Okay.

9 And, so, I don't know what the difference would be, other
10 than I've heard and read in the paper about the fact that
11 it's a bank that is looking to buy the water company. But
12 the England -- we did a fine job with an English company.
13 So, what would the difference be with an Australian
14 company? So, I can't -- I don't know the answer. And,
15 so, I just wondered how people feel about that. It
16 doesn't seem to make that much difference to me. Thank
17 you.

18 **CHAIRMAN GETZ:** Thank you. Is there
19 anyone else? Sir.

20 **MR. NORDSTRUM:** Thank you for taking my
21 interest in this situation. My name is Walter Nordstrum,
22 67 North Road, in North Hampton. And, my question to most
23 of the people in Rye, North Hampton, and Hampton is, the
24 mortgage that we would have, if the local people have a

1 water company, would be for a number of years, and we
2 would know that. The way it's going now, every three
3 years we get a mortgage increase. Now, I'm a landowner in
4 North Hampton, I happen to be on a well. When they placed
5 a line on North Road, the request was sent in to put the
6 availability of a connection as they passed our property.
7 So, in the future, if our well went dry, we could hook up
8 to the water company. That never happened.

9 The other concerns I have is what would
10 a investment company in Australia or an investment company
11 in England be concerned about the water table that's under
12 two-thirds of the water company's wells are in North
13 Hampton? And, that concerns me as a North Hampton
14 resident, that is on my own private well, that, if they
15 keep on drawing down the aquifer, that my well will stop
16 functioning.

17 But I never hear anything about the
18 amounts of gallons of water that go to Hampton for the
19 summer influx there, and they never seem to adjust or add
20 anything to, say, the shower heads to reduce the amount of
21 water consumed. They just increase the water lines.
22 There has been a lot of money spent in Hampton to increase
23 the water lines and the means of transporting water pumped
24 from the wells of Hampton, North Hampton, and Rye to

1 facilitate the summer influx. And, I just wanted to
2 express my concern on those bases. Thank you.

3 **CHAIRMAN GETZ:** Thank you, sir. Is
4 there anyone else this evening who would like to make a
5 comment? Ma'am.

6 **MS. ANDERSON:** My name is Polly
7 Anderson, and I live in Hampton. And, like Mary-Louise
8 Woolsey, I'm lived here for 44 years. But I don't have
9 very much good to say about the water company. And, I
10 disagree with Mrs. Woolsey. I think the reason that
11 people in Hampton voted that down was because they were
12 afraid their taxes were going to go up. The same with
13 everything they voted down for the last few years. I work
14 all day, and I come home many nights the water is water is
15 coffee color. When I call after hours and get someone
16 answering the phone, I'm told they "know who I am, because
17 I'm the only one that complains." And, that's what I
18 think of the water company.

19 **CHAIRMAN GETZ:** Okay. Anyone else?
20 Sir.

21 **MR. COTTS:** Good evening. My name is
22 Mike Cotts, and I live on Atlantic Ave. in North Hampton.
23 I guess this past year what I noticed was the inspection
24 fees for the hydrants, and I noticed that the fee was more

1 than what an actual hydrant costs to purchase, and
2 approaching what it costs to probably replace the whole
3 assembly. So, I'm just wondering if that fee, I haven't
4 had a chance to do a lot of research, but I wonder if
5 that's representative of some of the other fees that
6 people are complaining about. And, perhaps why it's so
7 expensive is because that's what it costs to manage such
8 an inspection from very far away, as compared to local.
9 But it was extremely expensive. I don't know if it was a
10 typo or not. But I'd like to get together with some
11 people at some point and research some of the other fees.
12 But it just jumped out at me as being a lot of money for
13 this.

14 **CHAIRMAN GETZ:** I'm sure the Company
15 would be willing to answer your questions, and I'm sure
16 Mr. Fuller would.

17 **MR. COTTS:** Okay.

18 **CHAIRMAN GETZ:** Thank you.

19 **MR. COTTS:** Thanks.

20 **CHAIRMAN GETZ:** Anyone else?

21 (No verbal response)

22 **CHAIRMAN GETZ:** Okay. Then, --

23 **MR. LANDMAN:** I would just say, Mr.

24 Chairman, just a brief statement, just to introduce the

1 Water Commissioners. Just that's all. I have no
2 statement to make for the record. But I'd just like --
3 There are some of us here. My name is Robert J. Landman,
4 L-a-n-d-m-a-n. I'm one of the -- I live at 34 Post Road,
5 in North Hampton. I'm one of the Water Commissioners.
6 Commissioner Chairman Henry Fuller is here; Commissioner
7 Tim Harned is here; Commissioner Richard Bettcher is here.
8 And, if you have questions, the public has questions
9 afterwards, just as the water company has offered, we'd
10 certainly like to talk with the citizens of the towns. We
11 don't mean this in any way an adversarial situation
12 between us and Hampton and Rye, as counsel has mentioned.
13 And, there are some statements that we've heard tonight
14 that I think we would take issue with, but I don't think
15 this is the forum to bring them up. But we have stated
16 our case for the record with the counsel. Thank you.

17 **CHAIRMAN GETZ:** Anyone else? Can I just
18 ask, are there going to be others? Rather than just doing
19 this one at a time, I'm more than happen to hear everybody
20 speak, and please come up, but is there anyone else after
21 this?

22 (No verbal response)

23 **CHAIRMAN GETZ:** Okay.

24 **MR. CONKLIN:** Sorry to jump on the

1 bandwagon so late. But my name is Harry Conklin. I'm a
2 resident of North Hampton. I also serve as Chairman of
3 the Budget Committee of North Hampton. And, I really just
4 want to say two things. One is that, when this issue
5 first came up about the transition from the UK company to
6 Macquarie, I reached out and spoke with Larry Bingaman.
7 And, I will tell you that he has been very responsive,
8 answered all my questions, and actually agreed to meet
9 with me on several occasions. And, so, I guess I'd like
10 that known for the record, that, in fact, there was very
11 good response, you know, from the Company as to, you know,
12 town questions and things of that nature.

13 Secondarily, though, I would urge, you
14 know, the Commission to, as Mr. Ingram said, review rate
15 increases in light of spending in infrastructure and
16 return on assets and things in a diligent way. But I will
17 say that Macquarie is a very well-qualified, well-known,
18 worldwide company that specializes in infrastructure.
19 And, they have many, many assets in this country and
20 around the world as well in water distribution. So, their
21 qualifications I think are pretty straightforward.

22 But I would just urge you to continue to
23 work with the Water Commissioners, both from our town and
24 other towns, to, you know, scrutinize the rate increases

1 and the things that are going along, and, quite frankly,
2 in the normal course of the business that you do with the
3 water company.

4 But I just wanted to go on record that,
5 kind of the feedback and the access that I had to Aquarion
6 from their management team. And, appreciate it. Thank
7 you.

8 **CHAIRMAN GETZ:** Thank you. Is there
9 anyone else? I hope I didn't scare anybody.

10 (No verbal response)

11 **CHAIRMAN GETZ:** Okay. Well, then, we
12 will close this public statement hearing this evening.
13 And, we will be having a hearing on the merits of the
14 proposal next week in Concord. After that, we will be in
15 a position to -- we will be making a written decision,
16 that there will be an order of the Commission. That order
17 then is something that's subject to motions for rehearing
18 and appeal to the Supreme Court, just like any order of
19 any docket that we deal with, has the full legal and due
20 process rights affiliated with it. So, thank you all for
21 coming this evening. Sir?

22 **FROM THE FLOOR:** Yes, I may have missed
23 it. What is the date and time and location of the hearing
24 next week?

1 **CHAIRMAN GETZ:** It's in Concord, on the
2 20th, at 10:00 a.m., at the Commission offices, on 10
3 South Fruit Street -- 21 South Fruit Street, Suite 10.
4 But I just would like to make clear, there are parties who
5 have intervened and will be able to conduct
6 cross-examination and make closing arguments. But it's a
7 little late in the process to try to move to intervene to
8 be a full party that would have all of the rights that go
9 with being a full party. But I guess that's -- I think
10 that sums it up.

11 So, if there's nothing else, then we'll
12 close the hearing. Thank you very much.

13 **(Hearing ended at 6:48 p.m.)**

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