Abenaki Water Company
Docket N. DW 19-131
Staff Data Requests Set 1 – to ABENAKI

Date Request Received: 02/03/20 Date of Response: 02/18/20
Request No. Staff 1-1 Witness: Donald Vaughan & Steve St. Cyr

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REQUEST: The 2016 through 2018 New Hampshire Public Utilities Commission Annual Reports of Abenaki Water Company, Inc., Schedule S-10 Transmission and Distribution Mains, page 46, detail total ductile iron mains of 34,788 feet. (Attachment A) This reconciles to the final schedule reported by the prior owners of Rosebrook: the 2015 New Hampshire Public Utilities Commission Annual Report of Rosebrook Water Company, Inc. (Attachment B)
Please provide a copy of the Abenaki Water Company, Inc. property records detailing ductile iron main footages by size and location.

RESPONSE:
See Attachment 1-1-property records.

See also Abenaki's response to Staff 1-20.

Prior to its purchase of the Rosebrook Water Company, Abenaki relied heavily on, among other sources, PUC's Chief Auditor's report dated, May 14, 2013. In that report the audit noted, "…no backup is available for assets placed in service before 2005". Further in the report, mention was made that Rosebrook was unable to provide any backup data for Plant before 2005 and virtually all retirements. Further, audit requested the continuing property records (CPR's) from the Company for all plant assets but the Company was unable to provide them. Also, "Rosebrook's lack of adequate records was addressed by the Commission in DW 06-19….". The Audit Report can be found at https://www.puc.nh.gov/Regulatory/Docketbk/2012/12-306/TRANSCRIPTS-%20OFFICIAL%20EXHIBITS-%20CLERK%20REPORT/12-306%202013-09-17%20EXH%204%20STAFF%20FINAL%20AUDIT%20REPORT.PDF.

Through a search and review of the former Rosebrook Water Company's annual reports, Abenaki tabulated the following:

Year	T&D Mains in Service (ft)
2008	35,988 cast iron
2009	35,988 cast iron
2010	35,988 cast iron
2011	35,988 cast iron
2012	35,988 cast iron
2013	34,788 ductile iron
2014	34,788 ductile iron
2015	34,788 ductile iron

The Audit Report offers no explanation for the discrepancy of 1,200 feet of main between 2012 and 2013, nor are there any clues given on page 21, Utility Plant in Service, or page 23, Accumulated Depreciation of Utility Plant in Service (both of which are attached).

The conversion of mains from cast iron to ductile iron is probably attributable to a technical oversight. Noteworthy in the report, page 5, is the huge discrepancy in T&D mains in service between the Annual Report and General Ledger ($202,434 versus $135,585).

Not only the PUC auditors, but Abenaki were troubled by the lack of adequate and coherent progression of CPR's. Therefore, and unfortunately, Abenaki cannot furnish the requested main footages by size and location in full. Please see the partial listing attached.

ROSEBROOK WATER COMPANY
MAINS
ACCOUNTS 309 & 331

ASSET #	DATE PUT INTO SERVICE	NUMBER OF ITEMS	DESCRIPTION OF ITEM	LOCATION OF ITEM	INITIAL COSTS OF ITEM	DATE REMOVED FROM SERVICE	RETIREMENT AMOUNT	Adjustment	BALANCE	Asset Life in Years	Depr Rate	A/D 12/31/2014	2015 Depr Exp	Retirements Adjustments	A/D 12/31/2015
	1973	VARIOUS	16" D.I. main from well to tank;		216,700.00				216,700.00	50	2.00%	179,861	4,334		184,195
			16" D.I.main from well to MWPlace;												
			8" D.I. mains to Fabyans and Drummonds												
		1	- 16" D.I. River Crossing												
		50 LF	- 6" Water Main												
		1250 LF	- 8" Water Main												
		4820 LF	- 16" Water Main												
		2	- 8" Gate Valve												
		5	- 16" Gate Valve												
		1	- Railroad Crossing												
	1976		4" D.I. main extension to Rosebrook Condos Phase 1												
		1	- Connect ot Existing												
		300 LF	- 4" Water Main												
		4	- 4" Gate Valve												
		1	-12" Gate Valve												
	1978		10" D.I. main extension to Rosebrook CondoS Phase 2		38,000.00				38,000.00	50	2.00%	27,740	760		28,500
		2	- Connect ot Existing System												
		400 LF	- 4" Water Main												
		400 LF	-10" Water Main												
		1	- 6" Gate Valve												
		2	-10" Gate Valve												
	1984		8" & 10" D.I. main extension to Forest Cottages		46,332.00				46,332.00	50	2.00%	20,732	927		21,659
		2	- Connect ot Existing												
		100 LF	- 6" Water Main												
		1530 LF	- 8" Water Main												
		2600 LF	-10" Water Main												
		3	- 8" Gate Valve												
		4	-10" Gate Valve												
	1985		8" D.I. main extension to MW Hotel & Bretton Arms												
		1	- Connect ot Existing												
		1300 LF	- 6" Water Main												
		4450 LF	- 8" Water Main												
		1	- 6" Gate Valve												
		2	- 8" Gate Valve												
	1986		2" PVC main extension to Ski Area Maintenance												
		1	- Connect ot Existing												
		880 LF	- 2" Water Main												
		1	- 2" Gate Valve												
	1987		12" main extension to Crawford Ridge												
		1	- Connect ot Existing												
		350 LF	- 4" Water Main												
		30 LF	- 6" Water Main												
		2260 LF	-12" Water Main												
		3	- 4" Gate Valve												
		3	-12" Gate Valve												
	1987		8" & 16" main extension to MW Place												
		1	- Connect ot Existing												
		100 LF	- 6" Water Main												
		1200 LF	- 8" Water Main												
		1450 LF	-16" Water Main												
		7	- 8" Gate Valve												
		2	-16" Gate Valve												
	1988		8" & 12" main extension to L-2 (MW Homes Subdivision)												
		1	- Connect ot Existing												
		1730 LF	- 8" Water Main												
		1440 LF	-12" Water Main												
		2	- 8" Gate Valve												
		1	-12" Gate Valve												
	1988		8" main extension to Riverfront Homes												
		1	- Connect ot Existing												

	10 LF	- 6" Water Main										
	810 LF	- 8" Water Main										
	1	- 8" Gate Valve										
1989		16" main extension to Fairway Village										
	2	- Connect ot Existing										
	890 LF	- 8" Water Main										
	2880 LF	-16" Water Main										
	4	- 8" Gate Valve										
	3	-16" Butterfly Valve										
1990		8" main extension to Stone Hill										
	1	- Connect ot Existing										
	15 LF	- 6" Water Main										
	300 LF	- 8" Water Main										
	2	- 8" Gate Valve										
1994		8" main extension to Stickney Circle	1,629.00			1,629.00	50	2.00%	672	33		705
	1	- Connect ot Existing										
	1030 LF	- 8" Water Main										
	4	- 6" Gate Valve										
1995		8" main extension to Dartmouth Ridge	51,529.00			51,529.00	50	2.00%	19,265	1,031		20,296
		- As built Drawings	2,164.00			2,164.00	50	2.00%	842	43		885
	1	- Connect ot Existing										
	40 LF	- 6" Water Main										
	1900 LF	- 8" Water Main										
	5	- 8" Gate Valve										
2000		8" main extension to Rosebrook Club	8,867.00			8,867.00	50	2.00%	2,571	177		2,748
	1	- Connect ot Existing										
	20 LF	- 6" Water Main										
	800 LF	- 8" Water Main										
	2	- 8" Gate Valve										
2001		8" main extension to Nordic Center										
	1	- Connect ot Existing										
	1790 LF	- 8" Water Main										
	2	- 8" Gate Valve										
2002		8" main extension to Dartmouth Ridge										
	1	- Connect ot Existing										
	20 LF	- 6" Water Main										
	550 LF	- 8" Water Main										
	2	- 8" Gate Valve										
2002		4" & 8" main extension to Mt. Madison										
	1	- Connect ot Existing										
	400 LF	- 4" Water Main										
	20 LF	- 6" Water Main										
	750 LF	- 8" Water Main										
	4	- 4" Gate Valve										
	5	- 8" Gate Valve										
2003		4" & 8" main extension to Presidential View										
	1	- Connect ot Existing										
	1000 LF	- 4" Water Main										
	20 LF	- 6" Water Main										
	950 LF	- 8" Water Main										
	2	- 4" Gate Valve										
	5	- 8" Gate Valve										
2005		8" main extension to Dartmouth Ridge										
	1	- Connect ot Existing										
	20 LF	- 6" Water Main										
	650 LF	- 8" Water Main										
	2	- 8" Gate Valve										
1996	3	T&D mains - Valves	1,800.00			1,800.00	50	2.00%	666	36		702
2001	3	T&D mains - Valves, etc.	11,924.00			11,924.00	50	2.00%	3,218	238		3,456
2004		T&D mains - Valve, 20' Pipe, 60' Cop Tube	7,735.00			7,735.00	50	2.00%	1,626	155		1,781
2005	3	T&D mains - Valves, etc.	3,223.00			3,223.00	50	2.00%	611	64		675
2009		2009 Pressure Relief Valve for Carp	1,872.00			1,872.00	50	2.00%	204	37		241
2010		10' x 10" Pipe	13,072.00			13,072.00	50	2.00%	1175	261		1,436
2010		10' x 10" Pipe	52,287.00			52,287.00	50	2.00%	4,707	1,046		5,753
TOTAL			457,134.00	0.00	0.00	0.00 457,134.00			263,890.00	9,142.68	0.00	0.00 273,032.68

Staff 1st Alteration 1-1 Attachment 2-1-20

Class C Water Utility

F-8 UTILITY PLANT IN SERVICE (Accounts 101 and 104)

(In addition to Account 101, Utility Plant in Service, this schedule includes Account 104, Utility Plant Purchased or Sold)

1. Report below the original cost of water plant in service according to prescribed accounts
2. Do not include as adjustments, corrections of additions and retirements for the current or preceding year. Such items should be included in column (c) or (d) as appropriate.
3. Credit adjustments of plant accounts should be enclosed in parentheses "( )" to indicate the negative effect of such amounts.
4. Reclassification or transfers within utility plant accounts should be shown in column (f). Also include in column (f) the addition or reductions of primary account classification arising from distribution of amounts initially recorded in Account 104, Utility Plant Purchased or Sold. In showing the clearance of Account 104, include in column (e) the amounts with respect to accumulated depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classification.

Line #	Acct #	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	301	Organization	$42,295					$42,295
2	302	Franchises						
3	303	Land and Land Rights						
4	304	Structures and Improvements	243,033					243,033
5	305	Collecting and Impounding Reservoirs						
6	306	Lake, River and Other Intakes						
7	307	Wells and Springs	222,547					222,547
8	308	Infiltration Galleries and Tunnels						
9	309	Supply Mains						-
10	310	Power Generation Equipment						-
11	311	Pumping Equipment	149,666					149,666
12	320	Water Treatment Equipment	26,631					26,631
13	330	Distribution Reservoirs and Standpipes						
14	331	Transmission and Distribution Mains	457,134					457,134
15	333	Services	29,041					29,041
16	334	Meters and Meter Installations	41,640	393				42,033
17	335	Hydrants	45,228					45,228
18	339	Other Plant and Miscellaneous Equipment	6,713					6,713
19	340	Office Furniture and Equipment						
20	341	Transportation Equipment	17,173					17,173
21	342	Stores Equipment						
22	343	Tools, Shop and Garage Equipment	4,003					4,003
23	344	Laboratory Equipment						
24	345	Power Operated Equipment						
25	346	Communication Equipment	48,286	1,542				49,828
26	347	Computer Equipment	696	875				1,571
27	348	Other Tangible Plant						
28		TOTAL UTILITY PLANT IN SERVICE	$1,334,086	$2,810	$0	$0	$0	$1,336,896

Staff to Rebuttal 1-1 Attachment Page 3 of 4

Class C Water Utility

F-11 ACCUMULATED DEPRECIATION OF UTILITY PLANT IN SERVICE (Account 108.1)

1. Report below the information concerning accumulated provision depreciation of utility plant in service at end of year and changes during during year.
2. Explain any important adjustments during the year.
3. Explain any difference between the amount for book cost of plant retired, Line 4, column (b), and that reported in the Schedule F-8 Utility Plant In Service, column (d), exclusive of retirements of nondepreciable property.
4. The provisions of Account 108.1 of the Uniform System of Accounts state that retirements of depreciable plant be recorded when such plant is removed from service. There shall also be included in this schedule the amounts of plant retired, removal expenses, and salvage on an estimated basis if necessary with respect to any significant amount of plant actually retired from service, but, for which appropriate entries have not been made to the accumulated provision for depreciation account. The inclusion of these amounts in this schedule shall be made even though it involves a journal entry in the books of account of the end of the year recorded subsequent to closing of respondent's books.

Balances and Changes During the Year

Line #	Item (a)	in Service (Acct 108.1) (b)
1	Balance at beginning of year	$ 484,507
2	Depreciation provision for year, charged to Account 403, Depreciation Expense	$51,592
3	Net charges for plant retired	
4	Book cost of plant retired	
5	Cost of removal	
6	Salvage (credit)	
7	Net charges for plant retired	$ -
8	Other (debit) or credit items	
9	Adjustment	
10		
11		
12	**Balance at end of year**	$ 536,099

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Staff Data Requests Set 1 – to ABENAKI

Date Request Received: 02/03/20 Date of Response: 02/18/20
Request No. Staff 1-20 Witness: Robert Gallo, P.E.

REQUEST: The following is a water infrastructure definition from Mueller Water Products (Attachment G):

> "Service Line - The smaller diameter piping that connects to the water or natural gas main and carries potable water or natural gas to the end user's location. For water the line is typically made of copper or PVC or polyethylene (PE) plastic. For gas the line is normally steel or high density polyethylene plastic."

Please provide conclusive evidence that the 8" ductile iron main discussed as the 'the 8" water main off of Base Road that serves the Mount Washington Hotel' was not originally installed as a transmission or distribution main.

RESPONSE:
Partial Objection:
As noted in Abenaki's objection dated February 13, 2020 to Staff, Staff is requesting Abenaki to provide either "clear evidence" or "conclusive evidence". These standards are not evidenced in the Commission's rules. Further, the Commission's rules state that "the party seeking relief bears the burden of proving the truth of any factual proposition by a preponderance of the evidence." Puc 203.25 and RSA 541-A:30-a, III (d). It would be inconsistent with this rule as well as State equal protection and due process laws to hold the respondent, Abenaki, to a higher standard than the petitioner in this proceeding. For this reason, Abenaki objects to responding to the data requests at a burden higher than "preponderance of the evidence."

See also Abenaki's response to Staff 1-14 and the Bretton Woods Water Company tariff from 1974. See also Abenaki's response to Staff 1-7.

The Provan & Lorber, Inc. system mapping, dated January of 1995, shows the 8" line entering the building. See Attachment 1-20. Transmission and distribution mains do not enter buildings, as they are intended to move water throughout the water system, and not to a single structure. Here, the line is connected to the transmission/distribution main at Base Road.

Mueller Water Product is not organization that develops standards and codes that govern the domestic/fire protection water industry. They are not a recognized industry standard. Furhter Mueller's definition of a service line is not entirely correct. Service lines can significantly range in size based on the demand of the use. Single family homes typically have "smaller diameter piping", while larger service sizes for uses, like the hotel, are dependent on the demand of the use. A user that requires higher flow rates, based on demand, will, accordingly, require a larger service line in order to deliver flows without significant head loss or line velocities. Additionally, it cannot be presumed that service lines are always smaller than the transmission/distribution main size. In some cases, a "size-on-size" connection is made where

the service and transmission/distribution main are the same size. Finally, the 8" pipe serving the resort complex also serves as the fire protection line for the hotel.

The National Fire Protection Association (NFPA) Standard 24 (NFPA 24) classifies the 8" line as a "private fire service main". Per section 3.3.13 of NFPA24, a private fire service main is:

> "[a] private fire service main, as used in this standard, is that pipe and its appurtenances on private property" that is "between a source of water and the base of the system riser for water-based fire protection services…".

Here, the private fire service main is located on the resort complex's private property.

Per section 5.2 of NFPA 24, "Sizes of Fire Mains", subsection 5.2.1 "Private Fire Service Mains", states: "hydraulic calculations shall show that the main is able to supply the total demand at the appropriate pressure."

Abenaki Water Company
Docket N. DW 19-131
Staff Data Requests Set 1 – to ABENAKI

Date Request Received: 02/03/20 Date of Response: 02/18/20
Request No. Staff 1-7 Witness: Donald Vaughan & Steve St. Cyr

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REQUEST: **RE: Abenaki Supplemental Reply to Omni Complaint, Paragraph 4.**
Abenaki refers to "the 8-inch ***line*** from Base Road to the hotel" claiming that the pipe is not a main owned by the Company, but a typical service line owned by the customer. (emphasis added). Does Abenaki currently own any water systems that have similarly situated infrastructure in which a pipe of that magnitude is a service "line" rather than a "main?" Specifically, do any other systems encompass a pipe of that size, or larger, and at that approximate length, that is owned by the customer and not included in Abenaki's rate base? Please provide supporting documentation and evidence if it is an affirmative answer.

RESPONSE:
(a) Yes.
(b) The length of the line does not determine whether it is a service or transmission/distribution main. Nor does the size of the service line mean that it is a transmission/distribution main. The size of a customer's service line is determined from flow needs. The NHDES Env-DW 407.01 requires public water systems to adhere to the AWWA standards which in turn incorporate the NFPA standards. Per the NFPA definition of a private fire service main, as discussed in Staff 1-20, the service line is on private property, and is accordingly classified as a private line. Service lines 8-inches or larger are not unique to the Mount Washington Hotel resort area.

As the Commission and Staff are aware, Abenaki-owned systems are generally smaller systems comprised of primarily residential housing, and the service lines of those systems are not of the magnitude of the pipe that serves the hotel resort complex. An example of a combined private fire service main (see Staff to Abenaki 1-20 regarding private fire service main) on the Rosebrook System is the base lodge at the Bretton Woods Ski Area. The base lodge has a 6-inch line that serves the building and is not included in Abenaki's rate base.

Further, a transmission/distribution main differs from a service line in that it does not dead-end, like the hotel line does.

In addition, Abenaki's parent company, the New England Service Company (NESC), owns and operates Valley Water Systems (VWS) in Plainville, Connecticut. There are many examples of buildings on the VWS system that have private fire service/combined service that requires 8-inches in size:

Address:	Service Size:
10 Farmington Valley, Plainville, CT	8-inch private fire service main; 2-inch domestic service
72 Northwest Drive, Plainville, CT	8-inch private fire service main
87 Spring Lane, Plainville, CT	8-inch private fire service main; 6-inch domestic service

Abenaki Water Company
Docket N. DW 19-131
Staff Data Requests Set 2 – to ABENAKI

Date Request Received: 03/6/20 | Date of Response: 3/23/20
Request No. Staff 2-2 | Witness: Donald Vaughan & Steve St. Cyr

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REQUEST:
As part of its response to Staff's request for detailed ductile iron main footages, the Company's attachment to ABENAKI 1-1 provided copies of Abenaki property records detailing "Rosebrook Water Company Mains Accounts 309 & 331" installed from 1973 through 2010. The property records schedule details the year new mains were installed, the size and type of main, location of the main, and inventory detail showing the size of gate valves and mains used for the installation. The total initial installation cost reported on this schedule is $457,134.

To confirm to Staff that the Transmission and Distribution total of $457,134 was correct, the Company also attached a copy of page 31, F-8 Utility Plant in Service, from the NHPUC Annual Report for year ended December 31, 2013. Staff confirmed that Abenaki's most current NHPUC Annual Report, year ended December 31, 2018 reports Transmission and Distribution mains of $457,134.

As Abenaki based their property records on the attachment to ABENAKI 1-1, "Rosebrook Water Company Mains Accounts 309 & 331," is it Abenaki's position that at the time of Rosebrook's acquisition, the detailed property record schedule attached to ABENAKI 1-1, "Rosebrook Water Company Mains Accounts 309 & 331," represented the Rosebrook Water Company Mains, Accounts 309 & 331, installed from 1973 through 2010?

RESPONSE:

Abenaki's position is that because it had costs to evaluate, yes. The Company relied more heavily on these costs since they have been historically reported in PUC Annual Reports for a number of years and represent the plant in service which is part of rate base. Otherwise, Rosebrook CPR's and practices have been suspect and questionable which led Abenaki to rely principally on the aforementioned costs absent other credible data. As Staff is aware, the Audit Staff had significant concerns about the accuracy of the records of Rosebrook. That is why Abenaki focused on costs when it acquired the water system-those figures were at least verifiable.

Abenaki Water Company
Docket N. DW 19-131
Staff Data Requests Set 2 – to ABENAKI

Date Request Received: 03/6/20
Request No. Staff 2-3

Date of Response: 3/23/20
Witness: Donald Vaughan & Steve St. Cyr
4/27/20 Witness: Donald Vaughan/Bob Gallo

REQUEST: The Company's attachment to ABENAKI 1-1 provided copies of Abenaki property records detailing "Rosebrook Water Company Mains Accounts 309 & 331" installed from 1973 through 2010. The property records schedule details the year new mains were installed, the size and type of main, location of the main, and inventory detail showing the size of gate valves and mains used for the installation. In 1985, there was an entry for an 8-inch DI main extension to the MW Hotel and Bretton Arms in which 1,300 LF of 6-inch main and 4,450 LF of 8-inch main was installed. Would the Company agree that the 6-inch main and a portion of the 8-inch main installed in 1985 is the same 6-inch and 8-inch main identified on Filing Attachment A? If not, please account for this footage by providing supporting documentation, including a map of this inventory.

RESPONSE:
Abenaki does not agree. Because the Audit Staff has previously called the footage figures into question, Abenaki does not agree that it is relevant for Staff to now rely on those figures.

To respond to the question of whether main that may have been installed in 1985 on the Omni property was water company property, please see Abenaki's response to Staff 1-14 where Rosebrook's prior tariff clearly stated:

> "all service pipes, including the shutoff within the limits of the highway, shall be installed, owned and maintained by the Company. From the limits of the highway to *the premises served*, the service pipe, in accordance with Company specifications, shall be installed, owned and maintained by the customer." (emphasis added.)

Repeating, this tariff language is unmistakable evidence as to the ownership and responsibility related to the service line in question because, given this tariff language, the Commission would not have had any appropriate reason to include the mains identified in Staff's question in Rosebrook's rate base. It simply would be contrary to the express terms of the tariff and public policy.

Furthermore it would not make sense from a ratepayer subsidy perspective because inclusion of this plant (and more) covering an expansive amount of private (Omni) property would have exposed Rosebrook's remaining 400 or so customers to a subsidy situation where the other customers would be responsible for the O&M costs as well as taxes associated with this plant that only benefited the Hotel property.

To reaffirm that this tariff language is not unusual among water utilities, Abenaki directs Staff to the ample articulations of public policy in administrative rules (previously cited in response to

Staff 1-15) that a water utility is responsible for infrastructure up to the curb stop and that the curb stop is at the customer's property line/premises:

> Env-DW 504.02 (definition of curb stop is the valve "between the water distribution system and the service customer's *premises* which controls the flow of water to the *premises.*") (emphasis added.);
>
> Env-DW 504.07, Service Line and Water Meter Maintenance Policy:
> "Unless the water system has adopted formal rules to the contrary:
> (a) The water system shall be responsible for the service line from the water main to the curb stop;
> (b) The service customer shall be responsible for the service line from the curb stop to the customer's premises; and
> (c) The water system owner shall be responsible for any required meters."
>
> Puc 602.06 ("Customer service pipe" means that section of service pipe from the customer's property line or the curbstop to the customer's place of consumption.")
>
> Puc 606.04 ("Curb stops shall be placed at the customer's property line except in unusual situations such as service to an apartment or to a condominium.")
>
> Env-Wq 704.20(f) (regarding curb stops at the property line for sewage).

Evidence concerning the previous ownership of Rosebrook, begs the question for whose interests Rosebrook management was beholden: the water company or the Hotel? This is reasonably asked, pursuant to Staff 1-9, where it was evident that going back to at least 2006, the Hotel was by-passing meters. It's also reinforced by Town of Carroll officials questioning who was actually in charge of Rosebrook Water as cited in Staff 1-8. This ambiguity was reflected in the records Audit Staff questioned.

For all of these factual, legal, and policy reasons, Abenaki does not agree that any installation of main in 1985 on Omni's property would be owned by the water company or included in customer rates.

SUPPLEMENTAL RESPONSE:

With respect to confidential material responsive to this request, Abenaki has a good faith basis for seeking confidential treatment of the subject information pursuant to Puc 203.08, RSA 91-A:5, Presidential Policy Directive 21, *Critical Infrastructure Security and Resilience*, and Env-DW 503.21(b)(11) pertaining to utility emergency plans, because the information contains sensitive drawings of water system assets. Abenaki intends to amend its motion for confidential treatment regarding the confidential information at or before the commencement of the hearing in this proceeding.

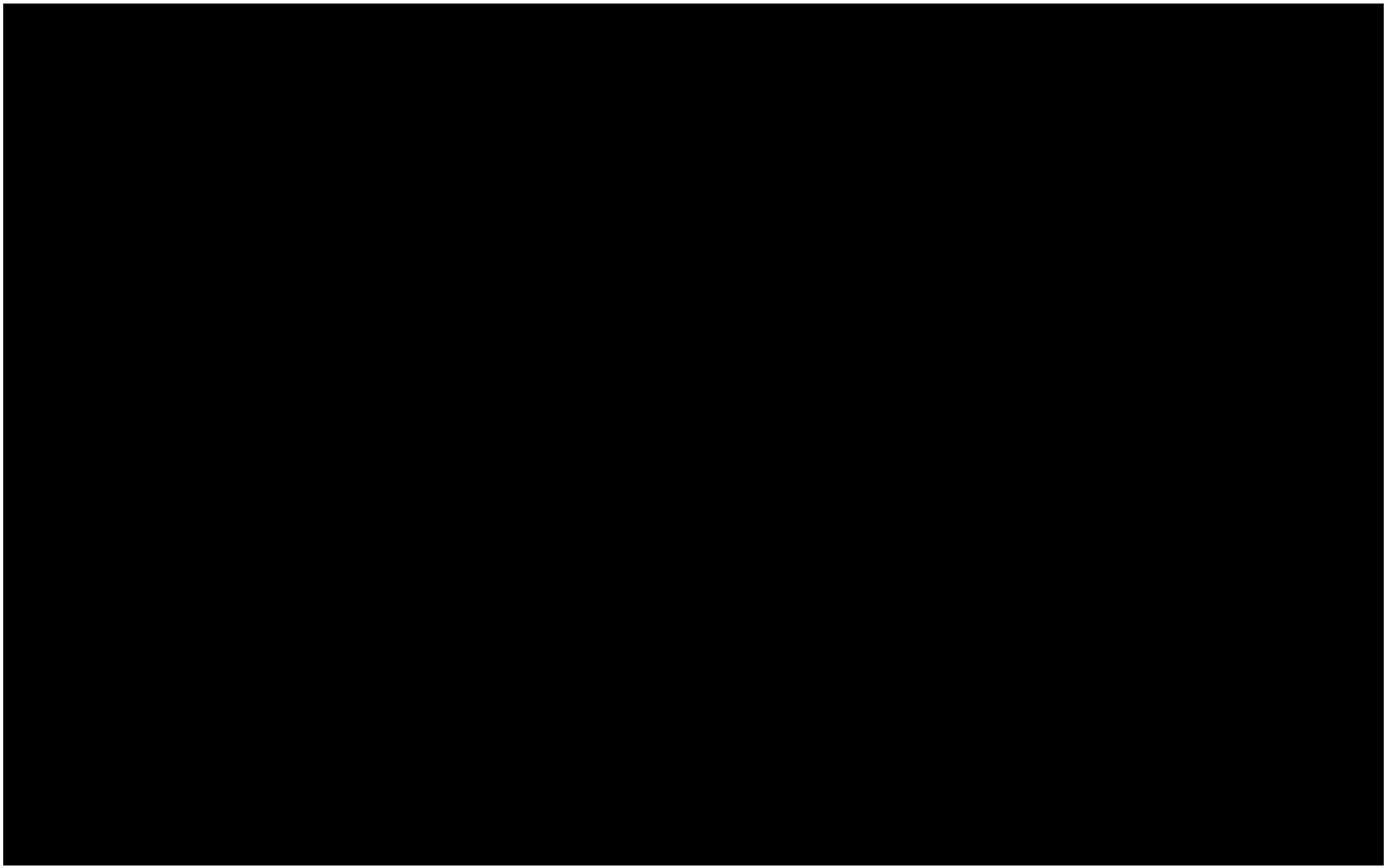
Upon review of the CAD drawings (**Confidential** Supplemental Attachment Staff 2-3), the linear foot and ductile iron descriptions in the plant records for 1985 concerning the 8-inch "D.I. main

extension to MW Hotel & Bretton Arms" (1300 LF 6-inch water main/4450 LF 8-inch water main) is not consistent with the available record drawings for the system. The length of 8" main in Base Road to the hotel curb stop is approximately 2,075 feet. Please see Supplemental Attachment 2-3 where the 8" main in Base Road is denoted in green. The length of the hotel service line from the curb stop at Base Road to the hotel is approximately 1,925 feet. The total 8" line length of the Base Road main and hotel service line is 4,000 feet. The approximate length of the 6" main from the curb stop at Base Road to its terminus is approximately 1,000 feet. In each case, the stated lengths in the property records do not total the lengths of water lines as stated above.

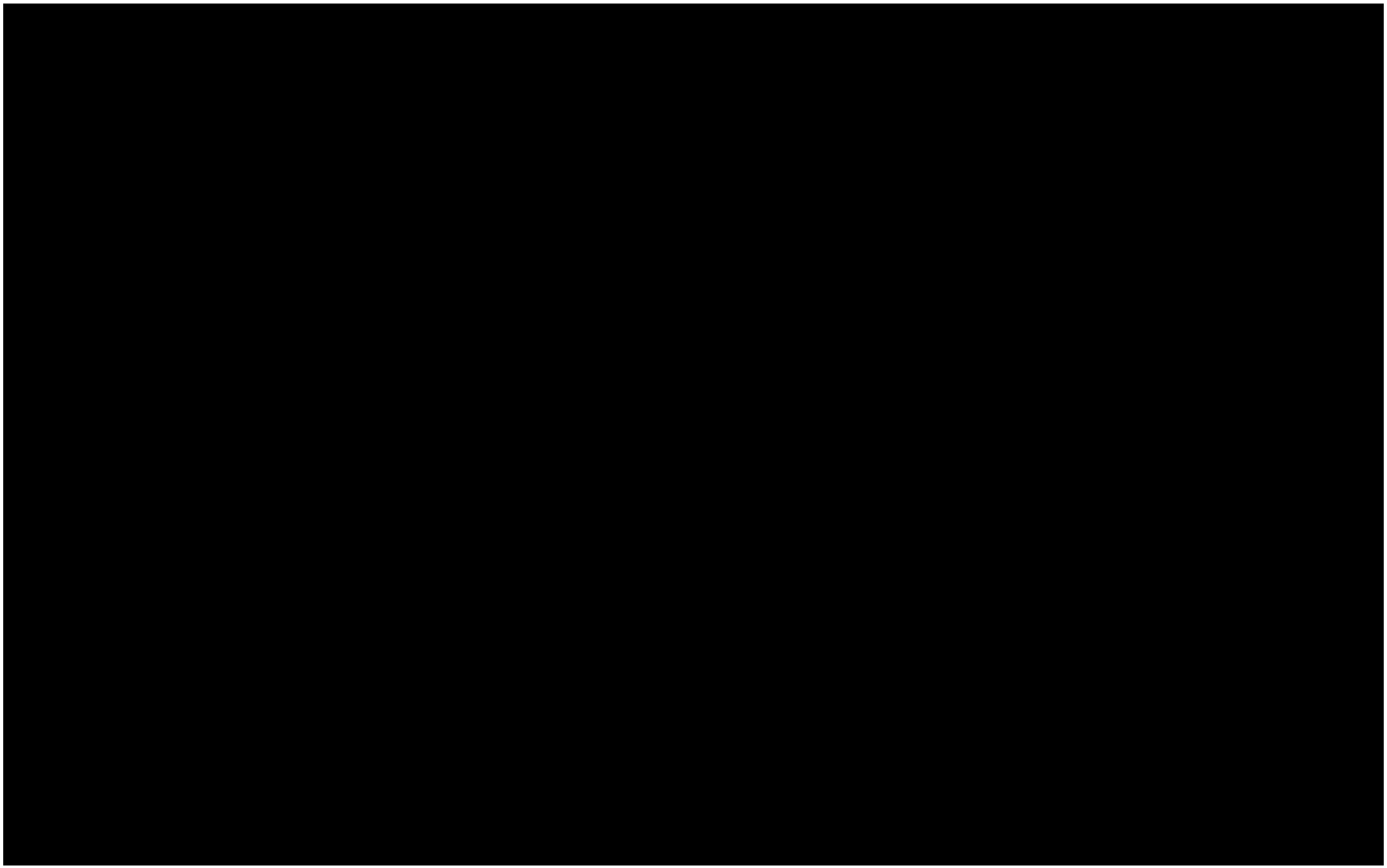
Furthermore, the 8-inch main on the hotel property that broke on Easter morning was PVC, not ductile iron. Therefore, both the linear feet and material do not support the argument that the 1985 property entry is for the hotel property.

For these reasons, the property records do not support that the 8-inch line at issue in this proceeding is owned by Abenaki-Rosebrook.

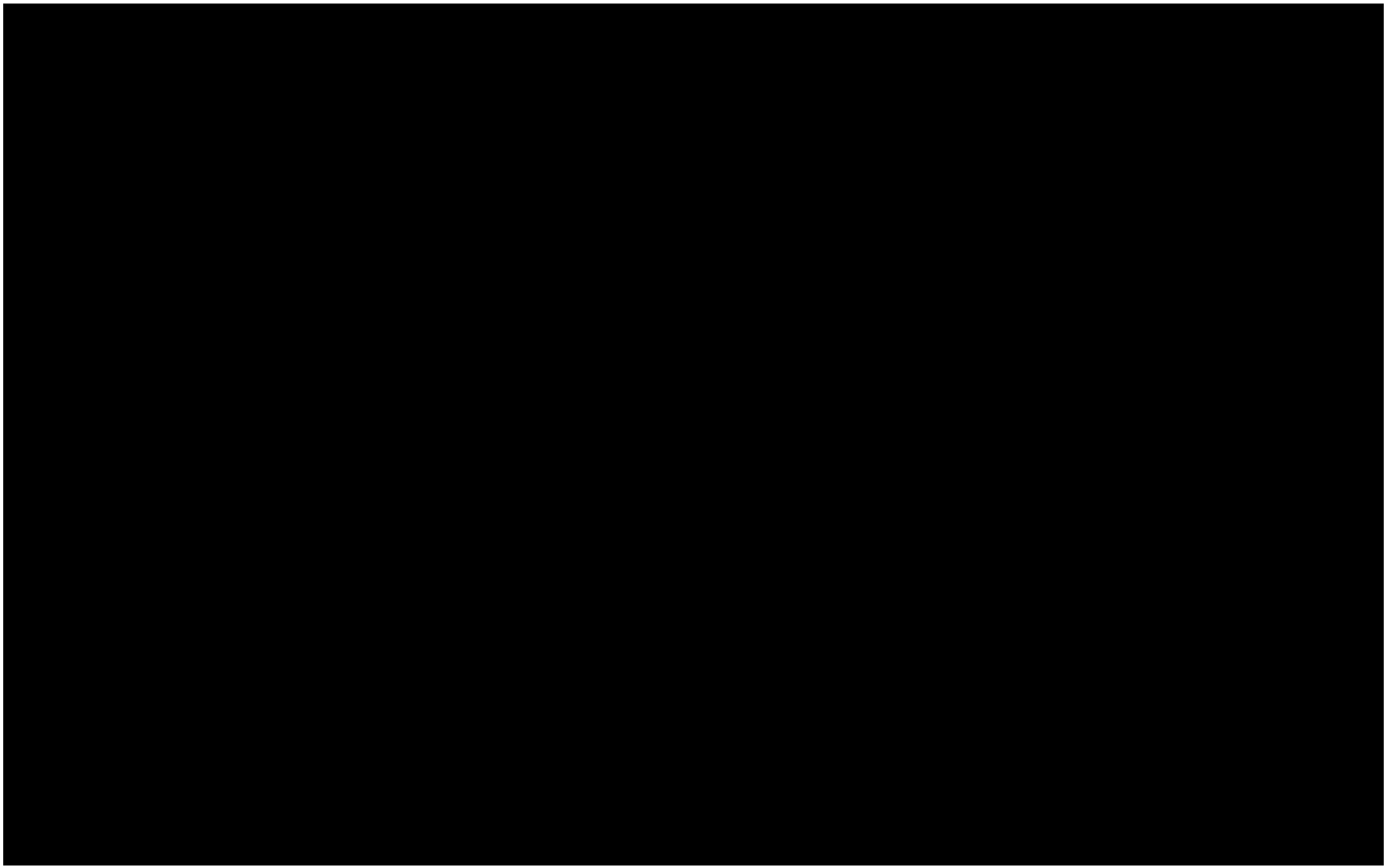
Redacted Attachment 2-3



Redacted Attachment 2-3



Redacted Attachment 2-3



Abenaki Water Company
Docket N. DW 19-131
Staff Data Requests Set 2 – to ABENAKI

Date Request Received: 03/6/20 | Date of Response: 3/23/20, 4/27/20
Request No. Staff 2-7 | Witnesses: Donald Vaughan, Bob Gallo

REQUEST: Staff's Data Request to ABENAKI 1-10 requested legal support for the Company's argument that a tariff can "wipe the slate clean." The Company supplied case law regarding supporting the well-established holding that "tariffs control the relationship between a utility and its customers and supersede prior agreements."

Please provide separate legal support for the premise that a tariff, which establishes customer ownership of the service line as starting from the customer's property line, can effectively and retroactively transfer property rights back to the customer if the service line or water main was previously granted by the customer to the Company in the form of CIAC.

RESPONSE:

The above hypothetical does not fit the fact pattern of the instant case. Abenaki's records do not show that any CIAC was received from Omni or its predecessor. Furthermore, the hypothetical scenario posed [Rosebrook receiving the service line as CIAC] would be extremely improbable because the water company could not earn on or depreciate the asset and yet it and its other customers would be subject to significant maintenance expense and property taxes. See also the response to Staff 2-3. It would be contrary to the tariff, public policy, customer subsidy concerns, and administrative rules to have accepted the Omni assets as CIAC.

SUPPLEMENTAL RESPONSE:
Please see the attached CIAC worksheet (Supplemental Attachment 2-7). Most of the CIAC main dollars are related to valves. The worksheet shows that only $78,211 of the $448,712 was related to mains. $51,529 was contributed in 1996 and coincides with known subdivision developments, thereby leaving only $26,682 that could conceivably be argued was for mains on the hotel property. But the calculations do not bear that out.

Abenaki calculated what linear feet could have been purchased for $26,682 as follows: In recent pricing for an 8-inch main extension in Dover, MA, scheduled to be constructed in May of 2020, is $50.00 per foot, a modest price for installation only. The cost of the pipe was not included in the bid. Another bid on the project was for $98 per foot, also exclusive of the pipe material. According to the Bureau of Labor and Statistics Consumer Price Index Inflation Calculator, $50 in 2020 equates to approximately $21 in 1985, the supposed year of construction for the 4,450 feet of 8" and 1,300 feet of 6" pipe. Using the low $21 cost and applying it to the cost per foot of the 8" and 6" pipe, the total footage that could be constructed for $26,682 would be only 1,270 feet. This is far below the total 5,750 linear feet (1,300 + 4,450). If the linear feet in 1985 is calculated using the higher bid price of $98 per foot exclusive of the pipe material, the result is only 667 linear feet. Neither of these calculations support that Rosebrook received CIAC in the quantities suggested.

Given the lack of records for the 1985 installation project, using current-day bid pricing and back-calculating the equivalent cost is the best available information. The Bureau of Labor and Statistic CPI Inflation Calculator can be found at: https://data.bls.gov/cgi-bin/cpicalc.pl

From a tax perspective, a contribution of capital in 1985 would be a taxable event to the water utility. It wasn't until 1986 that water utilities could gross up and collect the tax due on CIAC from developers. Therefore, from a tax perspective, it is unlikely that Omni contributed its 6-inch and 8-inch lines.

For the above reasons, there is no indication on the CIAC worksheet, financial books and records, financial statements, and PUC Annual Reports that Omni contributed mains.

Contribution in Aid of Construction

			Rate	2007 Amort	12/31/2007 A/A of CIAC	2008 Amort	12/31/2008 A/A of CIAC	2009 Amort	12/31/2009 A/A of CIAC	2010 Amort	12/31/2010 A/A of CIAC	2011 Amort	12/31/2011 A/A of CIAC	2011 Amort Prior Yrs.	Adjusted 12/31/2011 A/A of CIAC
331	1996 As Built Drawings	2,164	2.00%	43	541	43	584	43	628	43	671	43	714		714
331	1996 Mains	10,222	2.00%	204	2,556	204	2,760	204	2,965	204	3,169	204	3,374		3,374
331	1996 T&D Mains	41,307	2.00%	826	9,501	826	10,327	826	11,153	826	11,979	826	12,806		12,806
333	1996 Services - Leak Detector	1,400	2.50%	35	403	35	438	35	473	35	508	35	543		543
333	1996 Services - Pipe & Cable Locator	1,833	2.50%	46	527	46	573	46	619	46	664	46	710		710
333	1996 Services - Curb Valve	801	2.50%	20	230	20	250	20	270	20	290	20	310		310
333	1996 Services (14)	9,100	2.50%	228	2,616	228	2,844	228	3,071	228	3,299	228	3,526		3,526
334	1996 Meters	9,109	4.50%	410	5,124	410	5,534	410	5,944	410	6,354	410	6,764		6,764
334	1996 Meter & Meter Installations (13)	2,129	4.50%	96	1,102	96	1,198	96	1,294	96	1,389	96	1,485		1,485
334	1996 ECR REM MTR 1000G s/Pad	1,989	4.50%	90	1,029	90	1,119	90	1,208	90	1,298	90	1,387		1,387
335	1996 Hydrants	5,100	2.00%	102	1,173	102	1,275	102	1,377	102	1,479	102	1,581		1,581
	1996 Total	85,154		2,099	24,802	2,099	26,901	2,099	29,001	2,099	31,100	2,099	33,200		33,200
307	2000 Well Site Study	**4,770**	3.33%	0	0	0	0	0	0	0	0	0	0	1,827	1,827
307	2000 Well Site Testing	**10,451**	3.33%	0	0	0	0	0	0	0	0	0	0	4,002	4,002
331	T&D Mains - Valves (3)	1,800	2.00%	36	414	36	450	36	486	36	522	36	558		558
	Adjustment	**14,025**	2.50%	0	0	0	0	0	0	0	0	0	0	4,032	4,032
	Total	31,046		36	414	36	450	36	486	36	522	36	558	9,861	10,419
320	2002 Mixing Tank, Mixers, etc.	12,000	3.60%	432	2,808	432	3,240	432	3,672	432	4,104	432	4,536		4,536
320	2002 Corrision Control Equip	11,284	3.60%	406	2,234	406	2,640	406	3,046	406	3,453	406	3,859		3,859
	2002 Corrision Control Equip Adj.	**480**	3.60%	0	0	0	0	0	0	0	0	0	0	164	164
331	2002 Valves (3), etc.	11,924	2.00%	238	1,550	238	1,788	238	2,027	238	2,265	238	2,504		2,504
	2002 Total	35,688		1,077	6,592	1,077	7,669	1,077	8,745	1,077	9,822	1,077	10,899	164	11,063
307	2003 Well Siting Final Report	6,839	3.30%	226	1,016	226	1,242	226	1,467	226	1,693	226	1,919		1,919
311	**2003 LMI Chlorine Service Pump**	860	10.00%	86	387	86	473	86	559	86	645	86	731		731
311	**2003 Milton Roy Pump**	3,347	10.00%	335	1,506	335	1,841	335	2,175	335	2,510	335	2,845		2,845
331	2003 Valves	3,223	2.00%	64	64	64	128	64	193	64	257	64	322		322
334	2003 Meters	**6,264**	4.50%	282	1,268	282	1,550	282	1,832	282	2,114	282	2,396		2,396
	2003 Meters Adjustment	**(2,201)**	4.50%	0	0	0	0	0	0	0	0	0	0	(842)	(842)
	2003 Total	18,332		993	4,241	993	5,234	993	6,226	993	7,219	993	8,212	(842)	7,370
311	2004 60 HP, 3PH, Franklin Motor	**1,855**	10.00%	186	557	186	743	186	928	186	1,114	186	1,299		1,299
	2004 60 HP, 3PH, Franklin Motor Adj.	**(1,855)**												(1,299)	(1,299)
331	2004 Valve, 20' Pipe, 60' Tube	7,735	2.00%	155	464	155	619	155	773	155	928	155	1,083		1,083
334	2004 Meters	**1,312**	4.50%	59	177	59	236	59	295	59	354	59	413		413
	2004 Meters Adjustment	**121**	4.50%											41	41
335	2004 Hydrant Extensions	3,834	2.00%	77	230	77	307	77	383	77	460	77	537		537
	2004 Total	13,002		476	1,428	476	1,904	476	2,380	476	2,856	476	3,332	(1,258)	2,074
334	2005 Meters	2,636	5.00%	132	330	132	462	132	594	132	725	132	857		857
	2005 Total	2,636		132	330	132	462	132	594	132	725	132	857		857
311	2006 Well Pump #2 Motor, Pump En	12,175	10.00%	1,218	1,826	1,218	3,044	1,218	4,261	1,218	5,479	1,218	6,696		6,696
311	2006 C/2 Chemical Feed Pump	1,014	10.00%	101	152	101	253	101	355	101	456	101	558		558
311	2006 Milton Roy mRoy B Pump	3,576	10.00%	358	536	358	894	358	1,251	358	1,609	358	1,966		1,966
334	2006 Meters	**468**	5.00%	23	35	23	58	23	82	23	105	23	129		129
334	2006 Meters	**1,234**	5.00%	62	93	62	155	62	216	62	278	62	340		340
346	2006 Laptop	**696**	50.00%	348	696	0	696	0	696	0	696	0	696		696
	2006 Meters Adjustment	**(468)**	5.00%											(129)	(129)
	2006 Meters Adjustment	**(1,234)**	5.00%											(340)	(340)
	2006 Laptop Adjustment	**(696)**	50.00%											(696)	(696)
	2006 Total	16,765		2,110	3,338	1,762	5,100	1,762	6,861	1,762	8,623	1,762	10,384	(1,164)	9,220
	2007 Total	0	0.00%	0	0	0	0	0	0	0	0	0	0		0
341	2008 Chevy Truck	16,578	**12.86%**											7,460	7,460
341	2008 Total	16,578												7,460	7,460
	2009 Total	0	0.00%												0
	2010 Total	0	0.00%												0
346	2011 Telemetry System	21,376	**10.00%**									135	135	934	1,069
	2011 Total	21,376										135	135	934	1,069
	Grand Total	240,577		6,922	41,145	6,574	47,719	6,574	54,293	6,574	60,868	6,709	67,577	15,155	82,731