

**STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION**

**Pennichuck Water Works, Inc.**

**Petition for Wholesale Water Agreement**

**with the Merrimack Village District**

**DW 22-\_\_\_\_\_**

**Direct Testimony of Ronald Miner, Jr.**

**December 16, 2022**

1 **1. Professional and Professional Background**

2 **Q. What is your name and what is your position with Merrimack Village District**  
3 **(MVD)?**

4 **A.** My name is Ronald Miner, Jr. I am the superintendent for MVD.

5 **Q. How long have you been the superintendent for MVD?**

6 **A.** Since 2010.

7 **Q. Please describe your responsibilities as superintendent at the MVD.**

8 **A.** I'm responsible for overseeing the daily operations of MVD.

9 **Q. What is the purpose of your testimony?**

10 **A.** The purpose of my testimony is to describe MVD's intent to enter into a wholesale water  
11 contract with Pennichuck Water Works, Inc.; to summarize the terms and conditions of  
12 the proposed contract; and explain why the proposed contract is in the public interest and  
13 should be approved.

14 **2. Description of MVD's Current Purchase of Water from PWW**

15 **Q. Does MVD currently purchase water from PWW?**

16 **A.** Yes. As described in Mr. Donald Ware's testimony, MVD currently has a water main  
17 connection with PWW along Route 101A in Merrimack. MVD uses this interconnection  
18 point on an as-needed basis to supplement its water supply when one or more of the wells  
19 are out of service or during periods of heavy summer usage by MVD customers.

20

1 **3. Description of Emergency Usage by MVD**

2 **Q. Please provide an update on the construction project, the delay of which**  
3 **necessitated MVD needing an emergency special contract with PWW.**

4 **A.** The well 7&8 treatment plant went on line in the spring after we received the repaired  
5 vessel. The well 2&9 treatment plant has had supply chain issues, the VFD's, generator,  
6 and some other key components have been ordered, but are slow getting to us causing  
7 delays in the project. My understanding is that they will ship the week of 11/14 once  
8 received the contractor will be able to complete the project.

9 **4. Description of Terms and Rates of Proposed Wholesale Contract**

10 **Q. Please describe when the parties propose the contract to start.**

11 **A.** PWW and MVD agree to contract years running from September 1<sup>st</sup> to August 31<sup>st</sup>  
12 which means the Initial Term would start September 1, 2023, however, MVD wishes to  
13 have access to water from PWW under the proposed rates sooner than that. Specifically,  
14 MVD would like to have the contract in place as of June 1, 2023 so that MVD has the  
15 supply in time for any increased summer demand. Although the contract terms run  
16 September to August, approval of the contract prior to September 1, 2023 will create  
17 what PWW and MVD are calling a Stub Year. The Stub Year will not factor into the  
18 usage credits discussed in section 6(b) of the proposed contract.

19 **Q. Over what period of time will the proposed contract cover?**

20 **A.** The initial term of the proposed contract is three (3) years, then there are up to three one-  
21 year extensions. The three extensions renew automatically unless MVD decides to  
22 terminate the contract. If MVD terminates the contract, it must give notice to PWW.  
23

1 **Q. Please describe the other terms of the proposed Wholesale Water Contract?**

2 **A.** MVD will pay an annual fixed fee; a Volumetric Charge; and a fixed monthly meter  
3 charge to cover PWW’s cost of operating and maintaining the water meter serving  
4 Merrimack. The Base Monthly Fixed Fee is proposed to be \$15,143.13 (\$181,718 per  
5 annum). The proposed Volumetric Charge will be \$0.9403 per 100 cubic feet (CCF).  
6 MVD understands that the \$0.9403 per CCF charge is subject to increases due to annual  
7 changes in the surcharge associated with the Qualified Capital Project Adjustment Clause  
8 (QCPAC) program. The fixed meter charge will be \$78.33.

9 **Q. Please describe the volumes of water that PWW will make available to MVD or that**  
10 **MVD will guarantee to purchase.**

11 **A.** MVD will be able to purchase a minimum of 91.24 million gallons of water per year.  
12 That translates into 121,992 CCF or 250,000 Gallons per Day (GPD). MVD will limit its  
13 annual average daily usage to: (1) 250,000 GPD; (2) maximum daily usage to 500,000  
14 GPD; and (3) peak hour usage to 500,000 GPD. The guaranteed minimum daily base  
15 usage of 250,000 gallons per day equates to 334.2 hundred cubic feet (“CCF”) per day),  
16 or a minimum annual purchase volume of 121,992 CCF.

17 **Q. Is there a carry-over credit mechanism in the contract?**

18 **A.** Yes. In the event that the daily usage is less than an average of 334.2 CCF/day over any  
19 monthly billing period within any contract year, MVD will pay the Volumetric Rate for  
20 334.2 CCF/day for that month, and MVD will carryover a usage credit into the next  
21 month in the amount of the difference between the 334.2 CCF/day paid for in the  
22 previous months bill and the actual CCF/day usage in the months bill. Credits will carry  
23 over month-to-month during each contract year. There will be no carryover of these

1 volumetric credits from contract year to contract year. Any carry-over volumetric credits  
2 existing at the end of a contract year will be zeroed out.

3 **Q. Will MVD be responsible for any construction or upgrades as part of the proposed**  
4 **contract?**

5 **A.** Yes. Within 9 months of Commission approval of the contract, MVD will be required to  
6 upgrade its SCADA and station controls at the existing booster station.

7 **Q. What other costs, if any, will MVD be responsible for covering for the contract?**

8 **A.** MVD will pay 100% of the costs of the cost of service study and 50% of the legal costs  
9 associated with obtaining regulatory approval of the wholesale contract.

10 **5. MVD's future water needs**

11 **Q. Does MVD provide water supply to PWW?**

12 **A.** Yes. PWW purchases water from MVD for its customers in the Greenfield Farms, Cabot  
13 Preserve, and Parker Ridge subdivisions in Bedford. PWW also purchases water from  
14 MVD for its customers in the Souhegan Woods subdivision in Amherst near the  
15 Merrimack town line.

16 **Q. Please explain what construction projects, if any, MVD is undertaking to allow it to**  
17 **keep meeting the water quantity and quality needs of its customers, including**  
18 **customers served by water purchased by PWW.**

19 **A.** Since 2016 we have constructed 2 treatment plants for 4 wells, upgraded the Turkey Hill  
20 Booster, identified possible additional sources, replaced Well 4, added Well 9 as a  
21 replacement to Well 3, added the booster station to the Pennichuck interconnect, blasted  
22 and recoated Hutchinson storage tank, modified the tank at Turkey Hill tank and added a

1 mixer to maintain water quality and await delivery of parts to put the treatment plant for  
2 Wells 2 and 9 on line.

3 **Q. Please explain how MVD's planned use of PWW's water for the next 3 to 6 years**  
4 **differs from its past and present usage needs?**

5 **A.** In the past we have only used the Interconnect as an emergency connection if a well was  
6 to go down or in high demand situations. This contract will allow MVD to meet our max  
7 day demands, while we bring other sources within our system on-line. The emergency  
8 agreement expires and a wholesale arrangement is desired because it provides a reliable  
9 option over what is in place now.

10 **Q. Please explain whether MVD needs water from PWW after December 31, 2022 and**  
11 **before June 1, 2023 and if so, what the nature of the usage would be.**

12 **A.** Our high demand time can start as early as Memorial Day weekend and can go through  
13 September, weather depending. MVD requests that the proposed contract be approved  
14 for June 1<sup>st</sup> so that it can be prepared for when the high demand starts.

15 **Q. Does MVD expect to need wholesale water supply from PWW after the conclusion**  
16 **of the 3-year initial term and three 1-year renewal terms? If so, please explain the**  
17 **type of need.**

18 **A.** Probably not. It would most likely revert back to just an emergency connection because  
19 MVD is pursuing additional sources to meet our need, which we anticipate being online  
20 within 3-5 years.

21 **Q. Does that complete your testimony?**

22 **A.** Yes.