



THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

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July 28, 2023

VIA ELECTRONIC MAIL ONLY

William E. Martin, Esq.
Martin Law Offices
36 Cliffwood Street
Lenox, MA 01240
WEM@martinlawofficespc.com

RE: Housatonic Water Works Company, D.P.U. 23-65

Dear Attorney Martin:

Enclosed please find the Department of Public Utilities' ("Department") First Set of Information Requests to Housatonic Water Works Company in the above referenced matter. Please provide responses to the Department before 5:00 p.m. on **August 11, 2023**.

If you have any questions regarding this matter, please contact me at kevin.crane@mass.gov.

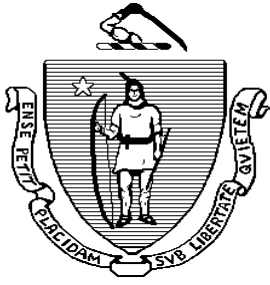
Sincerely,

/s/

Kevin Crane
Hearing Officer

Enc.

cc: Mark Marini, Department Secretary
Service List, D.P.U. 23-65



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF PUBLIC UTILITIES TO HOUSATONIC WATER WORKS COMPANY D.P.U. 23-65

Pursuant to 220 CMR 1.06(5)(c), the Department of Public Utilities ("Department") submits to Housatonic Water Works Company ("Company") its First Set of Information Requests.

Instructions

The following instructions apply to this set of information requests and all subsequent information requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer. Consistent with the Department's March 12, 2020 directive regarding paper filings and the June 15, 2021 Commission Memorandum continuing modified filing requirements (see Instruction 9 below), please do not send the paper copy of the response.
2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witnesses receive or generate additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions, and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates, or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers. Where applicable, provide supporting workpapers and calculations in the form of working Microsoft Excel spreadsheets with all cell references and formulae intact.

5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources, other data compilations from which information can be obtained, and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If the Company finds that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. If a question refers to an information request of another party, please provide that response and answer with information that supplements the previous response.
8. All responses must contain an internally consistent and usable form of referencing. Documents of three pages or more without a preexisting referencing system must be marked with consecutive page numbers. Where it is necessary to supply page numbers for a document, the numbers should be added in some way that differentiates the additions from the preexisting text. The Department will not accept documents without an acceptable referencing system.
9. All filings will be submitted only in electronic format. Until further notice, parties must retain the original paper version and the Department will later determine when the paper version must be filed with the Department Secretary. Importantly, all large files submitted must be broken down into electronic files that do not exceed 20 MB.
10. All documents should be submitted to the Department in electronic format by e-mail attachment to dpu.efiling@mass.gov and the Hearing Officer, Kevin Crane, kevin.crane@mass.gov. The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 23-65); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. The electronic file name should identify the document, but should not exceed 50 characters in length. All documents submitted in electronic format will be posted on the Department’s website:
<https://eeaonline.eea.state.ma.us/DPU/Fileroom> (enter “23-65”).
11. Each individual information request response should be submitted in a separate PDF file. In addition, the entire set of information request responses should be submitted as a single PDF file (or, in the case of large sets, as few separate PDF files as possible). In each instance, the electronic file name should identify the document, but should not exceed 50 characters in length.

Requests

- DPU 1-1 Refer to the Company's filing, Enclosure 9, Water Rate Study. Please provide a copy of all schedules and workpapers in working Excel format with all formulas intact.
- DPU 1-2 Refer to the prefiled testimony of James J. Mercer at 3. Please provide a copy of any administrative consent orders entered into between the Company and the Massachusetts Department of Environmental Protection ("DEP") between January 1, 2016 and the present.
- DPU 1-3 Refer to the Company's responses to the Department's informal data requests provided on or about December 15, 2020. Please provide a copy of all correspondence sent or received between the Company and the Town of Great Barrington from January 1, 2020 to date regarding water quality issues.
- DPU 1-4 Refer to the Company's responses to the Department's informal data requests provided on or about December 15, 2020. Please provide a copy of the Company's two most recent sanitary surveys.
- DPU 1-5 Refer to the Company's responses to the Department's informal data requests provided on or about December 15, 2020. Please provide a copy of the Company's 2016 master plan, along with any updates implemented since the creation of the master plan.
- DPU 1-6 Refer to the prefiled testimony of James J. Mercer at 3-4. Please provide a copy of all correspondence between the Company and DEP between January 1, 2021 and the present regarding the presence and treatment of haloacetic acids ("HAA5") in the Company's water supply.
- DPU 1-7 Refer to the prefiled testimony of James J. Mercer at 4-5. Please explain the current status of the HAA5 chlorine residual testing project, including the anticipated in-service date.
- DPU 1-8 Please provide a copy of the Manganese Water Treatment Feasibility Study prepared in March of 2021 by Lenard Engineering, Inc.
- DPU 1-9 Refer to the prefiled testimony of James J. Mercer at 4-5. Please provide a copy of the pilot test results of the GreensandPlus filtration system.
- DPU 1-10 Refer to the prefiled testimony of James J. Mercer at 6. Please explain the current status of the proposed manganese removal system project, including the anticipated in-service date.

- DPU 1-11 Refer to the prefiled testimony of James J. Mercer at 5. Please provide a copy of the hydraulic study referenced herein.
- DPU 1-12 Refer to the prefiled testimony of James J. Mercer at 6. Please explain the current status of the proposed 200,000-gallon elevated tank at High Street, including the anticipated in-service date.
- DPU 1-13 Refer to the prefiled testimony of James J. Mercer at 6. Please provide a copy of the Company's ten-year system improvement plan.
- DPU 1-14 Refer to the prefiled testimony of James J Mercer at 7. Please explain the current status of the Christian Hill Road interconnection with the Great Barrington Fire District, including the anticipated in-service date.
- DPU 1-15 Please provide copies of all capital project work orders in excess of \$5,000 along with the final costs associated with each work order for the period from January 1, 2016 to December 31, 2022. As part of this response, provide any change orders associated with the work orders.
- DPU 1-16 Refer to the prefiled testimony of Gary C. White at 12. Please explain how the Company finances its capital requirements. As part of this response, discuss the Company's historic and current ability to access capital markets.
- DPU 1-17 Please provide salary, wage, and compensation information for each employee on the payroll as of the end of the test year, as well as any employees added or deleted since the end of the test year. As part of this response, provide a listing of all benefits received (e.g., health care, etc.) as well as a breakdown of the cost of each benefit.
- DPU 1-18 Refer to the prefiled testimony of James J. Mercer at 8. Please explain the presence of unpaid compensation for the Company's officers and stockholders. As part of this response, provide the unpaid compensation for each affected stockholder and shareholder as of December 31, 2022, and the account to which the unpaid compensation is booked.
- DPU 1-19 Refer to the prefiled testimony of James J. Mercer at 5. Please explain the current status of the Company's efforts to hire full-time and part-time Class 2-T certified operators, including the anticipated hiring dates.
- DPU 1-20 Refer to Article 2.7 of the settlement agreement in Housatonic Water Works Company, D.P.U. 15-179 (2016), and the post-order compliance filings and status reports provided in that proceeding. Please provide a complete explanation of the Company's implementation of its meter replacement program, including any communications between the Company and the meter vendor regarding the

compatibility issues referenced therein. As part of this response, identify when the Company first became aware of the meter compatibility issues.

- DPU 1-21 Refer to the Company's filing, Water Rate Study Schedule A-1. Please reconcile the presence of \$181,431 in unfinished construction as of December 31, 2022, with the absence of any unfinished construction balance as listed on page 202 of the Company's 2022 annual return to the Department.
- DPU 1-22 Refer to the Company's filing, Water Rate Study Schedule A-1 and page 203 of the Company's 2022 annual return to the Department. Please explain the distinction between the \$58,980 CoBank participation certificate and the \$76,521 CoBank term deposit account.
- DPU 1-23 Refer to the Company's filing, Water Rate Study Schedule B-2(w). Please explain what the left and middle columns under part a of the Plant in Service adjustments represent, as well as the derivation of these numbers.
- DPU 1-24 Refer to the Company's filing, Water Rate Study Schedule B-2(w). Please explain the reference under part b of the Plant in Service adjustments to the 191/943 Index.
- DPU 1-25 Refer to the Company's filing, Water Rate Study Schedule C-2(w). Please explain why the Company is proposing a four-year amortization period for rate case expense.
- DPU 1-26 Refer to the Company's filing, Water Rate Study, Work Paper 7. Please provide the source of the Blue Chip Consumer Price Index information presented in this work paper. If more up-to-date data are available, provide an update to this work paper.
- DPU 1-27 Refer to Article 3.1 of the settlement agreement in Housatonic Water Works Company, D.P.U. 15-179 (2016). Please provide the biannual reports related to unaccounted-for water and leak detection required under that settlement provision.
- DPU 1-28 Please provide the Company's most recent tax bills from the town of Great Barrington.
- DPU 1-29 Please provide an example of a recent residential customer bill, with customer-identifying information redacted.
- DPU 1-30 Refer to the prefiled testimony of Gary C. White at 5, and the Water Rate Study, Schedule D-1(w). Regarding the proposed long term debt issuance of \$4,000,000, please: (a) indicate when the Company anticipates filing for approval of this debt

issuance with the Department; and (b) explain how the debt rate of 7.5 percent was determined.

- DPU 1-31 Refer to the Company's 2022 annual return to the Department at 204. Please explain the outstanding Small Business Administration loan of \$162,667.
- DPU 1-32 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (2). Please provide all workpapers, calculations, assumptions, and/or supporting documentation for the average and pro-forma amounts shown for Maintenance of Surface Source and Maintenance of Ground Source.
- DPU 1-33 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (3). Please provide all workpapers, calculations, assumptions, and/or supporting documentation for the average and proposed adjustment to Repairs and Expenses.
- DPU 1-34 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (4). Please:
- (a) explain how the four percent cost of living increase was determined and provide any applicable supporting documentation;
 - (b) explain how the certified operator pro forma adjustment was determined and provide supporting documentation;
 - (c) explain what inflation factor was applied to supply costs and how it was determined; and
 - (d) provide workpapers and supporting documentation for the average and proposed adjustment to maintenance expenses.
- DPU 1-35 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (5). Please:
- (a) explain how the four percent cost of living increase was determined and provide any applicable supporting documentation;
 - (b) explain how the certified operator pro forma adjustment was determined and provide supporting documentation;
 - (c) provide workpapers and supporting documentation for the averages and proposed adjustments to maintenance of transmission and distribution mains, maintenance of meters, and maintenance of hydrants.
- DPU 1-36 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (6). Please explain how the four percent cost of living wage increase

was determined and provide all workpapers, calculations, assumptions, and/or supporting documentation for the adjustment to Salaries - Office.

DPU 1-37 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (7). Please explain in further detail the pricing changes expected to affect General Office Supplies & Expenses and provide workpapers and supporting documentation for the proposed adjustment to General Office Supplies & Expenses.

DPU 1-38 Refer to the Company's filing, Water Rate Study Schedule C-2(w), adjustment (8). Please explain in further detail the pricing changes expected to affect professional services and provide workpapers and supporting documentation for the average and proposed adjustments to Accounting Fees, Engineering Fees, and Legal Fees.

Dated: July 28, 2023