

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH



Raul Pino, M.D., M.P.H.
Acting Commissioner

Dannel P. Malloy
Governor
Nancy Wyman
Lt. Governor

PUBLIC HEALTH HEARING OFFICE

January 26 2016

VIA CERTIFIED MAIL

Mr. John Walsh
Vice President of Operations
Aquarion Water Company of Connecticut
600 Lindley Street
Bridgeport, Connecticut 06606

Re: Joint Investigation by DPH and PURA of Cedarhurst Association, Inc.'s Request to Cease Operations as a Water Company, Docket Number DPH15-06-01/PURA 15-08-24

ORDER RE INTERROGATORIES

Aquarion Water Company of Connecticut is hereby **ORDERED** to provide responses to interrogatories numbered DPH-20 through DPH-27, EN-18 and EN-19, and RA-8 and RA-9 on or before **February 17, 2016**.

- DPH-20 Describe Aquarion's organizational structure. Please also provide the name and title of the person(s) who has the authority to enter into binding agreements on behalf of Aquarion and the document that provides such authority.
- DPH-21 Describe Aquarion's geographical proximity to the Cedarhurst Association, Inc.'s ("Cedarhurst") water system in Newtown, Connecticut.
- DPH-22 Provide a brief description of Aquarion's financial, managerial and technical resources to operate the Cedarhurst water system in a reliable and efficient manner and to provide continuous, adequate service to the persons served by the system.
- DPH-23 Provide a summary of Aquarion's experience acquiring and/or operating similar systems.
- DPH-24 Describe any discussions Aquarion has had with Cedarhurst regarding a potential acquisition, including the substance of such discussions. Please also provide any documents relating to such discussions, including any correspondence or meeting minutes at which such acquisition was discussed.

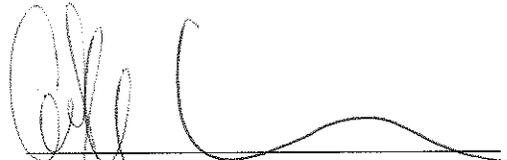


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- DPH-25 After Aquarion has inspected and done its due diligence on the Cedarhurst water system, describe how Aquarion will provide water service to the customers of the Cedarhurst water system if Aquarion was ordered to acquire it.
- DPH-26 Provide Aquarion's current rate structure.
- DPH-27 After Aquarion has inspected and done its due diligence on the Cedarhurst water system, provide an estimate of the monthly cost to provide water service and operate the Cedarhurst water system as described in interrogatory DPH-25 and the proposed monthly rate that Aquarion would charge the current customers of the Cedarhurst water system if Aquarion were ordered to acquire the system.
- EN-18 (CAPITAL IMPROVEMENTS) After Aquarion has inspected and done its due diligence on the Cedarhurst water system, if Aquarion is selected to own and operate the Cedarhurst water system, will Aquarion operate it as a satellite water system or will it be interconnected to the Aquarion water system by a main extension? Provide the estimated cost(s) associated with the operation and maintenance of the Cedarhurst water system by each option.
- EN-19 (CAPITAL IMPROVEMENTS) After Aquarion has inspected and done its due diligence on the Cedarhurst water system, provide a list of capital improvements that will be needed to the Cedarhurst water system within the next five years. In addition, provide the following information:
- a. Identify the capital improvements, date(s) of completion and cost estimates.
 - b. Identify which of the capital improvements are short-term or long-term capital improvements to the Cedarhurst water system.
- RA-8 (RATES) After Aquarion has inspected and done its due diligence on the Cedarhurst water system, provide the base rate structure (before surcharge) that Aquarion would charge the Cedarhurst customers if it is required to involuntarily acquire the Cedarhurst water system. Include unmetered and metered rates.
- RA-9 (RATES) In reference to the responses to interrogatories EN-18 and EN-19, and post inspection, provide the following information.
- a. Provide a rate surcharge and revenue requirement over a 20, 25 and 40 year recovery period. Calculate the cost recovery at 100%, 75%, 60% and 50% of the costs over the specified time periods.
 - b. Provide a breakdown between the Water Infrastructure and Conservation Adjustment (WICA) eligible and non-WICA eligible projects for any capital improvement. Indicate how these improvements would tie into the proposed surcharge in (a) above.

In making your responses, please restate each question and answer, using a separate sheet for each interrogatory number, and identify the person responsible for the response. To the extent that the information requested above can be provided in a pre-existing form or format, please feel free to do so. However, please indicate to which question or questions such materials are submitted in response. Please note that persons responsible for responses must be available for cross-examination during the hearing and must attest to the truth and accuracy of their responses.

A handwritten signature in black ink, appearing to read 'K. Keenan', written over a horizontal line.

Kathryn Keenan, Esq.
Hearing Officer

cc: Via First Class Mail to Service List