

Witness: William H. Smagula
Request from: New Hampshire Public Utilities Commission Staff

Question:

Follow-up to Staff 1-15 in DE 11-215:

- a. Does the breakdown of costs include any costs of liquid disposal described on Attachment 1 to the motion at page 5-6? Please state the amount of such costs.
- b. Of the costs of the wastewater treatment system included in the breakdown, what is the cost for the base wastewater treatment system and what is the cost for the secondary wastewater treatment equipment?
- c. Is the secondary wastewater treatment equipment only necessary on a temporary basis or will it be used once the other permits and approvals required to operate any part of the wastewater treatment system are obtained? Please explain.
- d. How is the wastewater treatment system any part of whose costs are included in the breakdown "used and useful" under RSA 378 :27 and "actually providing service to customers" under RSA 378:30-a? Please explain.

Response:

- a. No. There are no costs of liquid disposal included in the cost breakdown on page 9 of the Attachment 1 to the motion.
- b. The breakdown of costs lists as an item - Wastewater Treatment system. This cost includes only primary wastewater treatment equipment. This cost includes no costs from the secondary wastewater treatment equipment.
- c. The secondary wastewater treatment system (SWWT) is a technology that **will be used on a permanent basis** to complement the primary wastewater treatment system. The SWWT is a wastewater treatment technology which brings the effluent stream quantity down close to or equal to zero, which provides both **level of treatment** and disposal flexibility and is an option to discharging wastewater to the river or otherwise disposing of wastewater. EPA chose to address the new scrubber effluent discharge in the overall Merrimack Station NPDES draft permit issuance, rather than entertaining a more timely modification or any other type of interim discharge authorization. Finalizing the NPDES permit is expected to be a lengthy process. To ensure compliance with RSA 125-O, it was necessary for PSNH to find wastewater discharge alternatives to avoid any delay in the scrubber project schedule.
- d. The primary wastewater treatment equipment costs are included in the scrubber in-service equipment costs since it is operational and is currently treating the scrubber wastewater discharge. As noted in response to subquestion (b), no costs of the secondary wastewater treatment equipment are included in the pending rate application.