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Fairness raised at DPU hearing Residents raise objections to rate increase, water quality

By Ellie Oleson CORRESPONDENT

OXFORD— Oxford residents were concerned about the fairness of a rate increase, while Millbury residents seemed more worried about water quality, at the state Department of Public Utilities hearing last night on Aquarion Water Co.'s proposal to increase water rates.

Oxford Town Manager Joseph M. Zeneski said, "It is grossly inequitable to charge Oxford customers for improvements in Millbury."

About 50 residents of Oxford and Millbury attended last night's hearing at the Senior Center.

Larry L. Bingaman, senior vice president of operations for Aquarion, said that on May 14, the water company asked the state Department of Public Utilities, which sets rates, for a 24.8 percent, \$3.07 million systemwide rate increase that would affect customers in Oxford, Millbury, Hingham, Cohasset and Hull.

Bill August, lawyer for the town of Oxford, said, "One of our primary concerns is the equity and fairness. It is the understanding of Oxford officials that Oxford has a stand-alone system, but a blended average rate with Millbury, where the lion's share of capital improvement dollars are spent."

He said that of \$12.2 million spent on improvements to the Millbury and Oxford water systems, \$3.3 million, or 27 percent, was spent in Oxford, and \$8.9 million, or 73 percent, was spent in Millbury, yet both towns will pay the same rate.

Mr. August said Hingham and Hull customers paid Aquarion for a treatment plant for their towns, but that cost was not shared by communities that did not directly benefit.

After the hearing, Mr. Bingaman said, "It is DPU policy to generally have rate equalization, with all customers sharing a rate increase. Another town may have a large project next time. Overall, there is a 24.8 percent increase."

Mr. Bingaman said the reason the average residential user can expect a 33.45 percent increase in their bill is that "90 percent of our customers are residential. The cost of service varies based on types of customers. It takes more infrastructure to supply 90 percent than it does to supply the other 10 percent, which includes industrial, commercial, public authority and fire protection customers."

Mr. Bingaman said Oxford and Millbury customers can expect a 33.45 percent increase, while residents of the eastern communities serviced will get a 21.36 percent increase.

He said the last rate increase occurred seven years ago. "The increase is driven by significant capital investments

since 2001, depreciation and the increased cost of doing business. We have had feedback that we should have filed for increases sooner. In the future, we plan to file for increases every three years."

Walter E. Barnie of 11 Beech St., Oxford, said, "I think it's ridiculous. If I went in to my boss and asked for a 34 percent raise, he'd laugh at me. And not having an increase in seven years just sounds like bad management."

Stanley Stachura of 3 Blanchard Drive, Millbury, said the rate increase was not his main concern. Holding up a bag filled with silty brown water and a dirty water filter, he said, "I live a quarter mile from that new treatment plant and this is what I've been dealing with for seven years. It'll wreck your white clothes. I spend \$400 a year on filters and cleaners and I have to buy bottled water to drink."

He said his filthy water filter was two weeks old. "I go through one filter every two or three weeks. I've sent many filters to Aquarion. All the sediment comes back as magnesium. I'd like to find out what's going on."

Fellow Millbury resident Bud Kirkman of 7 Brenda Drive also brought a sample of water, which had multiple floating white strands. "My water is usually fine, but this came out of my tap. It looks like dental floss," he said.

Mr. Bingaman said both men live on dead-end streets, where lines need to be flushed monthly to ensure water quality. He said the flushing would begin immediately.

Mr. Bingaman said the company has about 18,000 customers in Millbury and Oxford, which make up about a third of Aquarion's customers in this state, and that \$21.4 million has been spent on infrastructure improvements in these two towns over the past seven years. This includes a \$5.6 million treatment plant in Millbury.

Jennie L. Caisse, chairwoman of the Oxford Board of Selectmen, said, "It doesn't add up if we pay the same as other towns benefiting more."

Mr. Bingaman said future rate increases could be partially mitigated if Aquarion's request for a one-time fee for new customers is approved.

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