AGREEMENT FOR METERED SERVICE AND SUPPLY OF WATER BETWEEN THE TOWN OF SEABROOK AND AQUARION WATER COMPANY OF NEW HAMPSHIRE

This Agreement (the "Agreement") is entered into as of this _ day of March, 2024, by and between Town of Seabrook, a New Hampshire municipality (hereinafter referred to as "Seabrook"), and Aquarion Water Company of New Hampshire, a New Hampshire corporation (hereinafter referred to as "Aquarion" and together with Seabrook, the "Parties" and each a "Party").

WHEREAS, Seabrook is a New Hampshire municipal corporation that provides water services to customers within Seabrook's municipal boundaries pursuant to RSA ch. 38; and

WHEREAS, Seabrook is not a "Public Utility" as defined by RSA 362:4 and is not subject to regulation by the New Hampshire Public Utilities Commission ("PUC"); and

WHEREAS, Aquarion is a "Public Utility" as defined by RSA 362:4, subject to regulation by the PUC; and

WHEREAS, Aquarion presently supplies water to the "Sun Valley Neighborhood," as defined herein; and

WHEREAS, water service to Aquarion customers within the Sun Valley Neighborhood will be interrupted for an extended period by the New Hampshire Department of Transportation's ("DOT") proposed work on the Route 1A bridge over the Hampton River (the "Bridge Project"); and

WHEREAS, Aquarion shall apply to the Seabrook Water Department in accordance with the Seabrook Municipal Water System Ordinance for a new water service in order to provide water to Aquarion's customers in the Sun Valley Neighborhood during the pendency of the Bridge Project; and

WHEREAS, the Seabrook Municipal Water System Ordinance does not explicitly contemplate Seabrook providing water service to customers outside of Seabrook's municipal boundaries; and

WHEREAS, the Seabrook Board of Water Commissioners is nevertheless willing to approve the new water service requested by Aquarion in light of the exigencies created by the DOT's work on the Route 1A bridge; and

WHEREAS, this Agreement for Metered Service and Supply of Water is intended to help facilitate the Bridge Project; and

WHEREAS, the Parties wish to clarify the terms under which Seabrook will supply water to Aquarion pursuant to the Seabrook Municipal Water System Ordinance, and sufficient for Aquarion to comply with Public Utilities Commission, New Hampshire Department of Energy, and New Hampshire Department of Environmental Services laws and regulations;

NOW, **THEREFORE**, the Parties hereby enter into this Agreement for the purpose of clarifying the terms under which Seabrook will supply water to Aquarion in accordance with the Seabrook Municipal Water System Ordinance:

- 1. <u>Incorporation of Recitals</u>. The Recitals set forth above shall be considered integral and necessary provisions of this Agreement and, to those ends, are fully incorporated herein by reference as if fully restated herein.
- 2. <u>Definitions</u>. As used herein, the following terms shall have the following meanings:
 - (a) "Aquarion" shall mean Aquarion Water Company of New Hampshire.
 - (b) "Aquarion's System" shall mean all contracts, agreements, water sources, reservoirs, wells and other supply sources, pumps, pump houses, powerhouses, pipelines, valves, tanks, storage tanks, meters and other related assets, licenses and permits and rights pertinent to the delivery of water to all of Aquarion's existing and future customers, and any replacements thereof and/or accessions thereto.
 - (c) "Laws" shall mean applicable federal, state, local, laws, rules, regulations, or ordinances.
 - (d) "Meter" shall mean the water flow meter and any associated telemetry and appurtenances at the point of Interconnection between Seabrook's System and Aquarion's system required to measure water volume flowing from Seabrook's System to Aquarion's System.
 - (e) "Metered Service" shall mean the infrastructure connecting Aquarion's System to Seabrook's System as shown in Attachment A and detailed herein, which Metered Service shall constitute the "Curb Stop" as that term is defined within Seabrook's Municipal Water System Ordinance.

- (f) "Seabrook" shall mean the Town of Seabrook, New Hampshire.
- (g) "Seabrook's System" shall mean all contracts, agreements, water sources, reservoirs, wells and other supply sources, pumps, pump houses, powerhouses, pipelines, valves, tanks, storage tanks, meters and other related assets, licenses and permits and rights pertinent to the delivery of water to all of Seabrook's current and future customers, and any replacements thereof and/or accessions thereto.
- (h) "Sun Valley Neighborhood" shall mean the residences on Thornton Street, Campton Street, Portsmouth Avenue, Woodstock Street, and Ocean Drive in Hampton, New Hampshire, which residences are currently provided water service by Aquarion (see Attachment B).

Any words or phrases not defined in this Agreement shall be assigned the meanings set forth in Webster's Third New International Dictionary (Unabridged Edition).

- 3. Interconnection Facilities and Operation.
 - (a) Aquarion will conduct all work necessary, at the Company's sole expense, to enable the Metered Service, including any work on equipment belonging to Seabrook such as the Meter, to operate and continue to operate in acceptable fashion for the duration of this Agreement.
 - (b) Any necessary retrofit of the existing plumbing of the Metered Service and associated appurtenances shall be fully funded by Aquarion.
 - (c) Aquarion's work on the Metered Service as described in the previous section, shall be subject to the review of the Water Department for compliance with all necessary laws, rules and regulations including the ordinance.
 - (d) The Parties will hereby operate their respective water supply systems in compliance with all applicable laws and rules governing each Party, and consistent with prudent maintenance and operating procedures.
 - (e) Each Party will operate and maintain the Metered Service valves, facilities and other portions belonging to each Party, respectively, and only personnel retained or contracted by each Party will perform such operation and maintenance.

- (f) Each Party will have unrestricted access to electronic signals from meters and other telemetry in the Metered Service facility for purposes of monitoring operations.
- 4. <u>Term</u>. This Agreement shall last during such time as Aquarion's river crossing lines are out of service due to the Bridge Project and new mains are permanently installed and operational. The Sun Valley Neighborhood will be supplied from Seabrook's System for the duration of the Term. The Bridge Project will require that Aquarion's existing water pipes crossing the river be taken out of service and that new mains be put into permanent service, but the timing depends on the DOT's construction schedule. Currently, the disruption of service from the existing water pipes is expected to last from 2024 through 2027, though this is subject to change. The DOT's schedule, however, shall have no impact on the Term except that the parties agree that the Term shall expire six (6) months after DOT's completion of the Bridge Project, unless otherwise mutually agreed to by the parties in writing.

5. Water Sales and Payment.

- (a) For water supplied by Seabrook, Aquarion agrees to pay Seabrook's Commercial 4 Inch Meter Rate, and the Tiered Residential Water Usage Rates, including fixed charges and water volume charges, in effect at the time of delivery. The parties agree that this is the same rate as would be charged to a customer within Seabrook's municipal boundaries utilizing the same volume of water.
- (b) During the Term of this Agreement, Seabrook will invoice Aquarion for all water delivered to Aquarion in accordance with Seabrook's standard and customary practices for billing water customers within Seabrook's municipal boundaries. All invoices for services rendered or obligations hereunder shall be due and payable within thirty (30) days from the date of each invoice.
- 6. <u>Metering</u>. The amount of water supplied by Seabrook to Aquarion shall be measured by the Meter at the Metered Service. Seabrook will read and maintain the Meter as described in Sections 4.6 and 4.7 of the Seabrook Municipal Water System Ordinance. Aquarion will have reasonable access to such meter and meter readings, including access to an electronic flow signal from Seabrook's meter for Aquarion's SCADA system, for normal system operations and to verify the readings upon which the charges under Section 5 are based. Seabrook shall test the Meter in the manner provided for in the Seabrook Municipal Water System Ordinance. A written copy of all meter test reports shall be provided to Aquarion promptly upon Seabrook's receipt thereof. Although Seabrook is not a public utility, as defined by RSA 362:4, the Parties agree that the Meter shall record flow according to N.H. Code Admin. R. Puc 605.03. In the event of the Meter's malfunction, Aquarion's usage shall be computed on the basis of the average usage for the preceding like-period of time by taking into account historical consumption and usage data.

7. Water Quality and Pressure; Use Restrictions and Allocation.

- (a) Seabrook will deliver to Aquarion, at the Metered Service, water that meets all state and federal water quality regulations for potable water in both Seabrook's System and Aquarion's System. Representatives from both Aquarion and Seabrook may set target values for the monitored water quality parameters consistent with state and federal quality regulations for potable water. If any water quality parameter approaches a compliance limit, Party representatives may develop an action plan to ensure that compliance with all regulations is maintained. The Parties will cooperate to resolve any customer inquiries and/or complaints, as well as any water quality issues associated with the supply of water to Aquarion by Seabrook.
- (b) In the event that Seabrook imposes water use restrictions on customers of Seabrook's System as the result of a drought or other event, then Aquarion will impose equal or more restrictive water use restrictions on customers in the Sun Valley Neighborhood. Seabrook shall provide Aquarion with no less than 72 hours' notice prior to implementing any such restrictions, and otherwise permit Aquarion to comply with its obligation under Puc 604.07 to "furnish a continuous and adequate supply of water to its customers and to avoid any shortage or interruption of delivery thereof."
- (c) The parties agree that Seabrook's obligations under this Agreement apply up to the not-to-exceed yearly allocation of 4.6 million gallons, calculated based upon 120% of the average monthly usage of the Sun Valley Neighborhood during 2020 and 2022, to account for the many factors that can be attributable to a town or neighborhood exceeding its prior year's usage including but not limited to: leaks, pipe or main breaks and flushing. To the extent that Aquarion ever intends to exceed this allocation during the duration of the term of this Agreement, Aquarion must seek and obtain express written permission from Seabrook, which permission will not be unreasonably withheld. Additionally, for added transparency and planning purposes, Aquarion agrees to provide detailed monthly water balance reports describing all efforts to minimize lost water volume.
- 8. Permits and Approvals; Effective Date; Termination Date. Aquarion shall be responsible for obtaining at its sole expense any permits or approvals necessary and related to construction of the Metered Service. This Agreement shall be effective after approval of the Agreement by the Seabrook Select Board and on the date of execution of this Agreement by both parties ("Effective Date") and shall continue until the DOT's completion of the Bridge Project and service through the Aquarion pipes located within the Bridge Project has been restored, estimated to be December 31, 2027. Upon completion of the Term, Seabrook may terminate water service from Seabrook's System to Aquarion's System through the Interconnection after reasonable notice is provided ("Termination Date").

- 9. <u>Insurance</u>. During the Term of this Agreement, as contemplated in this section and in Section 5, each Party will carry and maintain necessary and required insurance, pursuant to the authorities that govern each Party, and shall otherwise maintain insurance of the types, and with the coverage limits and deductibles, that are customary for entities similar to Seabrook and Aquarion, respectively.
- 10. <u>Relationship between the Parties</u>. Neither of the Parties and no agent, employee, representative, or independent contractor of either Party shall be considered an agent, employee or representative of the other Party for any purpose whatsoever. Nothing contained in this Agreement shall be construed or interpreted as creating an agency, partnership, or joint venture relationship between the Parties.
- 11. <u>Non-Compliance</u>. In the event of noncompliance with any of the provisions of the Seabrook Municipal Water System Ordinance by Aquarion or its customers, Seabrook shall provide Aquarion with notice and five business days to cure said noncompliance before Seabrook can terminate service. In no event, except in the event of an emergency, shall Seabrook terminate water supply and service to Aquarion without notice.
- 12. <u>Controlling Law</u>. By entering into this Agreement, the Parties agree that Seabrook's supply of water to Aquarion through the Metered Service shall be governed exclusively by the Seabrook Municipal Water System Ordinance and the laws of New Hampshire, including any and all relevant rules and regulations to which either Party is subject. This Agreement does not modify the provisions of the Seabrook Municipal Water System Ordinance, and this Agreement only binds the Parties to the extent it is consistent with the Seabrook Municipal Water System Ordinance and applicable New Hampshire laws, rules and regulations. Seabrook will deliver to Aquarion at the Metered Service water and water service in a manner that ensures Aquarion can comply with both the relevant rules of the Public Utilities Commission (Puc 600 rules) and the New Hampshire Department of Energy (En 600 rules), and the Aquarion tariff, subject to allocation amount depicted in paragraph 7(c), above.

IN WITNESS WHEREOF, this Agreement is entered into on the dates written below:

AQUARION WATER COMPANY OF NEW HAMPSHIRE

By:_____ Daniel Lawrence, P.E., Vice President of Engineering and Real Estate

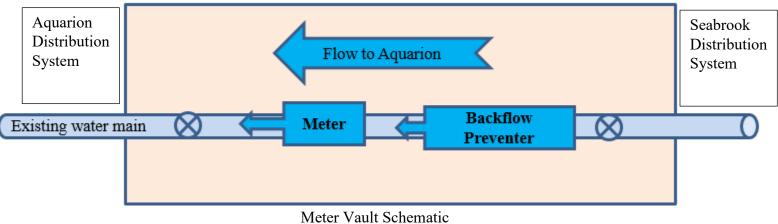
Date:_____

TOWN OF SEABROOK

By:_____

Date:_____

ATTACHMENT A



(to be replaced with a better engineering schematic in final version)

