

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: PASCOAG'S REQUEST FOR :
A WAIVER OF FULLY FUNDING : **DOCKET NO. 3546**
RESTRICTED FUND FOR 2011 AND 2012 :

ORDER

WHEREAS, on September 13, 2011, the Pascoag Utility District ("Pascoag") filed a request for a waiver from requirement that it fully fund its Restricted Fund Account in the amount mandated by the Commission; and

WHEREAS, Order No. 17820 of the instant Docket, the Commission ordered Pascoag to establish a Restricted Fund with annual payments of \$376,651; and

WHEREAS, in its filing, Pascoag represented that to date the balance in the Restricted Fund is \$512,515; and

WHEREAS, for the 2011 year, Pascoag has made \$185,000 in contributions to the Restricted Fund; and

WHEREAS, Pascoag is requesting that it be relieved of its obligation to complete funding for the present year and only be required to provide \$62,000 or funding for 2012; and

WHEREAS, in support of its request, Pascoag asserted that it has deferred a major capital purchase originally planned for 2012; and

WHEREAS, on October 18, 2011, the Division of Public Utilities and Carriers ("Division") filed a memorandum addressing Pascoag's request; and

WHEREAS, the Division noted that the current balance of \$512,515 is equivalent of almost five years of the capital expenditure portion of the Restricted Fund which is \$107,777 per year; and

WHEREAS, the Division noted that Pascoag represented through responses to data requests that it currently has no long term debt and does not expect to incur any long-term debt through the end of 2012; and

WHEREAS, the Division also noted that Pascoag represented that it is currently in the process of preparing a general rate case to be filed with the Commission that will address the current revenue requirements on a comprehensive basis; and

WHEREAS, based on its review of Pascoag's request, the Division represented that it has no objection to Pascoag's request being granted; and

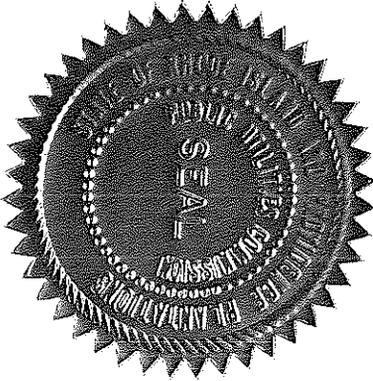
WHEREAS, at open meeting on October 31, 2011, the Commission granted Pascoag's request that it be relieved of fully funding its Restricted Fund for 2011 and 2012 as more precisely described above.

Accordingly, it is

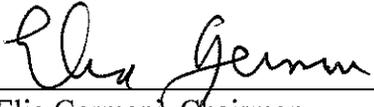
(20527) ORDERED:

1. Pascoag Utility District's request to waive the requirement that it fully fund its Restricted Fund for 2011 and 2012 as set forth above is granted.
2. Pascoag Utility District shall comply with all other findings and instructions as contained in this Order.

EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN
MEETING ON OCTOBER 31, 2011. WRITTEN ORDER ISSUED NOVEMBER 17,
2011.



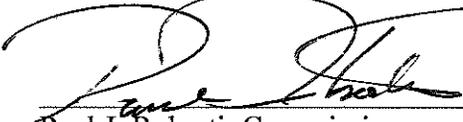
PUBLIC UTILITIES COMMISSION



Elia Germani, Chairman



Mary E. Bray, Commissioner



Paul J. Roberti, Commissioner