

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: PAWTUCKET WATER SUPPLY BOARD :  
PETITION FOR WAIVER OF RULES GOVERNING : DOCKET NO. 3569  
THE ACCEPTANCE OF CREDIT CARDS BY UTILITY :  
COMPANIES :

ORDER

WHEREAS, On June 20, 2012, the Pawtucket Water Supply Board (“PWSB”) filed with the Public Utilities Commission (“Commission”) a Petition for Waiver of the Rules Governing the Acceptance of Credit Cards by Utility Companies (“Rules”) to the extent that the Rules require the PWSB to charge the customer the convenience fee associated with the transaction; and

WHEREAS, PWSB submitted the Pre-Filed Testimony of James L. Decelles, Chief Engineer and Robert E. Benson, Chief Financial Officer in support of its filing; and

WHEREAS, PWSB stated that since the passage of the Rules, the transaction costs associated with credit card use have declined and that the PWSB could accept credit cards under the State of Rhode Island’s contract with Hewlett Packard; and

WHEREAS, PWSB stated that in order to participate in the Hewlett Packard contract at a cost to credit card users below what the credit card users currently pay, PWSB could not pass those costs on to its credit card users; and

WHEREAS, PWSB believed that its customers would benefit from the ability to use credit cards to pay their bills without the associated convenience fee by allowing customers a cost-free alternative payment method to assist in avoiding service termination and tax lien sales; and

WHEREAS, PWSB argued that it would be more equitable to all customers to absorb the credit card processing fees the same way check and in-person payments are absorbed into PWSB's cost of service and passed on to all ratepayers; and

WHEREAS, On July 13, 2012 and August 2, 2012, PWSB responded to data request propounded by the Commission regarding various costs associated with the processing of customer bills, totaling approximately one hundred five thousand dollars (\$105,000) per year; and

WHEREAS, PWSB also noted that there would be cost savings associated with processing of customer bills through the mail and in person to the extent that more customers use credit cards to make their payments; and

WHEREAS, On September 19, 2012, the Division of Public Utilities and Carriers ("Division") submitted a Memorandum from John Bell, Rate Analyst, in support of PWSB's Petition on the basis that it "will result in benefits to both the customers and the utility, all at an overall cost that is much more favorable than the current arrangement."; and

WHEREAS, At an Open Meeting held on October 4, 2012, the Commission approved PWSB's Petition, noting that PWSB is a non-investor-owned utility whose customers can benefit from participation in the State of Rhode Island contract with Hewlett Packard; and

WHEREAS, PWSB shall track credit card usage, traditional mail payments, and in-person payments and the associated costs for review as part of its next rate filing.

Accordingly, it is hereby,

(20879) ORDERED:

1. Pawtucket Water Supply Board's Petition for Waiver of the Rules Governing the Acceptance of Credit Cards by Utility Companies is hereby approved.

2. Pawtucket Water Supply Board shall track credit card usage, traditional mail payments, and in-person payments and the associated costs for review as part of its next rate filing.

EFFECTIVE AT WARWICK, RHODE ISLAND ON OCTOBER 4, 2012 PURSUANT TO AN OPEN MEETING HELD ON OCTOBER 4, 2012. WRITTEN ORDER ISSUED NOVEMBER 16, 2012.

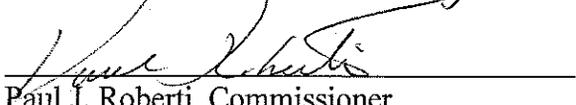
PUBLIC UTILITIES COMMISSION



Elia Germani, Chairman



Mary E. Bray, Commissioner



Paul J. Roberti, Commissioner

