

1 **Q. Please state your name and business address.**

2 A. My name is Harold J. Smith and my business address is, 511 East Boulevard, Charlotte,  
3 North Carolina 28203.

4 **Q. By whom are you employed and in what capacity.**

5 A. I am the Vice President of Raftelis Financial Consulting (RFC), a consulting firm  
6 specializing in the areas of water and wastewater. RFC was established in 1993 in Charlotte,  
7 North Carolina, by George A. Raftelis to provide national environmental and management  
8 consulting services of the highest quality to public and private sector clients. RFC is a national  
9 leader in the development of water and wastewater rates that satisfy local government objectives.  
10 In addition, we have a strong track record of gaining consensus among clients, the public, and  
11 elected officials.

12 **Q. Please describe your educational background and work experience.**

13 A. I obtained a Master of Business Administration from Wake Forest University in 1997 and a  
14 Bachelor of Science in Natural Resources from the University of the South in 1987. As an  
15 employee of Raftelis Financial Consulting, I have been involved in numerous projects for public  
16 utilities including a number of studies involving transition to new rate structures designed to  
17 address specific pricing objectives. I have also served on engagements involving a wide range of  
18 technical specialties including:

- 19 • Utility Cost of Service and Rate Structure Studies
- 20 • Privatization Feasibility Studies
- 21 • Privatization Procurements
- 22 • Utility Financial Planning Studies
- 23 • Municipal Financial Planning Studies

## City of Newport, Rhode Island Rhode Island Public Utilities Commission Rate Filing Docket #XXXX



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 Denotes Manual Input Cell

**Summary Revenue Requirements By Account**

<b>Account</b>	Test Year (1)	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year (2)
Administration	\$ 1,049,941	\$ (169,600)	\$ 880,341	\$ 463,757	\$ 1,344,098
Customer Accounts	450,804	4,069	454,873	31,772	486,645
Customer Services	54	-	54	(54)	-
Source of Supply - Island	404,899	-	404,899	43,116	448,015
Source of Supply - Mainland	93,557	(7,174)	86,383	(6,883)	79,500
Treatment - Newport Plant	1,220,032	-	1,220,032	(5,667)	1,214,365
Pumping - Newport Plant	-	-	-	-	-
Treatment - Lawton Valley	828,392	64,147	892,539	205,041	1,097,580
Pumping - Lawton Valley	-	-	-	-	-
Water Laboratory	181,923	1,081	183,004	16,343	199,347
Transmission & Distribution Maintenance	723,964	(21,309)	702,655	108,958	811,613
Fire Protection	-	-	-	14,000	14,000
<b>Total Operating Rev. Reqts</b>	<b>\$ 4,953,566</b>	<b>\$ (128,786)</b>	<b>\$ 4,824,780</b>	<b>\$ 870,383</b>	<b>\$ 5,695,163</b>
<b>Total Capital Rev. Reqts (4)</b>	<b>3,425,072</b>	<b>606,401</b>	<b>4,031,473</b>	<b>(1,015,454)</b>	<b>2,516,020</b>
Total Revenue Requirements	8,378,638	477,615	8,856,253	(145,071)	8,211,183
Additional Rev Req. (5)	125,680	7,164	132,844	(2,176)	123,168
<b>Total Cost of Service</b>	<b>8,504,318</b>	<b>484,779</b>	<b>8,989,097</b>	<b>(147,247)</b>	<b>8,334,350</b>
Offsets to Rev. Reqts. (6)	(106,818)	-	(106,818)	-	(161,100)
<b>Net Cost of Service</b>	<b>\$ 8,397,500</b>	<b>\$ 484,779</b>	<b>\$ 8,882,279</b>	<b>\$ (147,247)</b>	<b>\$ 8,173,250</b>

NWD Rate Year					
Functional Categories			Other Categories		
Supply & Treatment (3)	Transmission (3)	Distribution (3)	Meters & Services	Customer Costs	Fire Protection
\$ 774,692	\$ 107,259	\$ 119,187	\$ 6,121	\$ 237,807	\$ 99,033
-	-	-	11,000	475,645	-
-	-	-	-	-	-
443,535	-	-	-	-	4,480
78,705	-	-	-	-	795
1,000,519	146,515	-	-	-	67,331
-	-	-	-	-	-
936,619	108,948	-	-	-	52,013
-	-	-	-	-	-
197,354	-	-	-	-	1,993
-	183,779	385,493	20,000	-	222,341
-	-	-	-	-	14,000
\$ 3,431,424	\$ 546,501	\$ 504,680	\$ 37,121	\$ 713,452	\$ 461,986
1,453,211	245,288	431,603	50,423	39,623	295,872
4,884,635	791,789	936,283	87,543	753,074	757,858
75,205	12,434	10,912	878	13,464	10,274
4,959,840	804,222	947,195	88,421	766,539	768,132
(60,628)	(12,041)	(19,928)	(2,800)	(52,186)	(13,516)
\$ 4,899,212	\$ 792,182	\$ 927,267	\$ 85,621	\$ 714,352	\$ 754,616

- (1) Test Year covers the period from April 1, 2002 to March 31, 2003.
- (2) Rate Year is based on FY 2004 Budget for the Newport Water Fund.
- (3) Supply and Treatment, Transmission, and Distribution O&M Costs as allocated are carried forward to Schedule RFC 3 to determine Net Revenue Requirements of each Functional Category by customer class.
- (4) Capital Revenue Requirements for Rate Year consists of rate funding of Debt Service and Capital Spending Restricted Accounts.
- (5) Additional 1.5% of Total Revenue Requirements allowed as income cushion per Rhode Island PUC.
- (6) See Schedule RFC 2, "Revenue Offsets", for further detail.

**Summary Operating Revenue Requirements By Line Item**

Budget Line Item	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocate	NWD Rate Year					
							Functional Categories			Other Categories		
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
999 Allow for Uncollectables	-	-	-	30,000	30,000	H	18,318	3,029	2,658	214	3,280	2,503
001 Salaries & Wages	1,443,770	-	1,443,770	370,089	1,813,859	L	1,107,050	92,690	194,426	-	296,371	123,322
002 Overtime	172,944	(21,309)	151,635	(18,635)	133,000	L	82,170	9,286	19,479	-	10,000	12,065
003 Holiday Pay	11,790	-	11,790	210	12,000	A	11,880	-	-	-	-	120
004 Temporary/Seasonal Wages	8,065	-	8,065	6,935	15,000	A	14,850	-	-	-	-	150
009 Vacation & Sick Pay	280,170	-	280,170	(280,170)	-	L	-	-	-	-	-	-
044 Standby Salaries	9,291	-	9,291	109	9,400	L	5,821	478	1,002	-	1,461	637
056 Injury Pay	3,732	-	3,732	(3,732)	-	L	-	-	-	-	-	-
100 Employee Insurance Coverage	593,665	-	593,665	153,382	747,047	C	471,313	36,049	75,615	-	115,697	48,373
103 Retiree Insurance Coverage	134,568	-	134,568	19,190	153,758	L	95,221	7,817	16,397	-	23,904	10,419
105 Workers Compensation	27,966	-	27,966	8,434	36,400	L	22,542	1,851	3,882	-	5,659	2,467
205 Copy & Binding	273	-	273	1,427	1,700	C	-	-	-	-	1,700	-
207 Legal Advertisement	1,199	-	1,199	301	1,500	L	929	76	160	-	233	102
210 Dues & Subscriptions	1,751	-	1,751	(151)	1,600	L	991	81	171	-	249	108
212 Conferences and Training	5,017	-	5,017	6,983	12,000	L	7,179	1,030	2,161	-	311	1,319
214 Tuition Reimbursement	415	-	415	585	1,000	L	619	51	107	-	155	68
215 Recruitment	-	-	-	-	-	L	-	-	-	-	-	-
220 Consultant Fees (1)	145,239	-	145,239	104,761	250,000	H	171,619	20,190	17,719	1,425	21,863	17,183
225 Support Services	17,119	-	17,119	9,881	27,000	H	-	2,322	4,870	-	17,000	2,809
238 Postage & Delivery	39,494	-	39,494	(6,794)	32,700	H	3,053	505	443	36	28,247	417
239 Fire & Liability Insurance	89,471	-	89,471	339	89,810	H	57,874	8,189	7,817	541	8,308	7,080
245 Pollution Monitoring Fees	-	-	-	-	-	A	-	-	-	-	-	-
251 Telephone & Communication	7,735	7,265	15,000	-	15,000	H	9,159	1,514	1,329	107	1,640	1,251
254 Electricity	345,414	(8,209)	337,205	41,795	379,000	H	97,482	196,658	4,737	28	437	79,657
255 Natural Gas	51,382	(1,122)	50,260	(4,060)	46,200	H	43,264	652	629	43	656	957
260 Rental Equip & Facilities	817	-	817	1,933	2,750	H	1,943	192	310	5	82	218
261 Property Taxes	177,522	-	177,522	37,478	215,000	H	131,278	21,704	19,048	1,532	23,503	17,935
265 Newport Sewer Charge (1)	159,718	-	159,718	88,282	248,000	A	245,520	-	-	-	-	2,480
266 Legal & Administrative (2)	227,281	(117,857)	109,424	3,276	112,700	H	68,814	11,377	9,985	803	12,320	9,401
267 Data Processing (2)	158,905	(80,176)	78,729	2,371	81,100	C	-	-	-	-	81,100	-
268 Mileage Reimbursement	1,368	-	1,368	132	1,500	L	929	76	160	-	233	102
270 Office Machinery Service	-	-	-	-	-	H	-	-	-	-	-	-
271 Equipment Service Charge	101,149	-	101,149	10,590	111,739	H	26,834	15,370	32,066	10	18,656	18,803
274 Repair & Maint - Property	-	-	-	-	-	H	-	-	-	-	-	-
275 Repair & Maint - Equipment	115,278	-	115,278	78,422	193,700	H	28,948	74,457	29,325	9	6,131	54,831
276 Repair & Maint - Vehicles	-	-	-	-	-	A	-	-	-	-	-	-
277 Reservoir Maintenance	27,373	1,035	28,408	1,592	30,000	A	29,700	-	-	-	-	300
281 Regulatory Assessment	70,540	14,460	85,000	-	85,000	H	65,180	5,048	4,430	356	5,466	4,521
295 Main Maintenance	39,348	-	39,348	25,652	65,000	D	-	15,090	31,653	-	-	18,257
296 Service Maintenance	13,048	-	13,048	6,952	20,000	M	-	-	-	20,000	-	-
297 Hydrant Maintenance	3,935	-	3,935	(3,935)	-	F	-	-	-	-	-	-
298 Gate Maintenance	-	-	-	5,000	5,000	D	-	1,161	2,435	-	-	1,404
299 Meter Maintenance	5,931	4,069	10,000	1,000	11,000	M	-	-	-	11,000	-	-

**Summary Operating Revenue Requirements By Line Item (Continued)**

Budget Line Item	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocate	NWD Rate Year					
							Functional Categories			Other Categories		
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
302 Lubricants	-	-	-	-	-	A	-	-	-	-	-	-
305 Household Supplies	-	-	-	-	-	H	-	-	-	-	-	-
311 Specialized Agency Supplies	35,961	-	35,961	34,039	70,000	H	56,193	3,213	4,870	-	2,000	3,724
313 Medical Supplies	-	-	-	-	-	A	-	-	1	0	0	0
320 Clothing/Protective Gear	1,287	-	1,287	913	2,200	C	1,188	-	-	-	1,000	12
322 Clothing/Protective Gear	1,723	-	1,723	1,477	3,200	A	1,188	464	974	-	-	574
335 Chemicals	353,951	64,147	418,098	23,902	442,000	A	437,580	-	-	-	-	4,420
339 Laboratory Supplies	10,443	-	10,443	(443)	10,000	A	9,900	-	-	-	-	100
345 Building Materials	-	-	-	-	-	A	-	-	-	-	-	-
347 Grounds Maintenance Supplies	-	-	-	-	-	A	-	-	-	-	-	-
350 Equipment Parts	-	-	-	-	-	A	-	-	-	-	-	-
361 General Office Supplies	11,072	-	11,072	5,928	17,000	H	10,380	1,716	1,506	121	1,858	1,418
282 Regulatory Expense	-	-	-	105,000	105,000	H	64,112	10,600	9,303	748	11,478	8,759
363 Computer Supplies	360	-	360	(60)	300	H	-	-	-	-	300	-
380 Customer Service Supplies	54	-	54	4,946	5,000	C	-	-	-	0	5,000	-
410 Reference Materials	-	-	-	-	-	A	-	-	-	-	-	-
561 Self Insurance	14,089	5,911	20,000	-	20,000	H	12,212	2,019	1,772	142	2,186	1,668
563 Unemployment Insurance	-	3,000	3,000	-	3,000	L	1,858	153	320	-	466	203
565 Annual Leave Buy-back	31,943	-	31,943	(4,943)	27,000	L	16,335	1,393	2,922	-	4,500	1,850
777 Contribution to Fund Balance	-	-	-	-	-	L	-	-	-	-	-	-
<b>Total Operating Rev. Reqs</b>	<b>4,953,566</b>	<b>(128,786)</b>	<b>4,824,780</b>	<b>870,383</b>	<b>5,695,163</b>		<b>3,431,424</b>	<b>546,501</b>	<b>504,680</b>	<b>37,121</b>	<b>713,452</b>	<b>461,986</b>

**Summary Debt Service and Capital Outlay By Line Item**

Budget Line Item	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocate	NWD Rate Year					
							Functional Categories			Other Categories		
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
401 Equipment Depreciation	1,033,693	-	1,033,693	66,307	1,100,000	I	-	255,373	535,669	-	-	308,958
451 General Debt Principal	685,000	610,000	1,295,000	5,139	1,300,139	I	656,355	150,983	277,854	36,032	-	178,914
452 General Debt Interest	448,192	-	448,192	(24,819)	423,373	I	223,933	46,821	84,958	12,293	-	55,366
454 City Advance Interest	-	-	-	-	-	I	-	-	-	-	-	-
459 Floating Debt Expense	-	-	-	-	-	I	-	-	-	-	-	-
460 Debt Service Reserve	-	-	-	-	-	I	-	-	-	-	-	-
420 Equipment	-	-	-	-	-	I	-	-	-	-	-	-
600 Transfer to Equip. Replace	-	-	-	73,586	73,586	I	39,108	8,095	14,666	2,147	-	9,570
424 Office Machinery	-	-	-	-	-	H	-	-	-	-	-	-
430 Capital Studies	1,685	-	1,685	(1,685)	-	H	-	-	-	-	-	-
998 Payment to General Fund (1)	-	-	-	500,000	500,000	H	305,297	50,475	44,299	3,562	54,658	41,709
824 IFR Equipment	36,174	-	36,174	292,826	329,000	J	36,104	62,591	131,292	12,156	-	86,857
441 Meters & Pits	-	-	-	-	-	M	-	-	-	-	-	-
435 Other Improvements	2,209,422	-	2,209,422	335,578	2,545,000	A	2,519,550	-	-	-	-	25,450
463 Lease Purchase Principal	-	-	-	-	-	I	-	-	-	-	-	-
465 UDAG Loan Principal	-	-	-	-	-	I	-	-	-	-	-	-
466 UDAG Loan Interest	-	-	-	-	-	I	-	-	-	-	-	-
835 IFR Improvements	-	-	-	1,164,000	1,164,000	J	127,736	221,448	464,509	43,009	-	307,299
440 Mains & Gates	-	-	-	-	-	D	-	-	-	-	-	-
842 IFR Fire Hydrants	44,599	(3,599)	41,000	-	41,000	J	4,499	7,800	16,362	1,515	-	10,824
	4,458,765	606,401	5,065,166	2,410,932	7,476,098		3,912,582	803,587	1,569,608	110,715	54,658	1,024,947

(1) The Water Fund has received over the years a total of \$2.5 million in order to meet revenue shortfalls. A five-year plan to repay this amount back to the General Fund has been included in the revenue requirements.

Detail Revenue Requirements

Schedule RFC 1- A

						NWD Rate Year						
						Functional Categories			Other Categories			
						Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection	
Account Detail	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocate						
<b>Administration</b>												
<b>Account No. 15-500-2200</b>												
<b>Personnel</b>												
001 Salaries & Wages	\$ 66,149	\$ -	\$ 66,149	\$ 81,146	\$ 147,295	L	\$ 91,219	\$ 7,488	\$ 15,708	\$ -	\$ 22,899	\$ 9,981
002 Overtime	-	-	-	-	-	L	-	-	-	-	-	-
009 Vacation & Sick Pay	11,148	-	11,148	(11,148)	-	L	-	-	-	-	-	-
044 Standby Salaries	9,291	-	9,291	109	9,400	L	5,821	478	1,002	-	1,461	637
056 Injury Pay	-	-	-	-	-	L	-	-	-	-	-	-
100 Employee Insurance Coverage	15,020	-	15,020	31,455	46,475	L	28,782	2,363	4,956	-	7,225	3,149
103 Retiree Insurance Coverage	134,568	-	134,568	19,190	153,758	L	95,221	7,817	16,397	-	23,904	10,419
105 Workers Compensation	27,966	-	27,966	8,434	36,400	L	22,542	1,851	3,882	-	5,659	2,467
Subtotal	\$ 264,142	\$ -	\$ 264,142	\$ 129,186	\$ 393,328		\$ 243,585	\$ 19,997	\$ 41,945	\$ -	\$ 61,148	\$ 26,653
<b>Other Operating</b>												
999 Allow for Uncollectables	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	H	\$ 18,318	\$ 3,029	\$ 2,658	\$ 214	\$ 3,280	\$ 2,503
207 Legal Advertisement	1,199	-	1,199	301	1,500	L	929	76	160	-	233	102
210 Dues & Subscriptions	1,751	-	1,751	(151)	1,600	L	991	81	171	-	249	108
212 Conferences and Training	934	-	934	1,066	2,000	L	1,239	102	213	-	311	136
214 Tuition Reimbursement	415	-	415	585	1,000	L	619	51	107	-	155	68
215 Recruitment	-	-	-	-	-	L	-	-	-	-	-	-
220 Consultant Fees (1)	145,239	-	145,239	54,761	200,000	H	122,119	20,190	17,719	1,425	21,863	16,683
225 Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	H	-	-	-	-	-	-
238 Postage & Delivery	1,916	-	1,916	3,084	5,000	H	3,053	505	443	36	547	417
239 Fire & Liability Insurance	75,687	-	75,687	313	76,000	H	46,405	7,672	6,733	541	8,308	6,340
251 Telephone & Communication	7,735	7,265	15,000	-	15,000	H	9,159	1,514	1,329	107	1,640	1,251
254 Electricity	4,839	-	4,839	(839)	4,000	H	2,442	404	354	28	437	334
255 Natural Gas	7,122	(1,122)	6,000	-	6,000	H	3,664	606	532	43	656	501
260 Rental Equip & Facilities	246	-	246	504	750	H	458	76	66	5	82	63
261 Property Taxes	86,000	-	86,000	129,000	215,000	H	131,278	21,704	19,048	1,532	23,503	17,935
266 Legal & Administrative (2)	227,281	(117,857)	109,424	3,276	112,700	H	68,814	11,377	9,985	803	12,320	9,401
267 Data Processing (2)	158,905	(80,176)	78,729	2,371	81,100	C	-	-	-	-	81,100	-
268 Mileage Reimbursement	1,368	-	1,368	132	1,500	L	929	76	160	-	233	102
270 Office Machinery Service	-	-	-	-	-	H	-	-	-	-	-	-
271 Equipment Service Charge	2,898	-	2,898	(1,478)	1,420	H	867	143	126	10	155	118
274 Repair & Maint - Property	-	-	-	-	-	H	-	-	-	-	-	-
275 Repair & Maint - Equipment	482	-	482	718	1,200	H	733	121	106	9	131	100
281 Regulatory Assessment	36,621	13,379	50,000	-	50,000	H	30,530	5,048	4,430	356	5,466	4,171
305 Household Supplies	-	-	-	-	-	H	-	-	-	-	-	-
311 Specialized Agency Supplies	-	-	-	-	-	H	-	-	-	-	-	-
361 General Office Supplies	11,072	-	11,072	5,928	17,000	H	10,380	1,716	1,506	121	1,858	1,418
282 Regulatory Expense	-	-	-	105,000	105,000	H	64,112	10,600	9,303	748	11,478	8,759
363 Computer Supplies	-	-	-	-	-	H	-	-	-	-	-	-
561 Self Insurance	14,089	5,911	20,000	-	20,000	H	12,212	2,019	1,772	142	2,186	1,668
563 Unemployment Insurance	-	3,000	3,000	-	3,000	L	1,858	153	320	-	466	203
565 Annual Leave Buy-back	-	-	-	-	-	L	-	-	-	-	-	-
777 Contribution to Fund Balance	-	-	-	-	-	L	-	-	-	-	-	-
Subtotal	\$ 785,799	\$ (169,600)	\$ 616,199	\$ 334,571	\$ 950,770		\$ 531,107	\$ 87,262	\$ 77,242	\$ 6,121	\$ 176,659	\$ 72,379
O Administration Operating Rev Reqts.	1,049,941	(169,600)	880,341	463,757	1,344,098		774,692	107,259	119,187	6,121	237,807	99,033

(1) Financial Consultant and Attorney fees related to PUC Rate Filing (Instant Rate Case). Rate Year represents unrecovered amount at beginning of Rate Year. All expenses shown for the Test Year have been recovered.

(2) These accounts are fees paid to the General Fund for services provided by the Finance Dept and City Solicitor's office.

							NWD Rate Year									
							Functional Categories			Other Categories						
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection				
							Test Year	Normalized Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation				
<b>Administration</b>																
<b>Account No. 15-500-2200</b>																
<u>Debt Service and Capital Outlay</u>																
401	Equipment Depreciation	-	-	-	-	I	-	-	-	-	-	-	-	-		
451	General Debt Principal	-	-	-	-	I	-	-	-	-	-	-	-	-		
452	General Debt Interest	-	-	-	-	I	-	-	-	-	-	-	-	-		
454	City Advance Interest	-	-	-	-	I	-	-	-	-	-	-	-	-		
459	Floating Debt Expense	-	-	-	-	I	-	-	-	-	-	-	-	-		
460	Debt Service Reserve	-	-	-	-	I	-	-	-	-	-	-	-	-		
420	Equipment	-	-	-	-	I	-	-	-	-	-	-	-	-		
600	Transfer to Equip. Replace	-	-	-	73,586	I	39,108	8,095	14,666	2,147	-	-	9,570	-		
424	Office Machinery	-	-	-	-	H	-	-	-	-	-	-	-	-		
430	Capital Studies	1,685	-	1,685	(1,685)	H	-	-	-	-	-	-	-	-		
998	Payment to General Fund (1)	-	-	-	500,000	H	305,297	50,475	44,299	3,562	54,658	-	41,709	-		
824	IFR Equipment	-	-	-	254,000	J	27,874	48,323	101,362	9,385	-	-	67,057	-		
	Subtotal	\$ 1,685	\$ -	\$ 1,685	\$ 825,901		\$ 372,278	\$ 106,893	\$ 160,326	\$ 15,094	\$ 54,658	\$ -	\$ 118,335	\$ -		
C	Administration Capital Rev. Reqts.	\$ 1,685	\$ -	\$ 1,685	\$ 825,901		\$ 372,278	\$ 106,893	\$ 160,326	\$ 15,094	\$ 54,658	\$ -	\$ 118,335	\$ -		

(1) The Water Fund has received over the years a total of \$2.5 million in order to meet revenue shortfalls. A five-year plan to repay this amount back to the General Fund has been included in the revenue requirements.



								NWD Rate Year					
								Functional Categories			Other Categories		
								Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
Customer Accounts	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation							
<b>Account No. 15-500-2209</b>													
<u>Personnel</u>													
001 Salaries & Wages	\$ 213,833	\$ -	\$ 213,833	\$ 59,639	\$ 273,472	C	\$ -	\$ -	\$ -	\$ -	\$ 273,472	\$ -	
002 Overtime	-	-	-	10,000	10,000	C	-	-	-	-	10,000	-	
009 Vacation & Sick Pay	64,678	-	64,678	(64,678)	-	C	-	-	-	-	-	-	
056 Injury Pay	517	-	517	(517)	-	C	-	-	-	-	-	-	
100 Employee Insurance Coverage	90,705	-	90,705	17,767	108,472	C	-	-	-	-	108,472	-	
Subtotal	\$ 369,733	\$ -	\$ 369,733	\$ 22,211	\$ 391,944		\$ -	\$ -	\$ -	\$ -	\$ 391,944	\$ -	
<u>Other Operating</u>													
205 Copy & Binding	\$ 273	\$ -	\$ 273	\$ 1,427	\$ 1,700	C	\$ -	\$ -	\$ -	\$ -	\$ 1,700	\$ -	
225 Support Services	16,857	-	16,857	143	17,000	C	-	-	-	-	17,000	-	
238 Postage & Delivery	37,578	-	37,578	(9,878)	27,700	C	-	-	-	-	27,700	-	
271 Equipment Service Charge	15,113	-	15,113	3,388	18,501	C	-	-	-	-	18,501	-	
275 Repair & Maint - Equipment	-	-	-	6,000	6,000	C	-	-	-	-	6,000	-	
299 Meter Maintenance	5,931	4,069	10,000	1,000	11,000	M	-	-	-	11,000	-	-	
311 Specialized Agency Supplies	924	-	924	1,076	2,000	C	-	-	-	-	2,000	-	
320 Clothing/Protective Gear	564	-	564	436	1,000	C	-	-	-	-	1,000	-	
363 Computer Supplies	360	-	360	(60)	300	C	-	-	-	-	300	-	
380 Customer Service Supplies	-	-	-	5,000	5,000	C	-	-	-	-	5,000	-	
565 Annual Leave Buy-back	3,471	-	3,471	1,029	4,500	C	-	-	-	-	4,500	-	
Subtotal	\$ 81,071	\$ 4,069	\$ 85,140	\$ 9,561	\$ 94,701		\$ -	\$ -	\$ -	\$ 11,000	\$ 83,701	\$ -	
O Cust. Accounts Operating Rev. Reqts.	450,804	4,069	454,873	31,772	486,645		-	-	-	11,000	475,645	-	
<u>Debt Service and Capital Outlay</u>													
401 Equipment Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	C	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
600 Transfer to Equip Replace	-	-	-	-	-	C	-	-	-	-	-	-	
824 IFR Equipment	28,797	-	28,797	16,203	45,000	J	4,938	8,561	17,958	1,663	-	11,880	
Subtotal	\$ 28,797	\$ -	\$ 28,797	\$ 16,203	\$ 45,000		\$ 4,938	\$ 8,561	\$ 17,958	\$ 1,663	\$ -	\$ 11,880	
C Cust. Accounts Capital Rev. Reqts.	28,797	-	28,797	16,203	45,000		4,938	8,561	17,958	1,663	-	11,880	

							NWD Rate Year					
							Functional Categories			Other Categories		
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocate						
<b>Customer Services</b>												
<b>Account No. 15-500-2250</b>												
<u>Personnel</u>												
001	Salaries & Wages	\$ -	\$ -	\$ -	\$ -	- M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	Employee Insurance	-	-	-	-	- M	-	-	-	-	-	-
	Subtotal	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Operating</u>												
380	Customer Service Supplies	\$ 54	\$ -	\$ 54	\$ (54)	- M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 54	\$ -	\$ 54	\$ (54)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
O	Customer Services Operating Rev. Reqts.	54	-	54	(54)	-						
<u>Debt Service and Capital Outlay</u>												
441	Meters & Pits	\$ -	\$ -	\$ -	\$ -	- M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
C	Customer Services Capital Rev. Reqts.	-	-	-	-	-	-	-	-	-	-	-

									NWD Rate Year						
									Functional Categories			Other Categories			
									Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection	
Source of Supply - Island	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation									
Account No. 15-500-2212															
Personnel															
001 Salaries & Wages	\$ 163,991	\$ -	\$ 163,991	\$ 35,972	\$ 199,963	A	\$ 197,963	\$ -	\$ -	\$ -	\$ -	\$ 2,000			
002 Overtime	17,017	-	17,017	(2,017)	15,000	A	14,850	-	-	-	-	150			
004 Temporary/Seasonal Wages	-	-	-	-	-	A	-	-	-	-	-	-			
009 Vacation And Sick Pay	32,293	-	32,293	(32,293)	-	A	-	-	-	-	-	-			
056 Injury Pay	2,402	-	2,402	(2,402)	-	A	-	-	-	-	-	-			
100 Employee Insurance Coverage	72,731	-	72,731	14,950	87,681	A	86,804	-	-	-	-	877			
Subtotal	\$ 288,434	\$ -	\$ 288,434	\$ 14,210	\$ 302,644		\$ 299,618	\$ -	\$ -	\$ -	\$ -	\$ 3,026			
<b>Other Operating</b>															
220 Consultant Fees	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	A	\$ 49,500	\$ -	\$ -	\$ -	\$ -	\$ 500			
239 Fire & Liability Insurance	-	-	-	-	-	A	-	-	-	-	-	-			
254 Electricity	6,786	-	6,786	9,214	16,000	A	15,840	-	-	-	-	160			
260 Rental - Equip. & Facilities	-	-	-	-	-	A	-	-	-	-	-	-			
261 Property Taxes	48,619	-	48,619	(48,619)	-	A	-	-	-	-	-	-			
271 Equipment Service Charge	15,170	-	15,170	5,701	20,871	A	20,662	-	-	-	-	209			
275 Repair & Maint - Equipment	789	-	789	4,211	5,000	A	4,950	-	-	-	-	50			
277 Reservoir Maintenance	23,408	-	23,408	592	24,000	A	23,760	-	-	-	-	240			
302 Lubricants	-	-	-	-	-	A	-	-	-	-	-	-			
311 Special Agency Supplies	4,349	-	4,349	(849)	3,500	A	3,465	-	-	-	-	35			
313 Medical Supplies	-	-	-	-	-	A	-	-	-	-	-	-			
322 Clothing/Protective Gear	-	-	-	-	-	A	-	-	-	-	-	-			
335 Chemicals	13,980	-	13,980	8,020	22,000	A	21,780	-	-	-	-	220			
345 Building Materials	-	-	-	-	-	A	-	-	-	-	-	-			
347 Grounds Maintenance Supplies	-	-	-	-	-	A	-	-	-	-	-	-			
350 Equipment Parts	-	-	-	-	-	A	-	-	-	-	-	-			
565 Annual Leave Buy-Back	3,364	-	3,364	636	4,000	A	3,960	-	-	-	-	40			
Subtotal	\$ 116,465	\$ -	\$ 116,465	\$ 28,906	\$ 145,371		\$ 143,917	\$ -	\$ -	\$ -	\$ -	\$ 1,454			
O Supply-Island Ops. Rev. Reqts.	404,899	-	404,899	43,116	448,015		443,535	-	-	-	-	4,480			
<b>Debt Service and Capital Outlay</b>															
401 Equipment Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
420 Equipment	-	-	-	-	-	A	-	-	-	-	-	-			
600 Transfer to Equip Replace	-	-	-	-	-	A	-	-	-	-	-	-			
435 Other Improvements	56,884	-	56,884	(56,884)	-	A	-	-	-	-	-	-			
Subtotal	\$ 56,884	\$ -	\$ 56,884	\$ (56,884)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
C Source of Supply - Island Capital Rev. Reqts.	56,884	-	56,884	(56,884)	-		-	-	-	-	-	-			

									NWD Rate Year									
									Functional Categories			Other Categories						
									Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection				
Source of Supply - Mainland	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation												
Account No. 15-500-2213																		
<u>Personnel</u>																		
002 Overtime	\$ 6,499	\$ -	\$ 6,499	\$ 3,501	\$ 10,000	A	\$ 9,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100					
004 Temporary/Seasonal Wages	8,065	-	8,065	1,935	10,000	A	9,900	-	-	-	-	-	100					
100 Employee Insurance Coverage	793	-	793	1,207	2,000	A	1,980	-	-	-	-	-	20					
Subtotal	\$ 15,357	\$ -	\$ 15,357	\$ 6,643	\$ 22,000		\$ 21,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220					
<u>Other Operating</u>																		
220 Consultant Fees	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
239 Fire & Liability Insurance	-	-	-	-	-	A	-	-	-	-	-	-	-					
254 Electricity	58,209	(8,209)	50,000	-	50,000	A	49,500	-	-	-	-	-	500					
261 Property Taxes	9,930	-	9,930	(9,930)	-	A	-	-	-	-	-	-	-					
275 Repair & Maint - Equip	71	-	71	929	1,000	A	990	-	-	-	-	-	10					
277 Reservoir Maintenance	3,965	1,035	5,000	1,000	6,000	A	5,940	-	-	-	-	-	60					
305 Household Supplies	-	-	-	-	-	A	-	-	-	-	-	-	-					
311 Specialized Agency Supplies	25	-	25	475	500	A	495	-	-	-	-	-	5					
335 Chemicals	6,000	-	6,000	(6,000)	-	A	-	-	-	-	-	-	-					
345 Building Materials	-	-	-	-	-	A	-	-	-	-	-	-	-					
350 Equipment Parts	-	-	-	-	-	A	-	-	-	-	-	-	-					
Subtotal	\$ 78,200	\$ (7,174)	\$ 71,026	\$ (13,526)	\$ 57,500		\$ 56,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 575					
Source of Supply - Mainland																		
O Operating Rev. Reqts.	\$ 93,557	\$ (7,174)	\$ 86,383	\$ (6,883)	\$ 79,500		\$ 78,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 795					
<u>Debt Service and Capital Outlay</u>																		
451 General Debt Principal	\$ -	\$ 610,000	\$ 610,000	\$ -	\$ 610,000	I	\$ 324,191	\$ 67,105	\$ 121,572	\$ 17,797	\$ -	\$ -	\$ 79,334					
452 General Debt Interest	328,982	-	328,982	(25,461)	303,521	I	161,310	33,390	60,491	8,855	-	-	39,475					
Subtotal	\$ 328,982	\$ 610,000	\$ 938,982	\$ (25,461)	\$ 913,521		\$ 485,501	\$ 100,495	\$ 182,063	\$ 26,653	\$ -	\$ -	\$ 118,808					
Source of Supply - Mainland																		
C Capital Rev. Reqts.	\$ 328,982	\$ 610,000	\$ 938,982	\$ (25,461)	\$ 913,521		\$ 485,501	\$ 100,495	\$ 182,063	\$ 26,653	\$ -	\$ -	\$ 118,808					

								NWD Rate Year																
								Functional Categories			Other Categories													
								Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection											
								Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation											
<b>Treatment - Newport Plant</b>																								
<b>Account No. 15-500-2222</b>																								
<b>Personnel</b>																								
001	Salaries & Wages	\$	306,946	\$	-	\$	306,946	\$	52,726	\$	359,672	A	\$	356,075	\$	-	\$	-	\$	-	\$	-	\$	3,597
002	Overtime		62,997		-		62,997		(32,997)		30,000	A		29,700		-		-		-		-		300
003	Holiday Pay		6,895		-		6,895		(895)		6,000	A		5,940		-		-		-		-		60
009	Vacation and Sick Pay		44,680		-		44,680		(44,680)		-	A		-		-		-		-		-		-
100	Employee Insurance		130,994		-		130,994		29,234		160,228	A		158,626		-		-		-		-		1,602
Subtotal		\$	552,512	\$	-	\$	552,512	\$	3,388	\$	555,900		\$	550,341	\$	-	\$	-	\$	-	\$	-	\$	5,559
<b>Other Operating</b>																								
212	Conferences & Training	\$	1,325	\$	-	\$	1,325	\$	1,175	\$	2,500	A	\$	2,475	\$	-	\$	-	\$	-	\$	-	\$	25
220	Consultant Fees		-		-		-		-		-	A		-		-		-		-		-		-
239	Fire & Liability Insurance		5,585		-		5,585		-		5,585	A		5,529		-		-		-		-		56
254	Electricity-Treatment		17,175		-		17,175		1,325		18,500	A		18,315		-		-		-		-		185
254	Electricity-Pumping		154,573		-		154,573		11,927		166,500	B		-		119,735		-		-		-		46,765
255	Natural Gas		44,101		-		44,101		(24,101)		20,000	A		19,800		-		-		-		-		200
260	Rental - Equip & Facilities		451		-		451		549		1,000	A		990		-		-		-		-		10
265	Newport Sewer Charge (1)		159,718		-		159,718		(15,718)		144,000	A		142,560		-		-		-		-		1,440
271	Equipment Service Charge		2,316		-		2,316		1,364		3,680	A		3,643		-		-		-		-		37
274	Repair & Maint - Property		-		-		-		-		-	A		-		-		-		-		-		-
275	Repair & Maint-Equipment Treatment		9,477		-		9,477		(477)		9,000	A		8,910		-		-		-		-		90
275	Repair & Maint-Equipment Pumping		37,909		-		37,909		(1,909)		36,000	B		-		25,889		-		-		-		10,111
302	Lubricants-Treatment		-		-		-		-		-	A		-		-		-		-		-		-
302	Lubricants-Pumping		-		-		-		-		-	A		-		-		-		-		-		-
305	Household Supplies		-		-		-		-		-	A		-		-		-		-		-		-
311	Spec. Agency Supplies-Treat & Pump		13,566		-		13,566		12,434		26,000	AB		24,513		891		-		-		-		596
313	Medical Supplies		-		-		-		-		-	A		-		-		-		-		-		-
320	Clothing/Protective Gear		723		-		723		477		1,200	A		1,188		-		-		-		-		12
335	Chemicals		218,118		-		218,118		1,882		220,000	A		217,800		-		-		-		-		2,200
350	Equipment Parts-Treatment		-		-		-		-		-	A		-		-		-		-		-		-
350	Equipment Parts-Pumping		-		-		-		-		-	A		-		-		-		-		-		-
363	Computer Supplies		-		-		-		-		-	A		-		-		-		-		-		-
565	Annual Leave Buy-back		2,483		-		2,483		2,017		4,500	A		4,455		-		-		-		-		45
Subtotal		\$	667,520	\$	-	\$	667,520	\$	(9,055)	\$	658,465		\$	450,178	\$	146,515	\$	-	\$	-	\$	-	\$	61,772
O	Treatment - Newport Plant																							
	Operating Revenue Requirements		1,220,032		-		1,220,032		(5,667)		1,214,365			1,000,519		146,515		-		-		-		67,331

(1) This amount is based on the actual charge for Newport Station's residuals discharge to the City's Wastewater Treatment Facility ("WWTF").

							NWD Rate Year					
							Functional Categories			Other Categories		
	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
<b>Treatment - Newport Plant</b>												
<b>Account No. 15-500-2222</b>												
<u>Debt Service and Capital Outlay</u>												
424	Office Machinery	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
435	Other Improvements	82,788	-	82,788	617,212	A	693,000	-	-	-	-	7,000
463	Lease Purchase Principal	-	-	-	-	I	-	-	-	-	-	-
401	Equipment Depreciation	-	-	-	-	I	-	-	-	-	-	-
451	General Debt Principal	685,000	-	685,000	(60,000)	I	332,163	68,756	124,562	18,235	-	81,285
452	General Debt Interest	114,229	-	114,229	3,604	I	62,624	12,963	23,484	3,438	-	15,325
600	Transfer to Equip. Replace	-	-	-	-	I	-	-	-	-	-	-
465	UDAG Loan Principal	-	-	-	-	I	-	-	-	-	-	-
466	UDAG Loan Interest	-	-	-	-	I	-	-	-	-	-	-
	Subtotal	\$ 882,017	\$ -	\$ 882,017	\$ 560,816	\$ 1,442,833	\$ 1,087,787	\$ 81,718	\$ 148,045	\$ 21,673	\$ -	\$ 103,609
C	Treatment - Newport Plant											
	Capital Rev. Reqts.	882,017	-	882,017	560,816	1,442,833	1,087,787	81,718	148,045	21,673	-	103,609
<b>Pumping - Newport Plant</b>												
<b>Account No. 15-500-2232</b>												
O	Newport Plant Pumping Total	-	-	-	-	A	-	-	-	-	-	-

								NWD Rate Year																
								Functional Categories			Other Categories													
								Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection											
								Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation											
<b>Treatment - Lawton Valley</b>																								
<b>Account No. 15-500-2223</b>																								
<u>Personnel</u>																								
001	Salaries & Wages	\$	322,249	\$	-	\$	322,249	\$	44,600	\$	366,849	A	\$	363,181	\$	-	\$	-	\$	-	\$	-	\$	3,668
002	Overtime		25,122		-		25,122		2,878		28,000	A		27,720		-		-		-		-		280
003	Holiday Pay		4,895		-		4,895		1,105		6,000	A		5,940		-		-		-		-		60
009	Vacation And Sick Pay		47,537		-		47,537		(47,537)		-	A		-		-		-		-		-		-
056	Injury Pay		-		-		-		-		-	A		-		-		-		-		-		-
100	Employee Insurance		129,151		-		129,151		30,202		159,353	A		157,759		-		-		-		-		1,594
Subtotal		\$	528,954	\$	-	\$	528,954	\$	31,248	\$	560,202		\$	554,600	\$	-	\$	-	\$	-	\$	-	\$	5,602
<u>Other Operating</u>																								
212	Conferences & Training	\$	911	\$	-	\$	911	\$	2,589	\$	3,500	A	\$	3,465	\$	-	\$	-	\$	-	\$	-	\$	35
220	Consultant Fees (1)		-		-		-		-		-	A		-		-		-		-		-		-
239	Fire & Liability Insurance		5,974		-		5,974		26		6,000	A		5,940		-		-		-		-		60
245	Pollution Monitoring Fees		-		-		-		-		-	A		-		-		-		-		-		-
254	Electricity-Treatment		9,267		-		9,267		2,233		11,500	A		11,385		-		-		-		-		115
254	Electricity-Pumping		83,399		-		83,399		20,101		103,500	B		-		74,430		-		-		-		29,070
255	Natural Gas		-		-		-		20,000		20,000	A		19,800		-		-		-		-		200
260	Rental Equip. & Facilities		-		-		-		500		500	A		495		-		-		-		-		5
261	Property Taxes		-		-		-		-		-	A		-		-		-		-		-		-
265	Wastewater Charge (1)		-		-		-		104,000		104,000	A		102,960		-		-		-		-		1,040
271	Equipment Service Charge		3,447		-		3,447		(1,769)		1,678	A		1,661		-		-		-		-		17
274	Repair & Maint - Property		-		-		-		-		-	A		-		-		-		-		-		-
275	Repair & Maint-Equipment Treatment		12,141		-		12,141		(141)		12,000	A		11,880		-		-		-		-		120
275	Repair & Maint-Equipment Pumping		48,566		-		48,566		(566)		48,000	B		-		34,518		-		-		-		13,482
276	Repair & Maint - Vehicles		-		-		-		-		-	A		-		-		-		-		-		-
302	Lubricants-Treatment		-		-		-		-		-	A		-		-		-		-		-		-
302	Lubricants-Pumping		-		-		-		-		-	B		-		-		-		-		-		-
305	Household Supplies		-		-		-		-		-	A		-		-		-		-		-		-
311	Specialized Agency Supplies		11,928		-		11,928		8,072		20,000	A		19,800		-		-		-		-		200
313	Medical Supplies		-		-		-		-		-	A		-		-		-		-		-		-
322	Clothing/Protective Gear		541		-		541		659		1,200	A		1,188		-		-		-		-		12
335	Chemicals		115,853		64,147		180,000		20,000		200,000	A		198,000		-		-		-		-		2,000
345	Building Materials		-		-		-		-		-	A		-		-		-		-		-		-
350	Equipment Parts-Treatment		-		-		-		-		-	A		-		-		-		-		-		-
350	Equipment Parts-Pumping		-		-		-		-		-	A		-		-		-		-		-		-
363	Computer Supplies		-		-		-		-		-	A		-		-		-		-		-		-
565	Annual Leave Buy-back		7,411		-		7,411		(1,911)		5,500	A		5,445		-		-		-		-		55
Subtotal		\$	299,438	\$	64,147	\$	363,585	\$	173,793	\$	537,378		\$	382,019	\$	108,948	\$	-	\$	-	\$	-	\$	46,411
<b>Treatment - Lawton Valley</b>																								
O	Operating Revenue Requirements	\$	828,392	\$	64,147	\$	892,539	\$	205,041	\$	1,097,580		\$	936,619	\$	108,948	\$	-	\$	-	\$	-	\$	52,013
<u>Debt Service and Capital Outlay</u>																								
401	Equipment Depreciation	\$	-	\$	-	\$	-	\$	-	\$	-	I	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
420	Equipment		-		-		-		-		-	A		-		-		-		-		-		-
424	Office Machinery		-		-		-		-		-	A		-		-		-		-		-		-
600	Transfer to Equip Replace		-		-		-		-		-	A		-		-		-		-		-		-
835	IFR Improvements		-		-		-		84,000		84,000	J		9,218		15,981		33,521		3,104		-		22,176
435	Other Improvements		2,069,750		-		2,069,750		(224,750)		1,845,000	A		1,826,550		-		-		-		-		18,450
Subtotal		\$	2,069,750	\$	-	\$	2,069,750	\$	(140,750)	\$	1,929,000		\$	1,835,768	\$	15,981	\$	33,521	\$	3,104	\$	-	\$	40,626
C	Treatment - LV Capital Rev Reqts		2,069,750		-		2,069,750		(140,750)		1,929,000			1,835,768		15,981		33,521		3,104		-		40,626

(1) This amount is based on the actual charge for Newport Station's residuals discharge to the City's Wastewater Treatment Facility ("WWTF").

							NWD Rate Year									
							Functional Categories			Other Categories						
	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection				
<b>Pumping - Lawton Valley</b>																
<b>Account No. 15-500-2233</b>																
O	Lawton Valley Pumping Total						A	-	-	-	-	-	-			
	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection				
<b>Water Laboratory</b>																
<b>Account No. 15-500-2235</b>																
<u>Personnel</u>																
	001	Salaries & Wages	\$ 81,295	\$ -	\$ 81,295	\$ 18,313	\$ 99,608	A	\$ 98,612	\$ -	\$ -	\$ -	\$ 996			
	004	Temporary/Seasonal Wages	-	-	-	5,000	5,000	A	4,950	-	-	-	50			
	009	Vacation and Sick Pay	15,620	-	15,620	(15,620)	-	A	-	-	-	-				
	100	Employee Insurance Coverage	31,205	-	31,205	6,534	37,739	A	37,362	-	-	-	377			
	Subtotal		\$ 128,120	\$ -	\$ 128,120	\$ 14,227	\$ 142,347		\$ 140,924	\$ -	\$ -	\$ -	\$ 1,423			
<u>Other Operating</u>																
	275	Repair & Maint - Equipment	\$ -	\$ -	\$ -	\$ 1,500	\$ 1,500	A	\$ 1,485	\$ -	\$ -	\$ -	\$ 15			
	281	Regulatory Assessment	33,919	1,081	35,000	-	35,000	A	34,650	-	-	-	350			
	305	Household Supplies	-	-	-	-	-	A	-	-	-	-				
	311	Spec Agency Supplies	6	-	6	7,994	8,000	A	7,920	-	-	-	80			
	339	Laboratory Supplies	10,443	-	10,443	(443)	10,000	A	9,900	-	-	-	100			
	350	Equipment Parts	-	-	-	-	-	A	-	-	-	-				
	363	Computer Supplies	-	-	-	-	-	A	-	-	-	-				
	410	Reference Materials	-	-	-	-	-	A	-	-	-	-				
	565	Annual Leave Buy-back	9,435	-	9,435	(6,935)	2,500	A	2,475	-	-	-	25			
	Subtotal		\$ 53,803	\$ 1,081	\$ 54,884	\$ 2,116	\$ 57,000		\$ 56,430	\$ -	\$ -	\$ -	\$ 570			
O	Water Laboratory Operating Rev. Reqts.						\$ 181,923	\$ 1,081	\$ 183,004	\$ 16,343	\$ 199,347	\$ 197,354	\$ -	\$ -	\$ -	\$ 1,993
<u>Debt Service and Capital Outlay</u>																
	420	Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -	\$ -	\$ -	\$ -			
	424	Office Machinery	-	-	-	-	-	A	-	-	-	-				
	Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -			
C	Water Lab. Capital Rev. Reqts.						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			



								NWD Rate Year					
								Functional Categories			Other Categories		
								Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation								
<b>Transmission &amp; Distribution Maintenance</b>													
<b>Account No. 15-500-2241</b>													
<u>Personnel</u>													
001	Salaries & Wages	\$ 289,307	\$ -	\$ 289,307	\$ 77,693	\$ 367,000	D	\$ -	\$ 85,202	\$ 178,719	\$ -	\$ -	\$ 103,080
002	Overtime	61,309	(21,309)	40,000	-	40,000	D	-	9,286	19,479	-	-	11,235
009	Vacation And Sick Pay	64,214	-	64,214	(64,214)	-	D	-	-	-	-	-	-
056	Injury Pay	813	-	813	(813)	-	D	-	-	-	-	-	-
100	Employee Insurance Coverage	123,066	-	123,066	22,033	145,099	D	-	33,686	70,659	-	-	40,754
Subtotal		\$ 538,709	\$ (21,309)	\$ 517,400	\$ 34,699	\$ 552,099		\$ -	\$ 128,174	\$ 268,857	\$ -	\$ -	\$ 155,069
<u>Other Operating</u>													
212	Conferences & Training	\$ 1,847	\$ -	\$ 1,847	\$ 2,153	\$ 4,000	D	\$ -	\$ 929	\$ 1,948	\$ -	\$ -	\$ 1,123
225	Support Services	262	-	262	9,738	10,000	D	-	2,322	4,870	-	-	2,809
239	Fire & Liability Insurance	2,225	-	2,225	-	2,225	D	-	517	1,084	-	-	625
254	Electricity	11,166	-	11,166	(2,166)	9,000	D	-	2,089	4,383	-	-	2,528
255	Natural Gas	159	-	159	41	200	D	-	46	97	-	-	56
260	Rental - Equip. & Facilities	120	-	120	380	500	D	-	116	243	-	-	140
261	Property Taxes	32,973	-	32,973	(32,973)	-	D	-	-	-	-	-	-
271	Equipment Service Charge	62,205	-	62,205	3,384	65,589	D	-	15,227	31,940	-	-	18,422
274	Repair & Maint - Property	-	-	-	-	-	D	-	-	-	-	-	-
275	Repair & Maint - Equipment	5,843	-	5,843	54,157	60,000	D	-	13,929	29,218	-	-	16,852
295	Main Maintenance	39,348	-	39,348	25,652	65,000	D	-	15,090	31,653	-	-	18,257
296	Service Maintenance	13,048	-	13,048	6,952	20,000	M	-	-	-	20,000	-	-
297	Hydrant Maintenance	3,935	-	3,935	(3,935)	-	F	-	-	-	-	-	-
298	Gate Maintenance	-	-	-	5,000	5,000	D	-	1,161	2,435	-	-	1,404
305	Household Supplies	-	-	-	-	-	D	-	-	-	-	-	-
311	Specialized Agency Supplies	5,163	-	5,163	4,837	10,000	D	-	2,322	4,870	-	-	2,809
313	Medical Supplies	-	-	-	-	-	D	-	-	-	-	-	-
322	Clothing/Protective Gear	1,182	-	1,182	818	2,000	D	-	464	974	-	-	562
345	Building Materials	-	-	-	-	-	D	-	-	-	-	-	-
350	Equipment Parts	-	-	-	-	-	D	-	-	-	-	-	-
410	Reference Materials	-	-	-	-	-	D	-	-	-	-	-	-
565	Annual Leave Buy-back	5,779	-	5,779	221	6,000	D	-	1,393	2,922	-	-	1,685
Subtotal		\$ 185,255	\$ -	\$ 185,255	\$ 74,259	\$ 259,514		\$ -	\$ 55,605	\$ 116,637	\$ 20,000	\$ -	\$ 67,273
O	Transmission & Distribution Operating Revenue Requirements	\$ 723,964	\$ (21,309)	\$ 702,655	\$ 108,958	\$ 811,613		\$ -	\$ 183,779	\$ 385,493	\$ 20,000	\$ -	\$ 222,341
<u>Debt Service and Capital Outlay</u>													
401	Equipment Depreciation	\$ 1,033,693	\$ -	\$ 1,033,693	\$ 66,307	\$ 1,100,000	D	\$ -	\$ 255,373	\$ 535,669	\$ -	\$ -	\$ 308,958
824	IFR Equipment	7,377	-	7,377	22,623	30,000	J	3,292	5,707	11,972	1,108	-	7,920
424	Office Machinery	-	-	-	-	-	D	-	-	-	-	-	-
835	IFR Improvements	-	-	-	1,080,000	1,080,000	J	118,518	205,467	430,987	39,905	-	285,123
440	Mains & Gates	-	-	-	-	-	D	-	-	-	-	-	-
600	Transfer to Equip Replace	-	-	-	-	-	D	-	-	-	-	-	-
451	General Debt Principal	-	-	-	65,139	65,139	D	-	15,122	31,721	-	-	18,296
452	General Debt Interest	4,981	-	4,981	(2,962)	2,019	D	-	469	983	-	-	567
Subtotal		\$ 1,046,051	\$ -	\$ 1,046,051	\$ 1,231,107	\$ 2,277,158		\$ 121,810	\$ 482,139	\$ 1,011,332	\$ 41,013	\$ -	\$ 620,864
C	Transmission & Distribution Capital Revenue Requirements	\$ 1,046,051	\$ -	\$ 1,046,051	\$ 1,231,107	\$ 2,277,158		\$ 121,810	\$ 482,139	\$ 1,011,332	\$ 41,013	\$ -	\$ 620,864

							NWD Rate Year					
							Functional Categories			Other Categories		
							Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation						
<b>Fire Protection</b>												
<b>Account No. 15-500-2245</b>												
<u>Personnel</u>												
001	Salaries & Wages	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
002	Overtime	-	-	-	-	F	-	-	-	-	-	-
100	Employee Insurance Coverage	-	-	-	-	F	-	-	-	-	-	-
	Subtotal	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Operating</u>												
275	Repair & Maintenance - Equip.	\$ -	\$ -	\$ -	14,000	F	\$ -	\$ -	\$ -	\$ -	\$ -	14,000
297	Hydrant Maintenance	-	-	-	-	F	-	-	-	-	-	-
	Subtotal	\$ -	\$ -	\$ -	14,000	-	\$ -	\$ -	\$ -	\$ -	\$ -	14,000
O	Fire Protection Operating Revenue Requirements	\$ -	\$ -	\$ -	14,000	-	\$ -	\$ -	\$ -	\$ -	\$ -	14,000
<u>Debt Service and Capital Outlay</u>												
	842 IFR Fire Hydrants	\$ 44,599	\$ (3,599)	\$ 41,000	\$ -	J	\$ 4,499	\$ 7,800	\$ 16,362	\$ 1,515	\$ -	\$ 10,824
	Subtotal	\$ 44,599	\$ (3,599)	\$ 41,000	\$ -	-	\$ 4,499	\$ 7,800	\$ 16,362	\$ 1,515	\$ -	\$ 10,824
C	Fire Protection Capital Revenue Requirements	\$ 44,599	\$ (3,599)	\$ 41,000	\$ -	-	\$ 4,499	\$ 7,800	\$ 16,362	\$ 1,515	\$ -	\$ 10,824
	Total Operating Revenue Requirements	\$ 4,953,566	\$ (128,786)	\$ 4,824,780	\$ 870,383	-	\$ 3,431,424	\$ 546,501	\$ 504,680	\$ 37,121	\$ 713,452	\$ 461,986
	<b>Total Debt Service and Capital Outlay</b>	\$ 4,458,765	\$ 606,401	\$ 5,065,166	\$ 2,410,932	-	\$ 3,912,582	\$ 803,587	\$ 1,569,608	\$ 110,715	\$ 54,658	\$ 1,024,947

							NWD Rate Year					
							Functional Categories			Other Categories		
Debt Service and Capital Outlay - Summary	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
420 Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
424 Office Machinery	-	-	-	-	-		-	-	-	-	-	-
430 Capital Studies	1,685	-	1,685	(1,685)	-		-	-	-	-	-	-
435 Other Improvements	2,209,422	-	2,209,422	335,578	2,545,000		2,519,550	-	-	-	-	25,450
440 Mains and Gates	-	-	-	-	-		-	-	-	-	-	-
441 Meters and Pits	-	-	-	-	-		-	-	-	-	-	-
842 IFR Hydrant Replacement	44,599	(3,599)	41,000	-	41,000		4,499	7,800	16,362	1,515	-	10,824
451 General Debt Principal	685,000	610,000	1,295,000	5,139	1,300,139		656,355	150,983	277,854	36,032	-	178,914
452 General Debt Interest	448,192	-	448,192	(24,819)	423,373		223,933	46,821	84,958	12,293	-	55,366
454 City Advance Interest	-	-	-	-	-		-	-	-	-	-	-
459 Floating Debt Expense	-	-	-	-	-		-	-	-	-	-	-
460 Debt Reserve/Coverage	-	-	-	-	-		-	-	-	-	-	-
Water Pollution Control-Principal	-	-	-	-	-	I	-	-	-	-	-	-
Water Pollution Control-Interest	-	-	-	-	-	I	-	-	-	-	-	-
401 Equipment Depreciation	1,033,693	-	1,033,693	66,307	1,100,000		-	255,373	535,669	-	-	308,958
463 Lease Purchase Principal	-	-	-	-	-		-	-	-	-	-	-
465 UDAG Loan Principal	-	-	-	-	-		-	-	-	-	-	-
466 UDAG Loan Interest	-	-	-	-	-		-	-	-	-	-	-
600 Transfer to Equip Replace	-	-	-	73,586	73,586		39,108	8,095	14,666	2,147	-	9,570
824 IFR Equipment	36,174	-	36,174	292,826	329,000		36,104	62,591	131,292	12,156	-	86,857
835 IFR Improvements	-	-	-	1,164,000	1,164,000		127,736	221,448	464,509	43,009	-	307,299
SRF Loan Principal	-	-	-	-	-	I	-	-	-	-	-	-
SRF Loan Interest	-	-	-	-	-	I	-	-	-	-	-	-
998 Payment to General Fund (1)	-	-	-	500,000	500,000	H	305,297	50,475	44,299	3,562	54,658	41,709
<b>Total</b>	\$ 4,458,765	\$ 606,401	\$ 5,065,166	\$ 2,410,932	\$ 7,476,098		\$ 3,912,582	\$ 803,587	\$ 1,569,608	\$ 110,715	\$ 54,658	\$ 1,024,947
Total Debt Service (2)	1,133,192	610,000	1,743,192	480,320	2,223,512		53.32%	11.17%	18.31%	2.33%	2.46%	12.41%
Total Capital Spending (3)	2,291,880	(3,599)	2,288,281	1,864,305	4,152,586		65.67%	7.22%	15.09%	1.42%	0.00%	10.60%

Capital Revenue Requirements	Test Year	Normalization Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Allocation	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs	Fire Protection
To Debt Service Account (4)	\$ 1,133,192	\$ 610,000	\$ 1,743,192	\$ (96,339)	\$ 1,646,853		\$ 878,108	\$ 183,890	\$ 301,529	\$ 38,431	\$ 40,483	\$ 204,412
Offsets from Debt Service Account	-	-	-	(35,000)	-		(18,662)	(3,908)	(6,408)	(817)	(860)	(4,344)
To Cap. Spending Account (5)	\$ 2,291,880	\$ (3,599)	\$ 2,288,281	\$ (919,114)	\$ 1,369,167		899,130	98,893	206,674	19,396	-	145,074
Offset from Capital Spending Account	-	-	-	(465,000)	-		(305,365)	(33,586)	(70,191)	(6,587)	-	(49,270)
<b>Total</b>	3,425,072	606,401	4,031,473	(1,015,454)	2,516,020		1,453,211	245,288	431,603	50,423	39,623	295,872
<b>Total Revenue Requirements</b>	8,378,638	477,615	8,856,253	(145,071)	8,211,183		4,884,635	791,789	936,283	87,543	753,074	757,858
Additional Rev. Reqs. (6)	125,680	7,164	132,844	(2,176)	123,168	H	75,205	12,434	10,912	878	13,464	10,274
<b>Total Cost of Service</b>	8,504,318	484,779	8,989,097	(147,247)	8,334,350		4,959,840	804,222	947,195	88,421	766,539	768,132
Offsets To Revenue Requirements	(106,818)	-	(106,818)	-	(161,100)		(60,628)	(12,041)	(19,928)	(2,800)	(52,186)	(13,516)
<b>Net Cost of Service</b>	8,397,500	484,779	8,882,279	(147,247)	8,173,250		\$ 4,899,212	\$ 792,182	\$ 927,267	\$ 85,621	\$ 714,352	\$ 754,616
<b>SumCheck (zero)</b>	-	-	-	-	-		-	-	-	-	-	-

- (1) \$2.5 million to be paid back to the General Fund over a period of 5 years through rates and the Debt Service Restricted Account.
- (2) Debt Service portion of Capital Revenue Requirements. Total for Rate Year includes Payment to General Fund, \$500,000. Budgeted amount for debt service equals total amount shown for existing debt service in FY 2004 as shown in the Schedule RFC 11 less \$500,000 for the payment to the General Fund.
- (3) Capital Spending portion of Capital Revenue Requirements. Excludes Equipment Depreciation, Line Item 401.
- (4) Amount of rate funding for Debt Service Account. Allocation to functional activities based on allocation of Debt Service portion of Debt Service and Capital Outlay for the Rate Year. Average debt service calculated for FY 2003 through FY 2008, see Schedule RFC 11, for further detail plus "Payment to General Fund" annual amount of \$500,000 over five year period less amount funded through debt service restricted account.
- (5) Amount of rate funding for Capital Spending Account. Allocation to functional activities based on allocation of Capital Spending portion of Debt Service and Capital Outlay for the Rate Year. Average capital spending calculated for FY 2003 through FY 2008, see Schedule RFC 11, for further detail.
- (6) 1.5% of Total Revenue Requirements as determined by Rhode Island PUC.

**Summary of Commodity Rate Revenue**

**Revenues**

<u>Customer Service Revenue</u>		
Base Charge From All Accounts (1) & (2)	\$	801,681
Other Revenue Allocated to Customer Costs and Meters	\$	54,987
Subtotal Customer Service Revenue	\$	856,667

Revenue From Water Commodity Charge

<u>Retail</u>		
Residential	\$	2,559,684
Commercial		2,236,262
Governmental		66,850
Subtotal Retail Commodity Revenue	\$	4,862,796
<u>Other Customers</u>		
Navy	\$	997,075
Portsmouth		813,614
Subtotal Other Customer Commodity Charges	\$	1,810,689
Other Revenue Allocated to Functional Categories	\$	92,597
Total Revenues Related to Functional Categories	\$	6,766,082

Fire Protection

Public Fire Protection Revenue	\$	546,825
Private Fire Protection Revenue		212,668
Total Revenues From Fire Protection	\$	759,493
Other Revenue Allocated to Fire Protection	\$	13,516
	\$	773,009

**Total Revenue \$ 8,395,759**

**Revenue Requirements**

<u>Customer Services (1)</u>		
Meters and Services	\$	88,421
Customer Costs		766,539
Total Billing Revenue Requirements	\$	854,960
Billing Revenue Surplus/(Deficit)	\$	1,707

**Functional Categories**

Supply and Treatment	\$	3,431,424
Transmission		546,501
Distribution		504,680
Total Functional Revenue Requirements	\$	4,482,604

**Capital Revenue Requirements**

Supply and Treatment	\$	1,453,211
Transmission		245,288
Distribution		431,603
Total Capital Revenue Requirements	\$	2,130,102

**Other Revenue Requirements**

PUC Approved Additional Revenue Requirements		98,552
Total Other Revenue Requirements	\$	98,552
Total Functional Category Revenue Requirements	\$	6,711,258

Functional Category Revenue Surplus/(Deficit) \$ 54,824

**Fire Protection**

Operating	\$	461,986
Capital Expenses		295,872
PUC Approved Additional Revenue Requirements		10,274
Total Fire Protection Revenue Requirements	\$	768,132

Fire Protection Revenue Surplus/Deficit \$ 4,877

**Total Revenue Requirements 8,334,350**

Total Revenue Surplus/(Deficit) \$ 61,408

**Capital Revenue Requirements Coverage Calculation**

**Revenues**

User Revenue	\$	8,395,759
Less:		
O&M Expense - Water	\$	(4,482,604)
Income Available for Debt Service	\$	3,913,154

**Capital Revenue Requirements**

Water Capital Revenue Requirements	\$	2,130,102
Total Capital Revenue Requirements	\$	2,130,102

Debt Service coverage 1.84

**Base Charge Revenue at Existing Charge**

<u>Accounts</u>		
Residential	(\$11.00 per bill)	\$ 452,094
Commercial	(\$11.00 per bill)	\$ 99,556
Governmental	(\$11.00 per bill)	\$ 3,322
Navy	(\$11.00 per bill)	\$ 1,448
PW&FD	(\$11.00 per bill)	\$ 135
Total Revenue at Existing Base Charge		\$ 556,555
Customer Service Revenue Surplus/(Deficit)		\$ (298,405)

**Commodity Charge Revenue at Existing Rates**

<u>Monthly Customers</u>		
>14,000 gallons (1)	(\$3.73 per 1,000 gallons)	\$ 252,118
<14,000 gallons	(\$2.93 per 1,000 gallons)	\$ 1,303,958
<u>Tertiary Customers</u>		
>56,000 gallons	(\$3.73 per 1,000 gallons)	\$ 2,699,115
<56,000 gallons	(\$2.93 per 1,000 gallons)	\$ 458,156
Total Revenue From Existing Rates		\$ 4,713,347
Navy	(\$2.09 per 1,000 gallons)	\$ 858,381
Portsmouth Water & Fire District	(\$1.66 per 1,000 gallons)	\$ 694,692
Total Revenue at Existing Commodity Charges		\$ 6,266,419
Functional Category Revenue Surplus/(Deficit)		\$ (352,242)

**Fire Protection Revenue at Existing Charges**

Public Fire Protection	(\$560 per Hydrant)	\$ 532,560
<u>Private Fire Protection</u>		
(4" @ \$285 per Annum)		\$ 9,405
(6" @ \$570 per Annum)		124,260
(8" @ \$1,305 per Annum)		71,775
(10" @ \$2,155 per Annum)		2,155
(12" @ \$3,460 per Annum)		3,460
Total Private Fire Protection		\$ 211,055
Total Revenue at Existing Fire Protection Charges		\$ 743,615
Fire Protection Revenue Surplus/(Deficit)		\$ (24,517)

(1) Includes revenue from metered sundry billing.

Projects	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total	Average	Funding
Meter Replacement Program	\$ 40,000	\$ 45,000	\$ 45,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 280,000	\$ 46,667	Water Fund
SCADA System -Lawton Valley WTP	900,000	-	-	-	-	-	900,000	150,000	SRF Loan
SCADA System Upgrade - Newport WTP	-	700,000	-	-	-	-	700,000	116,667	SRF Loan
Residuals Handling - Lawton Valley	500,000	550,000	-	-	-	-	1,050,000	175,000	SRF Loan
Lawton Valley Filter Upgrade - Filter to Waste	-	50,000	67,000	-	-	-	117,000	19,500	SRF Loan
Lawton Valley HP Water Service	20,000	84,000	-	-	-	-	104,000	17,333	Water Fund
Lawton Valley Sedimentation Rehab	-	250,000	-	-	-	-	250,000	41,667	Water Fund
Lawton Valley Chemical Feed Improvements	-	695,000	-	-	-	-	695,000	115,833	SRF Loan
Infrastructure Replacement Plan (IRP) Update	-	-	100,000	-	-	-	100,000	16,667	Water Fund
GIS and Hydraulic Modeling	-	-	200,000	100,000	-	-	300,000	50,000	Water Fund
Water Infrastructure Improvements	700,000	1,000,000	1,000,000	1,150,000	750,000	750,000	5,350,000	891,667	Water Fund
Water Trench Restoration	50,000	50,000	50,000	50,000	55,000	55,000	310,000	51,667	Water Fund
Water Main Utility Bridge	130,000	-	-	-	-	-	130,000	21,667	Water Fund
Leak Detection Program	30,000	30,000	30,000	30,000	-	-	120,000	20,000	Water Fund
Paradise Pump Station - Newport WTP Raw Water	400,000	-	-	-	-	-	400,000	66,667	SRF Loan
Lawton Valley Freight Elevator Replacement	130,000	-	-	-	-	-	130,000	21,667	Water Fund
Lawton Valley Raw Water Main	-	300,000	310,000	-	-	-	610,000	101,667	Water Fund
Fire Hydrant Replacement	43,000	41,000	41,000	41,000	41,000	41,000	248,000	41,333	Water Fund
Vehicle Replacement	-	254,000	-	29,000	-	-	283,000	47,167	Water Fund
Balance with FY 2004 Budget (1)	-	103,586	(103,586)	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ 2,943,000</b>	<b>\$ 4,152,586</b>	<b>\$ 1,739,414</b>	<b>\$ 1,450,000</b>	<b>\$ 896,000</b>	<b>\$ 896,000</b>	<b>\$ 12,077,000</b>	<b>\$ 2,012,833</b>	
Water Fund Total	\$ 1,143,000	\$ 2,157,586	\$ 1,672,414	\$ 1,450,000	\$ 896,000	\$ 896,000	\$ 8,215,000	\$ 1,369,167	
SRF Total	\$ 1,800,000	\$ 1,995,000	\$ 67,000	\$ -	\$ -	\$ -	\$ 3,862,000	\$ 643,667	
<b>Total</b>	<b>\$ 2,943,000</b>	<b>\$ 4,152,586</b>	<b>\$ 1,739,414</b>	<b>\$ 1,450,000</b>	<b>\$ 896,000</b>	<b>\$ 896,000</b>	<b>\$ 12,077,000</b>	<b>\$ 2,012,833</b>	
<b>Funding Sources (2)</b>									
<u>Rate Funded</u>									
Water Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<u>Loan</u>									
SRF Loan (3)	1,800,000	1,995,000	67,000	-	-	-	3,862,000		
<u>Restricted Account</u>									
Debt Service									
Capital Spending	1,143,000	2,157,586	1,672,414	1,450,000	896,000	896,000	8,215,000		
	\$ 2,943,000	\$ 4,152,586	1,739,414	1,450,000	896,000	896,000	12,077,000		
<b>Total Projects (Average FY 2003-FY 2008)</b>									
Water Fund (4)	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 8,215,000		
SRF Loan	643,667	643,667	643,667	643,667	643,667	643,667	3,862,000		
	\$ 2,012,833	\$ 2,012,833	\$ 2,012,833	\$ 2,012,833	\$ 2,012,833	\$ 2,012,833	\$ 12,077,000		

(1) Capital Outlay in Rate Year greater than what is projected for FY 2004 in the CIP. Balancing number used to reconcile FY 2004 in CIP with Rate Year. Equal amount subtracted from FY 2005.

(2) The purpose of Funding Sources is to identify the source of funds for each project given its respective year. It does not represent the timing of the funding. An average annual cost for projects for the CIP planning horizon will be used.

(3) Totals for the SRF Loan reflect the amount approved by the PUC to be financed. Funding for projects identified for SRF Loan: full funding by SRF Loan for FY 2003 projects, partial funding for FY 2004 projects and no SRF funding for FY 2005 - FY 2008 projects. Remaining balance to be funded through rates/restricted capital account.

(4) Total amount is average of all project costs to be funded through Water Fund.

**Bond Repayment Schedule**

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	Total
<u>Existing Debt Service</u>							
1992 Sakonnet Pipeline	\$ 363,488	\$ 349,650	\$ 335,588	\$ 321,300	\$ 306,788	\$ 292,051	\$ 1,968,865
1992 Distribution System (1984 Issue Refunded)	67,809	67,159				-	134,968
1994 Sakonnet Pipeline	546,570	530,190	513,450	496,350	478,890	461,070	3,026,520
1994 Treatment Plant (1989 & 1990 Refunded)	834,343	742,833	408,458	383,098	357,908	332,888	3,059,528
1994 Sakonnet Pipeline (1990 issue Refunded)	34,831	33,681	32,506	31,306	30,081	28,831	191,236
Subtotal	\$ 1,847,041	\$ 1,723,513	\$ 1,290,002	\$ 1,232,054	\$ 1,173,667	\$ 1,114,840	\$ 8,381,117
Average	\$ 1,396,853	\$ 1,396,853	\$ 1,396,853	\$ 1,396,853	\$ 1,396,853	\$ 1,396,853	

Proposed Debt Service

State Revolving Fund (1)

Assumed Interest	3.75% Principal		\$133,093	\$133,093	\$133,093	\$133,093	
Assumed Term	20 Interest		\$144,825	\$144,825	\$144,825	\$144,825	
Total Amount Funded	3,862,000 Total		\$277,918	\$277,918	\$277,918	\$277,918	\$ 3,862,000

Capital Spending Account (Infrastructure Replacement) (2)

Budget Line Item

824	Meter Replacement Program	\$ 46,667	\$ 46,667	\$ 46,667	\$ 46,667	\$ 46,667	\$ 46,667	\$ 280,000
835	Lawton Valley HP Water Service	17,333	17,333	17,333	17,333	17,333	17,333	\$ 104,000
435	Lawton Valley Sedimentation Rehab	41,667	41,667	41,667	41,667	41,667	41,667	\$ 250,000
	Infrastructure Replacement Plan (IRP) Upda	16,667	16,667	16,667	16,667	16,667	16,667	100,000
	GIS and Hydraulic Modeling	50,000	50,000	50,000	50,000	50,000	50,000	300,000
835	Water Infrastructure Improvements	891,667	891,667	891,667	891,667	891,667	891,667	5,350,000
835	Water Trench Restoration	51,667	51,667	51,667	51,667	51,667	51,667	310,000
835	Water Main Utility Bridge	21,667	21,667	21,667	21,667	21,667	21,667	130,000
835	Leak Detection Program	20,000	20,000	20,000	20,000	20,000	20,000	120,000
435	Lawton Valley Freight Elevator Replacemen	21,667	21,667	21,667	21,667	21,667	21,667	130,000
435	Lawton Valley Raw Water Main	101,667	101,667	101,667	101,667	101,667	101,667	610,000
842	Fire Hydrant Replacement	41,333	41,333	41,333	41,333	41,333	41,333	248,000
824	Vehicle Replacement (3)	47,167	47,167	47,167	47,167	47,167	47,167	283,000
		\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 1,369,167	\$ 8,215,000

(1) Debt service payments not to begin until after construction ends. Payments projected to begin in FY 2005.

(2) An average annual cost for projects to be funded through the Capital Spending Account calculated for FY 2003 - FY 2008 in the calculation of rates.

(3) FY 2003 Vehicle Replacement equals the average of the total vehicle replacement cost identified by Newport Water Department for Fiscal Years 2004, 2005, and 2006.

Assumed to be funded through the Capital Spending Account.

City of Newport, Rhode Island

Restricted Accounts per RIPUC Docket #2985

Schedule RFC 12

	Fiscal Year Ending June 30					
	2003	2004	2005	2006	2007	2008
<b>Debt Service Account</b>						
<b>Beginning Cash Balance</b>	\$ 1,038,158	\$ 1,975,973	\$ 1,394,454	\$ 972,091	\$ 597,638	\$ 273,603
<b>Additions</b>						
From Water Rates						
Debt Service (1)		\$ 1,361,853	\$ 1,361,853	\$ 1,361,853	\$ 1,361,853	\$ 1,361,853
Payment to General Fund (1a)		250,000	250,000	250,000	250,000	250,000
Interest Income		30,141	33,704	23,665	15,697	8,712
<b>Interest Rate</b>		2%	2%	2%	2%	2%
<b>Deductions</b>						
Offset to Revenue Requirements						
Offset to CIP						
Existing Debt Service		1,723,513	1,290,002	1,232,054	1,173,667	1,114,840
Payment to General Fund		500,000	500,000	500,000	500,000	500,000
460 Debt Service Reserve						
SRF Loan Principal		-	133,093	133,093	133,093	133,093
SRF Loan Interest		-	144,825	144,825	144,825	144,825
465 UDAG Loan Principal						
466 UDAG Loan Interest						
<b>Ending Cash Balance</b>	\$ 1,975,973	\$ 1,394,454	\$ 972,091	\$ 597,638	\$ 273,603	\$ 1,411
<b>Capital Spending Account</b>						
<b>Beginning Cash Balance</b>	\$ 1,659,618	\$ 2,473,692	\$ 1,261,606	\$ 530,712	\$ 2,802	\$ 16,303
<b>Additions</b>						
From Water Rates						
Average Capital Outlay (2)		\$ 904,167	\$ 904,167	\$ 904,167	\$ 904,167	\$ 904,167
Interest income		41,333	37,353	17,923	5,335	191
<b>Interest Rate</b>		2%	2%	2%	2%	2%
<b>Deductions</b>						
Offset to Revenue Requirements						
Offset to CIP						
Meter Replacement Program		\$ 45,000	\$ 45,000	\$ 50,000	\$ 50,000	\$ 50,000
Lawton Valley HP Service		84,000	-	-	-	-
Lawton Valley Sedimentation Rehab		250,000	-	-	-	-
Infrastructure Replacement Plan (IRP) Update		-	100,000	-	-	-
GIS and Hydraulic Modeling		-	200,000	100,000	-	-
Water Infrastructure Improvements		1,000,000	1,000,000	1,150,000	750,000	750,000
Lawton Valley Freight Elevator Replacement		-	-	-	-	-
Lawton Valley Raw Water Main		300,000	310,000	-	-	-
Fire Hydrant Replacement		41,000	41,000	41,000	41,000	41,000
Water Trench Restoration		50,000	50,000	50,000	55,000	55,000
Water Main Utility Bridge		-	-	-	-	-
Leak Detection Program		30,000	30,000	30,000	-	-
Vehicle Replacement		254,000	-	29,000	-	-
Balance with FY 2004 Budget (3)		103,586	(103,586)	-	-	-
<b>Ending Cash Balance</b>	\$ 2,473,692	\$ 1,261,606	\$ 530,712	\$ 2,802	\$ 16,303	\$ 24,661
<b>Chemical Allowance Account</b>						
<b>Beginning Cash Balance (4)</b>	\$ 19,174	\$ 40,533	\$ 41,130	\$ 41,947	\$ 64,777	\$ 87,845
<b>Additions</b>						
From Water Rates						
335 Chemicals (5)		442,000	442,000	442,000	442,000	442,000
Interest Income		597	817	831	1,067	1,526
<b>Interest Rate</b>		2%	2%	2%	2%	2%
<b>Deductions</b>						
335 Chemicals		442,000	442,000	420,000	420,000	420,000
<b>Ending Cash Balance</b>	\$ 40,533	\$ 41,130	\$ 41,947	\$ 64,777	\$ 87,845	\$ 111,371

(1) Debt service represents average debt service for FY 2003 through FY 2008. See Schedule RFC 11, CIP, for detail less amount to be funded through debt service restricted account.

(1a) Portion of "Payment to General Fund" to be funded through rates, the balance through the restricted debt service account.

(2) Represents average capital outlay in CIP from FY 2003 through FY 2008. See Schedule RFC 11, CIP, for detail less amount to be funded through capital spending restricted account.

(3) Balance determined from difference between Capital Outlay in Rate Year and capital projects for FY 2004 in CIP.

(4) Based on Chemical Restricted Account balance as of 6/30/02. Information provided by City staff.

(5) Amount of funding for Chemical Allowance through commodity rates.

## Allocation Indexes

Table 4-Allocation % of Expenses and Revenues (1)

Allocator	Description	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection
<u>A</u>	Source of Supply	99.00%	0.00%	0.00%	0.00%	0.00%	1.00%
<u>B</u>	Pumping	0.00%	71.91%	0.00%	0.00%	0.00%	28.09%
<u>AB</u>	Source of Supply and Pumping	94.28%	3.43%	0.00%	0.00%	0.00%	2.29%
<u>C</u>	Customer Accounts	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%
<u>D</u>	Transmission & Distribution Mains	0.00%	23.22%	48.70%	0.00%	0.00%	28.09%
<u>E</u>	Electricity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>F</u>	Fire Protection	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
<u>G</u>	Not Used	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>H</u>	Composite Expenses	61.06%	10.10%	8.86%	0.71%	10.93%	8.34%
<u>I</u>	Investment-Debt Service	53.15%	11.00%	19.93%	2.92%	0.00%	13.01%
<u>J</u>	Investment-IFR	10.97%	19.02%	39.91%	3.69%	0.00%	26.40%
<u>K</u>	Not Used	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>L</u>	Labor	61.93%	5.08%	10.66%	0.00%	15.55%	6.78%
<u>M</u>	Meters & Services	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%

(1) Allocation terminology provided in model developed by Jerome D. Mierzwa of Exeter Associates, Inc. as testimony given on behalf of Rhode Island Division of Public Carriers in Docket No. 2985 dated February 18, 2000.



City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

**Allocation Symbol A - Source of Supply**

Allocation provided in model developed by Jerome D. Mierzwa of Exeter Associates, Inc. as testimony given on behalf of Rhode Island Division of Public Carriers in Docket No. 2985 dated February 18, 2000. Source of Supply allocated 99% to Supply and Treatment Function and 1% to Fire Protection.

**Allocation Symbol B - Pumping**

Allocation of Transmission & Distribution Expense to General Service and Fire Protection

	Quantity	Percent
General Service Max Hour Demand	8,961 gallons per minute	71.91%
Fire Demand (1)	3,500 gallons per minute	28.09%
Total	12,461	100.00%

(1) Based on demands utilized by United Water Rhode Island.

**Allocation Symbol AB - Source of Supply and Pumping**

<u>Account</u>	NWD Approved Budget (1)							
		Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection	
Treatment - Newport Plant	831,072	49.54%	49.04%	0.00%	0.00%	0.00%	0.00%	0.50%
Pumping - Newport Plant	40,037	2.39%	0.00%	1.72%	0.00%	0.00%	0.00%	0.67%
Treatment - Lawton Valley Plant	766,539	45.69%	45.24%	0.00%	0.00%	0.00%	0.00%	0.46%
Pumping - Lawton Valley Plant	39,949	2.38%	0.00%	1.71%	0.00%	0.00%	0.00%	0.67%
	1,677,597	100%	94.28%	3.43%	0.00%	0.00%	0.00%	2.29%

(1) Amounts are from Newport Water Department rate year budget used in determining flat retail commodity rates as approved and adjusted by the Rhode Island PUC. Treatment and pumping accounts are separate for both treatment plants. Percentages calculated are used to apply to those line items in the FY 04 budget that appeared in both accounts in the budget.

City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

**Allocation Symbol D - Transmission & Distribution Mains**

Allocation of General Service Deand to Transmission & Distribution

Feet of Mains	Percent	Allocation
Transmission	32.28%	23.22%
Distribution	67.72%	48.70%
Total	100.00%	71.91%
Fire Protection Service - Allocation Symbol B		28.09%
Total		100.00%

Development of Transmission and Distribution Mains Allocation

Size Inches	Type	Total Feet	Feet	
			Transmission	Distribution
2	Less than 4"	44,538	0	44,538
2	A.C.	263	0	263
3	A.C.	507	0	507
4	A.C.	3,908	0	3,908
6	A.C.	58,471	0	58,471
8	A.C.	154,389	0	154,389
10	A.C.	11,951	11,951	0
12	A.C.	105,213	105,213	0
16	A.C.	13,719	13,719	0
20	A.C.	5,447	0	5,447
24	A.C.	6,519	0	6,519
6	D.I.	1,049	0	1,049
8	D.I.	50,576	0	50,576
10	D.I.	560	560	0
12	D.I.	26,187	26,187	0
16	D.I.	17,351	17,351	0
20	D.I.	2,743	0	2,743
4	Cast	23,247	0	23,247
6	Cast	86,877	0	86,877
8	Cast	55,810	0	55,810
10	Cast	4,485	4,485	0
12	Cast	50,507	50,507	0
16	Cast	27,387	27,387	0
18	Cast	7,374	7,374	0
20	Cast	37,230	0	37,230
24	Cast	19,284	0	19,284
4	Cement	4,388	0	4,388
6	Cement	1,317	0	1,317
8	Cement	1,663	0	1,663
10	Cement	1,285	1,285	0
12	Cement	525	525	0
17	Cement	4,860	4,860	0
24	Cement	2,193	0	2,193
30	Cement	3,215	0	3,215
24	Concrete	5,662	0	5,662
<b>Total</b>		<b>840,700</b>	<b>271,404</b>	<b>569,296</b>

Allocation of Transmission and Distribution Mains 32.28% 67.72%

City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

Allocation Symbol E - Electricity

	FY 2000	FY 2001	FY 2002	Average
<u>Account</u>				
St. Mary's Pump Station	\$ 3,160	\$ 3,792	\$ 1,955	\$ 2,969
Reservoir Road Tank	123	42	192	119
Halsey Street	3,107	2,753	4,237	3,366
Forest Avenue Pump Station	2,007	535	8,576	3,706
Goulart Lane Tank	1,298	986	105	796
Station 1	277,562	157,919	180,507	205,329
Paradise Pump Station	22,059	6,814	18,716	15,863
Lawton Valley Plant	74,337	73,647	63,239	70,408
Lawton Valley Pump House	28,384	38,383	24,496	30,421
Nonquit Pump Station (New)	51,854	17,046	58,300	42,400
Nonquit Pump Station (Old)	1,955	2,728	2,542	2,408
Total	\$ 463,891	\$ 301,917	\$ 362,865	\$ 377,785

Allocation Symbol H - Composite

	FY 2004 Budget	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection	
Customer Accounts	\$ 486,645	-	-	-	\$ 11,000	\$ 475,645	\$ -	486,645
Customer Services	-	-	-	-	-	-	-	-
Source of Supply - Island	448,015	443,535	-	-	-	-	4,480	448,015
Source of Supply - Mainland	79,500	78,705	-	-	-	-	795	79,500
Treatment - Newport Plant	1,214,365	1,000,519	146,515	-	-	-	67,331	1,214,365
Treatment - Lawton Valley	1,097,580	936,619	108,948	-	-	-	52,013	1,097,580
Water Laboratory	199,347	197,354	-	-	-	-	1,993	199,347
Distribution Maintenance	811,613	-	183,779	385,493	20,000	-	222,341	811,613
Fire Protection	14,000	-	-	-	-	-	14,000	14,000
Total	\$ 4,351,065	\$ 2,656,732	\$ 439,242	\$ 385,493	\$ 31,000	\$ 475,645	\$ 362,954	
Percent	100.00%	61.06%	10.10%	8.86%	0.71%	10.93%	8.34%	

Docket No. #####

City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

Allocation Symbol I - Debt Service

	Allocator	Amount	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection
Plant in Service								
Source of Supply & Water Treatment	A	\$ 13,545,201	\$ 13,409,749	\$ -	\$ -	\$ -	\$ -	\$ 135,452
Pumping	B	526,163	-	378,379	-	-	-	147,784
Trans & Dist Mains & Distribution - Other	D	10,326,404	-	2,397,347	5,028,667	-	-	2,900,390
Services & Meters	M	736,160	-	-	-	736,160	-	-
Hydrants	F	97,910	-	-	-	-	-	97,910
<b>Total</b>		<b>\$ 25,231,838</b>	<b>\$ 13,409,749</b>	<b>\$ 2,775,726</b>	<b>\$ 5,028,667</b>	<b>\$ 736,160</b>	<b>\$ -</b>	<b>\$ 3,281,536</b>
<b>Percent</b>		<b>100.00%</b>	<b>53.15%</b>	<b>11.00%</b>	<b>19.93%</b>	<b>2.92%</b>	<b>0.00%</b>	<b>13.01%</b>

Fixed Assets as of 6/30/01 (2)

Account Name		Fixed Assets			Accumulated Depreciation			Net Fixed Assets
		Balance @ 6/30/2000	Additions FY 2001	Retirements FY 2001	Balance @ 6/30/2001	Balance @ 6/30/2000	Depreciation Expense FY 2001	
Construction in Progress	D	\$ 312,887	\$ 313,590	\$ -	\$ 626,477	\$ -	\$ -	\$ 626,477
Land & Rights of Way	D	3,150,047	444,444	-	3,594,491	-	-	3,594,491
Reservoirs	A	615,327	-	-	615,327	-	-	615,327
Dams	A	271,108	-	-	271,108	267,719	3,389	271,108
Road Bridge	A	4,929	-	-	4,929	4,868	62	4,929
Lawton Valley Reservoirs	A	1,557,351	-	-	1,557,351	-	-	1,557,351
Reservoir Equipment	A	36,173	8,922	-	45,095	31,629	2,561	34,190
Source of Supply Mains	AB	11,157,158	-	-	11,157,158	1,292,135	223,143	1,515,279
Pumping Structures	B	329,070	-	-	329,070	215,306	8,155	223,461
Pumping Equipment	B	640,381	-	-	640,381	347,785	21,312	369,097
Pumping Machinery	B	566,809	-	-	566,809	566,809	-	566,809
Treatment Structures	A	16,511,860	-	-	16,511,860	5,119,608	404,399	5,524,007
Treatment Machinery	A	2,265,108	8,984	-	2,274,092	2,088,111	22,490	2,110,601
Distribution Standpipes	D	1,050,990	-	-	1,050,990	721,266	24,326	745,592
Distribution Mains & Gates	D	9,849,295	-	-	9,849,295	4,001,541	196,986	4,198,527
Distribution Services	M	2,520,846	26,024	-	2,546,870	1,768,475	42,235	1,810,710
Distribution Hydrants	F	360,465	15,660	-	376,125	267,552	10,663	278,215
Plant Structures	A	94,633	-	-	94,633	68,253	2,217	70,470
Plant Machinery	A	175,036	10,668	-	185,704	139,988	9,366	149,354
Engineering Studies - Supply & Treatment	A	248,088	3,229	-	251,317	153,543	11,318	164,861
Engineering Studies - Pumping	B	248,088	3,229	-	251,317	153,543	11,318	164,861
Engineering Studies - T&D	D	248,088	3,229	-	251,317	153,543	11,318	164,861
Engineering Studies Subtotal		744,265	9,686	-	753,952	460,629	33,954	494,584
Office Furniture & Fixtures - Supply & Treatment	A	26,811	2,083	-	28,894	25,197	782	25,978
Office Furniture & Fixtures - Pumping	B	26,811	2,083	-	28,894	25,197	782	25,978
Office Furniture & Fixtures - T&D Mains	D	26,811	2,083	-	28,894	25,197	782	25,978
Office Furniture & Fixtures		80,432	6,250	-	86,682	75,590	2,345	77,935
Trucks & Autos- Supply & Treatment	A	191,958	46,661	-	238,619	169,597	12,138	181,734
Trucks & Autos- Pumping	B	191,958	46,661	-	238,619	169,597	12,138	181,734
Trucks & Autos - T&D Mains	D	191,958	46,661	-	238,619	169,597	12,138	181,734
Trucks & Autos		575,874	139,984	-	715,858	508,791	36,413	545,203
Small Tools - Supply & Treatment	A	17,645	-	-	17,645	13,026	1,606	14,632
Small Tools - Pumping	B	17,645	-	-	17,645	13,026	1,606	14,632
Small Tools - T&D Mains	D	17,645	-	-	17,645	13,026	1,606	14,632
Small Tools		52,934	-	-	52,934	39,078	4,817	43,895
Laboratory Equipment	A	118,176	-	-	118,176	117,466	218	117,684
<b>Total</b>		<b>\$ 53,041,155</b>	<b>\$ 984,212</b>	<b>\$ -</b>	<b>\$ 54,025,367</b>	<b>\$ 18,102,598</b>	<b>\$ 1,049,052</b>	<b>\$ 19,151,650</b>
Less Accumulated Depreciation		(18,102,598)	(1,049,052)		(19,151,650)			
<b>Net Fixed Assets</b>		<b>34,938,557</b>	<b>(64,840)</b>		<b>34,873,718</b>			

(2) Data provided by the City of Newport .

City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

Allocation Symbol J - Investment IFR

		Average Cost	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection
<u>Infrastructure Replacement (1)</u>								
Meter Replacement Program	M	\$ 46,667	\$ -	\$ -	\$ -	\$ 46,667	\$ -	\$ -
Infrastructure Replacement Plan (IRP) Update	A	16,667	16,500	-	-	-	-	167
GIS and Hydraulic Modeling	D	50,000	-	11,608	24,349	-	-	14,044
Vulnerability Assessments	D	-	-	-	-	-	-	-
Water Infrastructure Improvements	D	891,667	-	207,007	434,216	-	-	250,444
Water Trench Restoration	D	51,667	-	11,995	25,160	-	-	14,512
Water Main Utility Bridge	D	21,667	-	5,030	10,551	-	-	6,086
Leak Detection Program	D	20,000	-	4,643	9,739	-	-	5,617
Lawton Valley Freight Elevator Replacement	A	21,667	21,450	-	-	-	-	217
Lawton Valley Raw Water Main	A	101,667	\$ 100,650	\$ -	\$ -	\$ -	\$ -	\$ 1,017
Fire Hydrant Replacement	F	41,333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,333
Total		\$ 1,263,000	\$ 138,600	\$ 240,283	\$ 504,016	\$ 46,667	\$ -	\$ 333,435
Percent			10.97%	19.02%	39.91%	3.69%	0.00%	26.40%

(1) IFR projects provided by City of Newport and represent costs for FY 2003.

City of Newport, Rhode Island

Schedule RFC 4-A

Allocation Indexes

Allocation Symbol L - Labor							
	Adjusted NWD Rate Year	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Charge	Fire Protection
Customer Accounts							
Salaries & Wages	\$ 273,472	\$ -	\$ -	\$ -	\$ -	\$ 273,472	\$ -
Overtime	10,000	-	-	-	-	10,000	-
Vacation & Sick Pay	-	-	-	-	-	-	-
Injury (on the job) Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	108,472	-	-	-	-	108,472	-
Customer Services							
Salaries & Wages	-	-	-	-	-	-	-
Employee Insurance Coverage	-	-	-	-	-	-	-
Source of Supply - Island							
Salaries and Wages	199,963	197,963	-	-	-	-	2,000
Overtime	15,000	14,850	-	-	-	-	150
Temporary/Seasonal Wages	-	-	-	-	-	-	-
Vacation & Sick Pay	-	-	-	-	-	-	-
Injury (on the job) Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	87,681	86,804	-	-	-	-	877
Source of Supply - Mainland							
Overtime	10,000	9,900	-	-	-	-	100
Temporary/Seasonal Wages	10,000	9,900	-	-	-	-	100
Employee Insurance Coverage	2,000	1,980	-	-	-	-	20
Treatment - Newport Plant							
Salaries and Wages	359,672	356,075	-	-	-	-	3,597
Overtime	30,000	29,700	-	-	-	-	300
Holiday Pay	6,000	5,940	-	-	-	-	60
Vacation & Sick Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	160,228	158,626	-	-	-	-	1,602
Treatment - Lawton Valley							
Salaries and Wages	366,849	363,181	-	-	-	-	3,668
Overtime	28,000	27,720	-	-	-	-	280
Vacation & Sick Pay	-	-	-	-	-	-	-
Injury (on the job) Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	159,353	157,759	-	-	-	-	1,594
Water Laboratory							
Salaries and Wages	99,608	98,612	-	-	-	-	996
Temporary/Seasonal Wages	5,000	4,950	-	-	-	-	50
Vacation & Sick Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	37,739	37,362	-	-	-	-	377
Transmission & Distribution Maint.							
Salaries and Wages	367,000	-	85,202	178,719	-	-	103,080
Overtime	40,000	-	9,286	19,479	-	-	11,235
Vacation & Sick Pay	-	-	-	-	-	-	-
Injury (on the job) Pay	-	-	-	-	-	-	-
Employee Insurance Coverage	145,099	-	33,686	70,659	-	-	40,754
Fire Protection							
Salaries and Wages	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-
Employee Insurance Coverage	-	-	-	-	-	-	-
TOTAL	\$ 2,521,136	\$ 1,561,322	\$ 128,174	\$ 268,857	\$ -	\$ 391,944	\$ 170,840
Allocation Symbol L		61.93%	5.08%	10.66%	0.00%	15.55%	6.78%

Allocation Symbol M - Meters and Services

Allocation provided in model developed by Jerome D. Mierzwa of Exeter Associates, Inc. as testimony given on behalf of Rhode Island Division of Public Carriers in Docket No. 2985 dated February 18, 2000. Meters and Services allocated 100% to Meters and Services Function.

City of Newport, Rhode Island

Revenue Offsets

Table 2a-Allocation of Revenue Offsets to Functional Activities

								NWD FY 2003 (1)				
								Functional Categories			Other Categories	
Offset Y/N (1)	Water Revenue Summary Account No. 15-0	Test Year	Normalized Adjustment	Normalized Test Year	Rate Year Adjustment	Rate Year	Alloc. (2)	Supply & Treatment	Transmission	Distribution	Meters & Services	Customer Costs
N	306 Customer Services	\$ 101,234	\$ -	\$ 101,234	\$ (16,234)	\$ 85,000	C	\$ -	\$ -	\$ -	\$ -	\$ 85,000
N	339 Private Fire Protection (2)	-	173,324	173,324	38,676	212,000	F	-	-	-	-	-
N	333 Public Fire Protection	486,753	-	486,753	45,247	532,000	F	-	-	-	-	-
Y	342 Rental of Property	64,601	-	64,601	6,499	71,100	I	37,787	7,822	14,170	2,074	-
Y	373 Water Penalty	-	-	-	50,000	50,000	C	-	-	-	-	50,000
Y	495 Miscellaneous	20,202	-	20,202	(202)	20,000	H	12,212	2,019	1,772	142	2,186
Y	497 Lease Purchase Proceeds	-	-	-	-	-	J	-	-	-	-	-
Y	501 Invest Interest Income	22,015	-	22,015	(2,015)	20,000	I	10,629	2,200	3,986	584	-
N	599 Water Quality Protection (3)	29,179	-	29,179	421	29,600	C	-	-	-	-	29,600
N	699 Equipment Depreciation Fund	-	-	-	-	-	I	-	-	-	-	-
Subtotal		\$ 723,984	\$ 897,308	\$ 1,019,700				\$ 60,628	\$ 12,041	\$ 19,928	\$ 2,800	\$ 166,786
<b>Offsets to Revenue Requirements</b>		<b>\$ 106,818</b>	<b>\$ 106,818</b>	<b>\$ 161,100</b>				<b>\$ 60,628</b>	<b>\$ 12,041</b>	<b>\$ 19,928</b>	<b>\$ 2,800</b>	<b>\$ 52,186</b>

- (1) Indicates whether the Revenue is used as an offset to Revenue Requirements. (Y = Yes, N = No)
- (2) Offset will not be applied to functional activity costs recovered from retail or wholesale customers.
- (3) Charge instituted by State and collected from Newport Retail customers. Offset will not be applied to costs recovered from retail or wholesale customers.

Schedule RFC 2

<u>ES</u>	
Fire Protection	
\$	-
	212,000
	532,000
	9,247
	-
	1,668
	-
	2,601
	-
	-
\$	757,516
<b>\$</b>	<b>13,516</b>



City of Newport, Rhode Island

Schedule RFC 3

**Water Commodity Rates**

**Table 3a-Net Revenue Requirements Among Functional Activities**

	NWD FY 2003 (1)			
	Functional Categories			
	Rate Year (2)	Supply & Treatment	Transmission	Distribution
Total Cost of Service	\$ 6,711,258	\$ 4,959,840	\$ 804,222	\$ 947,195
Less Offsets: From Schedule RFC 2	(92,597)	(60,628)	(12,041)	(19,928)
Subtotal	\$ (92,597)	\$ (60,628)	\$ (12,041)	\$ (19,928)
Net Cost of Service	\$ 6,618,661	\$ 4,899,212	\$ 792,182	\$ 927,267

(1) Applies to costs associated with functional categories only.

(2) Does not include Meters & Services, Customer Costs, and Fire Protection.

**Table 3b-Allocation Base/Extra Capacity % For Functions (3)**

	Base	Extra Capacity	
	Average	Max Day	
Supply & Treatment (4)	100.00%		100.00%
Transmission	75.80%	24.20%	100.00%
Distribution	75.80%	24.20%	100.00%

(3) Distributed according to average of peak and average flow data from Newport and Lawton Valley treatment plants for FY 00 through FY 02. Peaking and average flow data from treatment plants is for Retail, Navy, and Portsmouth and is assumed for base/extra capacity allocation of Retail and Wholesale functional category costs.

(4) Supply and Treatment allocated entirely to base function.

**Table 3c-Base/Extra Capacity Allocation of Retail and Wholesale Functional Costs**

	Base	Extra Capacity	Total
	Average	Max Day	
Supply & Treatment	\$ 4,899,212	\$ -	\$ 4,899,212
Transmission	600,462	191,720	792,182
Distribution	702,855	224,413	927,267
Total	\$ 6,202,529	\$ 416,133	\$ 6,618,661

City of Newport, Rhode Island

Schedule RFC 3

**Table 3d-Customer Class Allocation Percentages for Supply and Treatment Costs  
(Based on noncoincident flows)**

Customer Class	Base				Extra Capacity (5a)	
	Average Flow				Max Day Flow	
	Unadjusted (thous gallons)	Unadjusted %	Adjusted (thous gallons) (5)	Adjusted %	(thous gallons)	%
Retail						
Residential (5b)	722,825	32.76%	932,242	34.89%	876	19.38%
Commercial (5b)	629,614	28.53%	812,357	30.40%	1,885	41.69%
Governmental	18,778	0.85%	24,236	0.91%	48	1.07%
Subtotal	1,371,217	62.14%	1,768,835	66.20%	2,809	62.14%
Other Customers						
Navy	413,724	18.75%	460,830	17.25%	446	9.87%
Portsmouth	421,562	19.11%	442,369	16.56%	1,265	27.98%
Subtotal	835,286	37.86%	903,198	33.80%	1,711	37.86%
<b>Total</b>	<b>2,206,503</b>	<b>100.00%</b>	<b>2,672,033</b>	<b>100.00%</b>	<b>4,521</b>	<b>100.00%</b>

(5) From Schedule RFC 3-A, 'Development of Unsold Water'. Unsold water applies only to base demand.

(5a) Costs associated with extra capacity usage not allocated to Supply and Treatment.

(5b) Includes consumption and unsold water adjustments for metered sundry billing.

**Table 3e-Customer Class Allocation Percentages for Transmission and Distribution Costs  
(Based on noncoincident flows)**

Customer Class	Base				Extra Capacity	
	Average Flow				Max Day Flow	
	Unadjusted (thous gallons) (6)	Unadjusted %	Adjusted (thous gallons) (6a)	Adjusted %	(thous gallons)	%
Retail						
Residential-Transmission (6b)	722,825	40.50%	896,565	41.86%	876	26.91%
Residential-Distribution	719,012	52.64%	846,131	52.64%	876	31.19%
Commercial-Transmission (6b)	629,614	35.27%	781,281	36.48%	1,885	57.89%
Commercial-Distribution	628,164	45.99%	739,220	45.99%	1,885	67.09%
Governmental-Transmission	18,778	1.05%	23,309	1.09%	48	1.48%
Governmental-Distribution	18,778	1.37%	22,098	1.37%	48	1.72%
Other Customers						
Navy-Transmission	413,724	23.18%	440,409	20.56%	446	13.71%
Navy-Distribution	0	0.00%	0	0.00%	0	0.00%
Portsmouth	0	0.00%	0	0.00%	0	0.00%
<b>Total-Transmission</b>	<b>1,784,941</b>	<b>100%</b>	<b>2,141,565</b>	<b>100%</b>	<b>3,256</b>	<b>100%</b>
<b>Total- Distribution</b>	<b>1,365,954</b>	<b>100%</b>	<b>1,607,449</b>	<b>100%</b>	<b>2,809</b>	<b>100%</b>

(6) Average flow for FY 99 through FY 03 escalated by the overall compound growth rate to FY 04.

(6a) From Schedule RFC 3-A, 'Development of Unsold Water'. Unsold water applies only to base demand.

**Docket No. #####**

**City of Newport, Rhode Island**

**Schedule RFC 3**

(6b) Includes consumption and unsold water adjustments for metered sundry billing.

City of Newport, Rhode Island

Schedule RFC 3

Table 3f-Base/Extra Capacity Costs per Customer Class

Customer Class	Base		Extra Capacity		Total	% Total Net Functional Costs
	Average		Max Day			
<b>Retail</b>						
Residential						
Supply & Treatment	\$ 1,709,279	\$ -	\$ -	\$ 1,709,279		25.83%
Transmission	251,383	51,593		302,976		4.58%
Distribution	369,969	69,987		439,956		6.65%
Subtotal	\$ 2,330,632	\$ 121,580	\$ -	\$ 2,452,212		37.05%
Commercial						
Supply & Treatment	\$ 1,489,468	\$ -	\$ -	\$ 1,489,468		22.50%
Transmission	219,059	110,996		330,055		4.99%
Distribution	323,223	150,567		473,790		7.16%
Subtotal	\$ 2,031,750	\$ 261,563	\$ -	\$ 2,293,312		34.65%
Governmental						
Supply & Treatment	\$ 44,437	\$ -	\$ -	\$ 44,437	\$ 3,243,185	0.67%
Transmission	6,536	2,845		9,381	642,412	0.14%
Distribution	9,662	3,859		13,522	927,267	0.20%
Subtotal	\$ 60,635	\$ 6,705	\$ -	\$ 67,340	\$ 4,812,864	1.02%
<b>Total Retail</b>	\$ 4,423,017	\$ 389,847	\$ -	\$ 4,812,864		72.72%
<b>Other Customers</b>						
Navy						
Supply & Treatment	\$ 844,938	\$ -	\$ -	\$ 844,938		12.77%
Transmission	123,484	26,285		149,769		2.26%
Distribution	-	-		-		0.00%
Subtotal	\$ 968,422	\$ 26,285	\$ -	\$ 994,707		15.03%
Portsmouth Water & Fire District						
Supply & Treatment	\$ 811,090	\$ -	\$ -	\$ 811,090		12.25%
Transmission	-	-		-		0.00%
Distribution	-	-		-		0.00%
Subtotal	\$ 811,090	\$ -	\$ -	\$ 811,090		12.25%
<b>Total Other</b>	\$ 1,779,512	\$ 26,285	\$ -	\$ 1,805,797		27.28%
<b>Total</b>	\$ 6,202,529	\$ 416,133	\$ -	\$ 6,618,661		100.00%

City of Newport, Rhode Island

Schedule RFC 3

Table 3g- Calculation of Commodity Rates

Adjusted Net Cost of Service	Billable Units (thous gal)	Commodity Rates	Rates Based on Customer Class	Recommended Rates
<u>Customer Class</u>				
Retail				
Net Cost of Service				
Residential	\$ 2,452,212	719,012	\$ 3.411	\$ 3.42
Commercial	2,293,312	628,164	3.651	3.66
Governmental	67,340	18,778	3.586	3.59
Less: Further Revenue Offsets:				
	\$ 4,812,864	1,365,954		
Navy				
Net Cost of Service	\$ 994,707			
Less: Further Revenue Offsets:				
	\$ 994,707	413,724	\$ 2.404	\$ 2.41
Portsmouth				
Net Cost of Service	\$ 811,090			
Less: Further Revenue Offsets:				
	\$ 811,090	421,562	\$ 1.9240	\$ 1.93
<b>Total Cost of Service</b>	<b>\$ 6,618,661</b>			

City of Newport, Rhode Island

Derivation of Functional Allocation  
Calculation of Total Unsold Water

Table 3-A1-Calculation of Unsold Water in Source of Supply and Treatment

	Col 1	Col 2	Col 3	Col 4	Col 5	Col 6
	A	B	C	B - C	Col4 - A + C	Col 5/B
Fiscal Year	Sales	Total Plant Production (1)	Plant Use (1,000 gallons) (2)	Total Plant Production less Plant Use	Total Unsold Water	Percent Unsold
1999	2,101,492	2,521,338	111,195	2,410,143	419,846	16.7%
2000	2,343,118	2,731,690	110,135	2,621,555	388,572	14.2%
2001	2,236,210	2,621,896	110,098	2,511,798	385,686	14.7%
2002	2,107,382	2,671,794	112,493	2,559,301	564,412	21.1%
2003	2,163,896	2,733,032	100,611	2,632,421	569,136	20.8%
Average	2,190,420	2,655,950	108,906	2,547,044	465,530	17.5%

Table 3-A2-Calculation of Unsold Water in Transmission and Distribution

Fiscal Year	Sales	Total Plant Production Less Plant Use (1)	Unsold Water in Transmission and Distribution	Percent Unsold Water in Transmission and Distribution	Transmission	Distribution	Total
1999	2,101,492	2,410,143	308,651	12.81%	99,642	209,009	308,651
2000	2,343,118	2,621,555	278,437	10.62%	89,888	188,549	278,437
2001	2,236,210	2,511,798	275,588	10.97%	88,968	186,620	275,588
2002	2,107,382	2,559,301	451,919	17.66%	145,893	306,025	451,919
2003	2,163,896	2,632,421	468,525	17.80%	151,254	317,271	468,525
Average	2,190,420	2,655,950	356,624	13.97%	115,129	241,495	356,624
			(2) T&D Allocation		32.28%	67.72%	100%

(1) Total Metered Effluent for Lawton Valley and Newport Treatment Plants provided by Newport Water Department less plant use.

(2) From Allocation Symbol D, Schedule RFC 4.

City of Newport, Rhode Island

Derivation of Functional Allocation

Schedule RFC 3-A

**Table 3-A3-Allocation of Unsold Water to Functional Activities (4)  
According to Customer Class Sales**

Customer Class	FY 99	FY 00	FY 01	FY 02	FY 03	Average FY 99 - FY 03	Allocation to Supply & Treatment	Supply & Treatment Unsold (1,000 gallons)	Allocation to Transmission	Transmission Unsold (1,000 gallons)	Allocation to Distribution (5)	Distribution Unsold (1,000 gallons)
Residential	633,858	682,937	698,765	773,853	779,444	713,771	32.59%	35,488	40.28%	46,377	52.64%	127,118
Commercial	668,656	703,460	620,182	561,576	564,052	623,585	28.47%	31,004	35.19%	40,517	45.99%	111,057
Governmental	14,021	20,634	20,197	19,222	19,132	18,641	0.85%	927	1.05%	1,211	1.37%	3,320
Metered Sundry								0				
Residential (4a)	3,161	3,452	3,279	5,140	3,891	3,785	0.17%	188	0.21%	246		
Commercial (4a)	1,066	2,414	1,152	1,213	1,353	1,440	0.07%	72	0.08%	94		
Navy	481,854	466,167	450,247	307,051	348,222	410,709	18.75%	20,420	23.18%	26,685	0.00%	0
Portsmouth	298,876	464,054	442,387	439,326	447,802	418,489	19.11%	20,807				
<b>Total</b>	<b>2,101,492</b>	<b>2,343,118</b>	<b>2,236,210</b>	<b>2,107,382</b>	<b>2,163,896</b>	<b>2,190,420</b>	<b>100.00%</b>	<b>108,906</b>	<b>100%</b>	<b>115,129</b>	<b>100.00%</b>	<b>241,495</b>

Navy Retail Use (5)

0%
----

(4) Billable flows are adjusted upward for Unsold Water in order to revise allocation percentages of functional categories to each customer class.

(4a) Assumed allocation of unsold water to Metered Sundry Billing applies only to Supply and Treatment and Transmission activities.

(5) It is assumed that the Navy bears 0% of distribution costs in the Newport system.

**Docket No. #####**

City of Newport, Rhode Island

Total Plant Use

Schedule RFC 5-E

**Plant Use**

<b>Station #1</b>									
FY 1999 Month	Plant Use (gallons)	FY 2000 Month	Plant Use (gallons)	FY 2001 Month	Plant Use (gallons)	FY 2002 Month	Plant Use (gallons)	FY 2003 Month	Plant Use (gallons)
Jul-98	2,400,000	Jul-99	3,835,000	Jul-00	2,857,000	Jul-01	2,926,000	Jul-02	2,813,000
Aug-98	2,400,000	Aug-99	3,091,000	Aug-00	3,035,000	Aug-01	2,808,000	Aug-02	2,556,000
Sep-98	2,400,000	Sep-99	2,220,000	Sep-00	2,485,000	Sep-01	2,132,000	Sep-02	1,792,000
Oct-98	2,400,000	Oct-99	3,704,000	Oct-00	2,800,000	Oct-01	3,012,000	Oct-02	1,921,000
Nov-98	2,145,000	Nov-99	2,798,000	Nov-00	2,461,000	Nov-01	2,846,000	Nov-02	2,650,000
Dec-98	2,552,000	Dec-99	2,688,000	Dec-00	2,045,000	Dec-01	2,473,000	Dec-02	1,779,000
Jan-99	2,400,000	Jan-00	2,780,000	Jan-01	1,870,000	Jan-02	2,314,000	Jan-03	1,566,000
Feb-99	2,400,000	Feb-00	2,430,000	Feb-01	2,275,000	Feb-02	2,156,000	Feb-03	1,526,000
Mar-99	2,400,000	Mar-00	3,262,000	Mar-01	2,675,000	Mar-02	2,373,000	Mar-03	2,342,000
Apr-99	2,235,000	Apr-00	2,677,000	Apr-01	2,094,000	Apr-02	2,382,000	Apr-03	2,124,000
May-99	2,460,000	May-00	2,689,000	May-01	2,290,000	May-02	2,719,000	May-03	1,995,000
Jun-99	2,624,000	Jun-00	2,825,000	Jun-01	3,545,000	Jun-02	2,440,000	Jun-03	2,495,000
<b>FY 1999 Annual Totals (gallons)</b>	<b>28,816,000</b>	<b>FY 2000 Annual Totals</b>	<b>34,999,000</b>	<b>FY 2001 Annual Totals</b>	<b>30,432,000</b>	<b>FY 2002 Annual Totals (gallons)</b>	<b>30,581,000</b>	<b>FY 2003 Annual Totals (gallons)</b>	<b>25,559,000</b>

<b>Lawton Valley</b>									
	FY 1999 Plant Use (gallons)		FY 2000 Plant Use (gallons)		FY 2001 Plant Use (gallons)		FY 2002 Plant Use (gallons)		FY 2003 Plant Use (gallons)
	82,378,700		75,136,300		79,665,800		81,912,300		75,052,200

<b>Total Plant Use</b>									
	FY 1999 Plant Use (gallons)		FY 2000 Plant Use (gallons)		FY 2001 Plant Use (gallons)		FY 2002 Plant Use (gallons)		FY 2003 Plant Use (gallons)
	111,194,700		110,135,300		110,097,800		112,493,300		100,611,200



City of Newport, Rhode Island

Schedule RFC 5

Units of Service-Base/Extra Capacity Method  
Average FY 99 - FY 03

Customer Class	Base		Maximum Day		
	Projected FY 2004 Annual Use <i>thous gal</i>	Average Rate <i>thous gpd</i>	Revised Capacity Factor %	Total Capacity <i>thous gpd</i>	Extra Capacity <i>thous gpd</i>
<b>Noncoincident Flows (1)</b>					
Residential	719,012	1,970	144%	2,846	876
Commercial	628,164	1,721	210%	3,606	1,885
Governmental	18,778	51	194%	100	48
Metered Sundry Billing (2)					
Residential	3,813	10	0%		
Commercial	1,450	4	0%		
<b>Total</b>	1,371,217	3,757		6,552	2,809
Navy	413,724	1,133	139%	1,580	446
Portsmouth Fire and Water	421,562	1,155	210%	2,420	1,265
Navy and Portsmouth Total	835,286	2,288		4,000	1,711
<b>Total</b>	2,206,503	6,045		10,552	4,521
Total Recorded Annual Flows (3)	2,206,503	6,045	161%	9,723	3,678

(1) Procedure to derive capacity factors for max day and max hour noncoincident flows based on Appendix A in AWWA M-1 manual. See Schedule RFC 5-D for further information.

(2) Included in calculation of total base flows.

(3) Average (FY 99 - FY 03) coincidental peak data (actual recorded consumption volumes) for comparison to calculated extra capacity volumes. Adjusted for metered sundry billing.

Existing and Proposed Water Rates

Proposed Rates		Existing Rates													
Monthly Base Charge	\$ 4.39 per bill														
Tertiary Base Charge	\$ 17.56 per bill														
<u>Flat Retail Commodity Rates (Monthly)</u>															
Residential	\$ 3.56 per 1,000 gal	Charge per Bill	\$ 11.00 per bill												
Commercial	\$ 3.56 per 1,000 gal	Consumption (1,000 gal.)	<table border="1"> <thead> <tr> <th colspan="2">Monthly</th> <th colspan="2">Tertiary</th> </tr> <tr> <th>0-14</th> <th>over 14</th> <th>0-56</th> <th>over 56</th> </tr> </thead> <tbody> <tr> <td>\$ 3.73</td> <td>\$ 2.93</td> <td>\$ 3.73</td> <td>\$ 2.93</td> </tr> </tbody> </table>	Monthly		Tertiary		0-14	over 14	0-56	over 56	\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93
Monthly		Tertiary													
0-14	over 14	0-56	over 56												
\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93												
Governmental	\$ 3.56 per 1,000 gal	Commodity Rate													
<u>Other Customers (Monthly)</u>															
Navy	\$ 2.41 per 1,000 gal	Commodity Rate	\$2.09 per 1,000 gal												
Portsmouth Water and Fire District	\$ 1.93 per 1,000 gal	Commodity Rate	\$1.66 per 1,000 gal												

Water Rate Impacts

Retail Customers

Volume (gallons/month)

	1,000	4,000	5,500	6,000	7,000	10,000	14,000	Average		20,000	50,000
								18,030			
<b>Residential (Tertiary)</b>											
<u>Proposed Rate</u>											
Base Charge	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56
Commodity Charge	3.56	14.24	19.58	21.36	24.92	35.60	49.84	64.19	71.20	178.00	
Total Charge	\$ 21.12	\$ 31.80	\$ 37.14	\$ 38.92	\$ 42.48	\$ 53.16	\$ 67.40	\$ 81.75	\$ 88.76	\$ 195.56	
<u>Existing</u>											
Newport, Middletown and Portsmouth											
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Commodity Charge	3.73	14.92	20.52	22.38	26.11	37.30	52.22	67.25	74.60	186.50	
Total Charge	\$ 14.73	\$ 25.92	\$ 31.52	\$ 33.38	\$ 37.11	\$ 48.30	\$ 63.22	\$ 78.25	\$ 85.60	\$ 197.50	
% Change	43.38%	22.69%	17.85%	16.60%	14.47%	10.06%	6.61%	4.47%	3.69%	-0.98%	

	1,000	4,000	Average (1)		5,500	6,000	7,000	10,000	14,000	20,000	50,000
			4,508								
<b>Residential (Monthly)</b>											
<u>Proposed Rate</u>											
Base Charge	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39
Commodity Charge	3.56	14.24	16.05	19.58	21.36	24.92	35.60	49.84	71.20	178.00	
Total Charge	\$ 7.95	\$ 18.63	\$ 20.44	\$ 23.97	\$ 25.75	\$ 29.31	\$ 39.99	\$ 54.23	\$ 75.59	\$ 182.39	
<u>Existing</u>											
Newport, Middletown and Portsmouth											
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Commodity Charge	3.73	14.92	16.81	20.52	22.38	26.11	37.30	52.22	69.80	157.70	
Total Charge	\$ 14.73	\$ 25.92	\$ 27.81	\$ 31.52	\$ 33.38	\$ 37.11	\$ 48.30	\$ 63.22	\$ 80.80	\$ 168.70	
% Change	-46.03%	-28.13%	-26.52%	-23.94%	-22.86%	-21.02%	-17.20%	-14.22%	-6.45%	8.11%	

(1) Monthly average consumption is based on average overall consumption per class for FY 2000 through FY 2002 divided by total number of equivalent accounts per year for the same time period. Tertiary average consumption is calculated by multiplying the monthly consumption by four.

Existing and Proposed Water Rates

Proposed Rates		Existing Rates													
Monthly Base Charge	\$ 4.39 per bill														
Tertiary Base Charge	\$ 17.56 per bill														
<u>Flat Retail Commodity Rates (Monthly)</u>															
Residential	\$ 3.56 per 1,000 gal	Charge per Bill	\$ 11.00 per bill												
Commercial	\$ 3.56 per 1,000 gal	Consumption (1,000 gal.)	<table border="1"> <thead> <tr> <th colspan="2">Monthly</th> <th colspan="2">Tertiary</th> </tr> <tr> <th>0-14</th> <th>over 14</th> <th>0-56</th> <th>over 56</th> </tr> </thead> <tbody> <tr> <td>\$ 3.73</td> <td>\$ 2.93</td> <td>\$ 3.73</td> <td>\$ 2.93</td> </tr> </tbody> </table>	Monthly		Tertiary		0-14	over 14	0-56	over 56	\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93
Monthly		Tertiary													
0-14	over 14	0-56	over 56												
\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93												
Governmental	\$ 3.56 per 1,000 gal	Commodity Rate													
<u>Other Customers (Monthly)</u>															
Navy	\$ 2.41 per 1,000 gal	Commodity Rate	\$2.09 per 1,000 gal												
Portsmouth Water and Fire District	\$ 1.93 per 1,000 gal	Commodity Rate	\$1.66 per 1,000 gal												

Water Rate Impacts

Retail Customers

	Average (1)									
	1,000	14,000	25,000	50,000	75,000	100,000	125,000	138,173	150,000	175,000
<b>Commercial (Tertiary)</b>										
<u>Proposed Rate</u>										
Base Charge	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56
Commodity Charge	3.56	49.84	89.00	178.00	267.00	356.00	445.00	491.89	534.00	623.00
Total Charge	\$ 21.12	\$ 67.40	\$ 106.56	\$ 195.56	\$ 284.56	\$ 373.56	\$ 462.56	\$ 509.45	\$ 551.56	\$ 640.56
<u>Existing</u>										
Newport, Middletown, and Portsmouth										
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Commodity Charge	3.73	52.22	93.25	186.50	264.55	337.80	411.05	449.65	484.30	557.55
Total Charge	\$ 14.73	\$ 63.22	\$ 104.25	\$ 197.50	\$ 275.55	\$ 348.80	\$ 422.05	\$ 460.65	\$ 495.30	\$ 568.55
% Change	43.38%	6.61%	2.22%	-0.98%	3.27%	7.10%	9.60%	10.60%	11.36%	12.67%
<b>Commercial (Monthly)</b>										
<u>Proposed Rate</u>										
Base Charge	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39
Commodity Charge	3.56	49.84	89.00	122.97	178.00	267.00	356.00	445.00	534.00	623.00
Total Charge	\$ 7.95	\$ 54.23	\$ 93.39	\$ 127.36	\$ 182.39	\$ 271.39	\$ 360.39	\$ 449.39	\$ 538.39	\$ 627.39
<u>Existing</u>										
Newport, Middletown, and Portsmouth										
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Commodity Charge	3.73	52.22	84.45	112.41	157.70	230.95	304.20	377.45	450.70	523.95
Total Charge	\$ 14.73	\$ 63.22	\$ 95.45	\$ 123.41	\$ 168.70	\$ 241.95	\$ 315.20	\$ 388.45	\$ 461.70	\$ 534.95
% Change	-46.03%	-14.22%	-2.16%	3.20%	8.11%	12.17%	14.34%	15.69%	16.61%	17.28%

(1) Monthly average consumption is based on average overall consumption per class for FY 2000 through FY 2002 divided by total number of equivalent accounts per year for the same time period. Tertiary average consumption is calculated by multiplying the monthly consumption by four.

Existing and Proposed Water Rates

Proposed Rates		Existing Rates													
Monthly Base Charge	\$ 4.39 per bill														
Tertiary Base Charge	\$ 17.56 per bill														
<u>Flat Retail Commodity Rates (Monthly)</u>															
Residential	\$ 3.56 per 1,000 gal	Charge per Bill	\$ 11.00 per bill												
Commercial	\$ 3.56 per 1,000 gal	Consumption (1,000 gal.)	<table border="1"> <thead> <tr> <th colspan="2">Monthly</th> <th colspan="2">Tertiary</th> </tr> <tr> <th>0-14</th> <th>over 14</th> <th>0-56</th> <th>over 56</th> </tr> </thead> <tbody> <tr> <td>\$ 3.73</td> <td>\$ 2.93</td> <td>\$ 3.73</td> <td>\$ 2.93</td> </tr> </tbody> </table>	Monthly		Tertiary		0-14	over 14	0-56	over 56	\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93
Monthly		Tertiary													
0-14	over 14	0-56	over 56												
\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93												
Governmental	\$ 3.56 per 1,000 gal	Commodity Rate													
<u>Other Customers (Monthly)</u>															
Navy	\$ 2.41 per 1,000 gal	Commodity Rate	\$2.09 per 1,000 gal												
Portsmouth Water and Fire District	\$ 1.93 per 1,000 gal	Commodity Rate	\$1.66 per 1,000 gal												

Water Rate Impacts

Retail Customers

Governmental (Tertiary)	Average (1)										
	1,000	14,000	25,000	50,000	75,000	77,861	100,000	125,000	150,000	175,000	
<u>Proposed Rate</u>											
Base Charge	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56	\$ 17.56
Commodity Charge	3.56	49.84	89.00	178.00	267.00	277.19	356.00	445.00	534.00	623.00	
Total Charge	\$ 21.12	\$ 67.40	\$ 106.56	\$ 195.56	\$ 284.56	\$ 294.75	\$ 373.56	\$ 462.56	\$ 551.56	\$ 640.56	
<u>Existing</u>											
Newport, Middletown, and Portsmouth											
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	
Commodity Charge	3.73	52.22	93.25	186.50	264.55	272.93	337.80	411.05	484.30	557.55	
Total Charge	\$ 14.73	\$ 63.22	\$ 104.25	\$ 197.50	\$ 275.55	\$ 283.93	\$ 348.80	\$ 422.05	\$ 495.30	\$ 568.55	
% Change	43.38%	6.61%	2.22%	-0.98%	3.27%	3.81%	7.10%	9.60%	11.36%	12.67%	
<u>Governmental (Monthly)</u>											
			Average (1)								
	1,000	14,000	19,465	25,000	50,000	75,000	100,000	125,000	150,000	175,000	
<u>Proposed Rate</u>											
Base Charge	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	
Commodity Charge	3.56	49.84	69.30	89.00	178.00	267.00	356.00	445.00	534.00	623.00	
Total Charge	\$ 7.95	\$ 54.23	\$ 73.69	\$ 93.39	\$ 182.39	\$ 271.39	\$ 360.39	\$ 449.39	\$ 538.39	\$ 627.39	
<u>Existing</u>											
Newport, Middletown, and Portsmouth											
Base Charge	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	
Commodity Charge	3.73	52.22	68.23	84.45	157.70	230.95	304.20	377.45	450.70	523.95	
Total Charge	\$ 14.73	\$ 63.22	\$ 79.23	\$ 95.45	\$ 168.70	\$ 241.95	\$ 315.20	\$ 388.45	\$ 461.70	\$ 534.95	
% Change	-46.03%	-14.22%	-7.00%	-2.16%	8.11%	12.17%	14.34%	15.69%	16.61%	17.28%	

(1) Monthly average consumption is based on average overall consumption per class for FY 2000 through FY 2002 divided by total number of equivalent accounts per year for the same time period. Tertiary average consumption is calculated by multiplying the monthly consumption by four.

**Docket No. #####**

City of Newport, Rhode Island

Schedule RFC 7

**Existing and Proposed Water Rates**

<u>Proposed Rates</u>		<u>Existing Rates</u>													
Monthly Base Charge	\$ 4.39 per bill														
Tertiary Base Charge	\$ 17.56 per bill														
<u>Flat Retail Commodity Rates (Monthly)</u>															
Residential	\$ 3.56 per 1,000 gal	Charge per Bill	\$ 11.00 per bill												
Commercial	\$ 3.56 per 1,000 gal	Consumption (1,000 gal.)	<table border="1"> <thead> <tr> <th colspan="2">Monthly</th> <th colspan="2">Tertiary</th> </tr> <tr> <th>0-14</th> <th>over 14</th> <th>0-56</th> <th>over 56</th> </tr> </thead> <tbody> <tr> <td>\$ 3.73</td> <td>\$ 2.93</td> <td>\$ 3.73</td> <td>\$ 2.93</td> </tr> </tbody> </table>	Monthly		Tertiary		0-14	over 14	0-56	over 56	\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93
Monthly		Tertiary													
0-14	over 14	0-56	over 56												
\$ 3.73	\$ 2.93	\$ 3.73	\$ 2.93												
Governmental	\$ 3.56 per 1,000 gal	Commodity Rate													
<u>Other Customers (Monthly)</u>															
Navy	\$ 2.41 per 1,000 gal	Commodity Rate	\$2.09 per 1,000 gal												
Portsmouth Water and Fire District	\$ 1.93 per 1,000 gal	Commodity Rate	\$1.66 per 1,000 gal												

**Water Rate Impacts**

**Retail Customers**

**Other Customers**

Volume (gallons/month)

	1,000	750,000	1,500,000	2,225,000	3,000,000	Average (1)	3,750,000	4,500,000	5,250,000	6,000,000
<b>Navy</b>										
<u>Proposed Rate</u>	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39
Base Charge	2.41	1,807.50	3,615.00	5,362.25	7,230.00	7,653.15	9,037.50	10,845.00	12,652.50	14,460.00
Commodity Charge	\$ 6.80	\$ 1,811.89	\$ 3,619.39	\$ 5,366.64	\$ 7,234.39	\$ 7,657.54	\$ 9,041.89	\$ 10,849.39	\$ 12,656.89	\$ 14,464.39
Total Charge										
<u>Existing</u>	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Base Charge	2.09	1,567.50	3,135.00	4,650.25	6,270.00	6,636.97	7,837.50	9,405.00	10,972.50	12,540.00
Commodity Charge	\$ 13.09	\$ 1,578.50	\$ 3,146.00	\$ 4,661.25	\$ 6,281.00	\$ 6,647.97	\$ 7,848.50	\$ 9,416.00	\$ 10,983.50	\$ 12,551.00
Total Charge	% Change	14.79%	15.05%	15.13%	15.18%	15.19%	15.21%	15.22%	15.24%	15.24%
	-48.05%									

**Wholesale Customers**

Volume (1,000 gallons/month)

**Portsmouth Water and Fire District**

	5,000	10,000	20,000	30,000	Average (1)	40,000	50,000	60,000	70,000	80,000
<u>Proposed Rate</u>	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39	\$ 4.39
Base Charge	9,650	19,300	38,600	57,900	67,307	77,200	96,500	115,800	135,100	154,400
Commodity Charge	\$ 9,654	\$ 19,304	\$ 38,604	\$ 57,904	\$ 67,311	\$ 77,204	\$ 96,504	\$ 115,804	\$ 135,104	\$ 154,404
Total Charge										
<u>Existing</u>	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00	\$ 11.00
Base Charge	8,300	16,600	33,200	49,800	57,891	66,400	83,000	99,600	116,200	132,800
Commodity Charge	\$ 8,311	\$ 16,611	\$ 33,211	\$ 49,811	\$ 57,902	\$ 66,411	\$ 83,011	\$ 99,611	\$ 116,211	\$ 132,811
Total Charge	% Change	16.21%	16.24%	16.25%	16.25%	16.25%	16.25%	16.26%	16.26%	16.26%
	16.16%									

(1) Monthly average consumption is based on average overall consumption per class for FY 2000 through FY 2002 divided by total number of equivalent accounts per year for the same time period. Tertiary average consumption is calculated by multiplying the monthly consumption by four.

City of Newport, Rhode Island

Calculation of Base Charge

Schedule RFC 10

Base Charge per Bill	NWD FY 2003 (1)		
	Total	Other Categories	
		Meters & Services	Customer Costs
Total Cost of Service	\$ 854,960	\$ 88,421	\$ 766,539
Less Offsets from Schedule RFC 2:	\$ (54,987)	\$ (2,800)	\$ (52,186)
Subtotal:	\$ (54,987)	\$ (2,800)	\$ (52,186)
To Be Recovered From Billing Charge	\$ 799,973	\$ 85,621	\$ 714,352

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	Overall FY 2000 to FY 2002 Growth Rate
Total Number of Accounts (1)						
Retail						
Residential	157,132	158,291	159,630	161,135	162,655	
Commercial	17,728	18,021	18,408	18,582	18,757	
Governmental	886	947	1,040	1,050	1,060	
Navy	128	131	129	130	131	
Portsmouth Fire & Water	12	12	12	12	12	
<b>Total</b>	175,886	177,402	179,219	180,909	182,615	0.94%

Calculated Base Charge	\$ 4.3806
Recommended Monthly Base Charge	\$ 4.39
Recommended Tertiary Base Charge	\$ 17.56

(1) All Tertiary accounts converted to equivalent Monthly accounts and totaled with the number of Monthly accounts in order to calculate number of equivalent accounts per year. Since Residential, Commercial, and Governmental classes have accounts that are billed both Monthly and Tertiary, equivalent annual accounts were calculated for all Retail classes. See Support Schedule RFC 10-A, "Account Summary", and Schedule RFC 10-B for calculation of total number of equivalent accounts.

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

Metered Effluent from Plants

(thousand gallons)

	July	August	September	October	November	December	January	February	March	April	May	June	Average	Annual
<b>FY 1999</b>														
Station #1	155,444	143,933	93,382	81,450	74,320	66,273	80,599	69,569	76,605	80,119	85,882	125,167	94,395	1,132,743
Lawton Valley	86,908	106,791	118,328	128,712	111,459	117,840	99,201	88,096	100,328	111,498	150,493	168,941	115,716	1,388,595
Total	242,352	250,724	211,710	210,162	185,779	184,113	179,800	157,665	176,933	191,617	236,375	294,108	210,112	2,521,338
<b>FY 2000</b>														
Station #1	160,680	140,930	107,722	103,005	131,235	136,599	134,974	133,178	135,672	142,968	94,761	109,202	127,577	1,530,926
Lawton Valley	167,320	155,736	143,220	130,422	67,937	55,867	61,358	43,932	52,491	47,802	137,383	137,296	100,064	1,200,764
Total	328,000	296,666	250,942	233,427	199,172	192,466	196,332	177,110	188,163	190,770	232,144	246,498	227,641	2,731,690
<b>FY 2001</b>														
Station #1	126,633	113,547	99,550	97,908	94,397	109,059	113,179	116,166	129,601	116,179	101,683	103,362	110,105	1,321,264
Lawton Valley	160,265	147,603	134,851	136,213	104,542	78,833	70,733	51,897	50,896	71,404	142,777	150,618	108,386	1,300,632
Total	286,898	261,150	234,401	234,121	198,939	187,892	183,912	168,063	180,497	187,583	244,460	253,980	218,491	2,621,896
<b>FY 2002</b>														
Station #1	110,352	122,143	107,256	100,872	85,793	73,515	78,130	66,926	75,808	139,235	151,936	138,506	104,206	1,250,472
Lawton Valley	173,313	168,593	143,390	130,393	125,087	127,290	116,019	107,659	117,668	52,417	62,288	97,205	118,444	1,421,322
Total	283,665	290,736	250,646	231,265	210,880	200,805	194,149	174,585	193,476	191,652	214,224	235,711	222,650	2,671,794
<b>FY 2003</b>														
Station #1	137,201	129,716	85,279	94,260	82,039	146,759	152,557	137,885	142,108	95,595	98,467	95,836	116,475	1,397,702
Lawton Valley	186,458	189,166	157,154	132,951	120,470	47,697	41,801	39,675	50,702	104,111	126,976	138,169	111,278	1,335,330
Total	323,659	318,882	242,433	227,211	202,509	194,456	194,358	177,560	192,810	199,706	225,443	234,005	227,753	2,733,032

Peak Flow Data - Newport

Station #1 Water Treatment Plant

	Flow		
	Average (MGD)	Max Day (MGD)	Max Hour (MGD)
Jul-99	5.183	6.338	7.3
Aug-99	4.546	5.962	7.2
Sep-99	4.698	4.319	5.4
Oct-99	3.322	4.690	5.0
Nov-99	4.375	5.002	5.9
Dec-99	4.406	4.952	5.7
Jan-00	4.354	4.875	5.5
Feb-00	4.592	4.878	5.7
Mar-00	4.376	4.876	5.5
Apr-00	4.766	4.902	5.2
May-00	3.056	3.915	5
Jun-00	3.640	4.715	5.6
<b>Total-FY00</b>	<b>51.314</b>	<b>59.424</b>	<b>69.0</b>
Jul-00	4.085	4.872	5.5
Aug-00	3.663	4.849	9.3
Sep-00	3.318	3.926	5.0
Oct-00	3.158	3.466	4.6
Nov-00	3.147	4.783	5.3
Dec-00	3.518	4.854	5.4
Jan-01	3.651	4.616	5.2
Feb-01	4.149	4.682	5.4
Mar-01	4.181	4.349	4.8
Apr-01	3.873	4.466	5.1
May-01	3.280	3.802	6.3
Jun-01	3.445	4.246	5.0
<b>Total-FY01</b>	<b>43.468</b>	<b>52.911</b>	<b>66.900</b>
Jul-01	3.560	4.718	6.3
Aug-01	3.940	4.521	6.2
Sep-01	3.575	4.127	5.5
Oct-01	3.254	4.629	5.7
Nov-01	2.860	4.556	5.4
Dec-01	2.371	2.853	4.0
Jan-02	2.520	3.922	4.7
Feb-02	2.390	2.575	3.0
Mar-02	2.445	3.300	4.5
Apr-02	4.641	5.234	6.4
May-02	3.168	3.859	5.7
Jun-02	3.543	4.481	5.3
<b>Total-FY02</b>	<b>38.268</b>	<b>48.774</b>	<b>62.650</b>
<b>FY 00 - FY 02</b>			
<b>Average</b>	44.350	53.703	0.000

Lawton Valley Treatment Plant

	Flow		
	Average (MGD)	Max Day (MGD)	Max Hour (MGD)
Jul-99	5.397	7.692	8.0
Aug-99	5.023	7.926	8.0
Sep-99	4.620	6.079	8.0
Oct-99	4.207	5.073	8.0
Nov-99	2.191	2.987	6.0
Dec-99	1.802	3.753	6.0
Jan-00	2.045	3.111	8.0
Feb-00	1.367	3.133	8.0
Mar-00	1.693	3.86	8.0
Apr-00	1.542	2.03	6.0
May-00	4.431	5.944	8.0
Jun-00	4.428	5.395	8.0
<b>Total-FY00</b>	<b>38.746</b>	<b>56.983</b>	<b>90.0</b>
Jul-00	5.170	7.258	8.0
Aug-00	4.761	6.308	8.0
Sep-00	4.495	5.561	8.0
Oct-00	4.394	5.477	8.0
Nov-00	3.485	6.522	8.0
Dec-00	2.543	4.027	8.0
Jan-01	2.282	4.201	6.0
Feb-01	1.853	3.188	6.0
Mar-01	1.642	2.418	4.0
Apr-01	2.380	4.279	6.0
May-01	4.606	6.427	8.0
Jun-01	5.021	7.447	8.0
<b>Total-FY01</b>	<b>42.631</b>	<b>63.113</b>	<b>86.0</b>
Jul-01	5.591	6.966	8.0
Aug-01	5.438	7.252	8.0
Sep-01	4.625	5.936	6.0
Oct-01	4.206	5.556	6.0
Nov-01	4.035	5.614	8.0
Dec-01	4.106	5.548	8.0
Jan-02	3.743	4.806	6.0
Feb-02	3.473	5.097	8.0
Mar-02	3.796	5.516	8.0
Apr-02	1.691	3.922	8.0
May-02	4.518	6.186	8.0
Jun-02	4.644	6.421	8.0
<b>Total-FY02</b>	<b>49.866</b>	<b>68.820</b>	<b>90.0</b>
<b>FY 00 - FY 02</b>			
<b>Average</b>	43.748	62.972	0.000



Average and Peak Flow Data and Base/Extra Capacity Allocation Factors

Total	Flow		Supply and Treatment		Transmission and Distribution		
	Average (MGD)	Max Day (MGD)	Percentage		Percentage		
			Base	Max Day	Base	Max Day	Max Hour
Jul-99	10.58	14.030	100%		75%	25%	
Aug-99	9.57	13.888	100%		69%	31%	
Sep-99	9.32	10.398	100%		90%	10%	
Oct-99	7.53	9.763	100%		77%	23%	
Nov-99	6.57	7.989	100%		82%	18%	
Dec-99	6.21	8.705	100%		71%	29%	
Jan-00	6.40	7.986	100%		80%	20%	
Feb-00	5.96	8.011	100%		74%	26%	
Mar-00	6.07	8.736	100%		69%	31%	
Apr-00	6.31	6.932	100%		91%	9%	
May-00	7.49	9.859	100%		76%	24%	
Jun-00	8.07	10.110	100%		80%	20%	
<b>Average Flow</b>	<b>7.50</b>	<b>9.70</b>	<b>100%</b>	<b>0%</b>	<b>78%</b>	<b>22%</b>	<b>0%</b>
Jul-00	9.25	12.130	100%		76%	24%	
Aug-00	8.42	11.157	100%		76%	24%	
Sep-00	7.81	9.487	100%		82%	18%	
Oct-00	7.55	8.943	100%		84%	16%	
Nov-00	6.63	11.305	100%		59%	41%	
Dec-00	6.06	8.881	100%		68%	32%	
Jan-01	5.93	8.817	100%		67%	33%	
Feb-01	6.00	7.870	100%		76%	24%	
Mar-01	5.82	6.767	100%		86%	14%	
Apr-01	6.25	8.745	100%		72%	28%	
May-01	7.89	10.229	100%		77%	23%	
Jun-01	8.47	11.693	100%		72%	28%	
<b>Average Flow</b>	<b>7.17</b>	<b>9.67</b>	<b>100%</b>	<b>0%</b>	<b>75%</b>	<b>25%</b>	<b>0%</b>
Jul-01	9.15	11.684	100%		78%	22%	
Aug-01	9.38	11.773	100%		80%	20%	
Sep-01	8.20	10.063	100%		81%	19%	
Oct-01	7.46	10.185	100%		73%	27%	
Nov-01	6.89	10.170	100%		68%	32%	
Dec-01	6.48	8.401	100%		77%	23%	
Jan-02	6.26	8.728	100%		72%	28%	
Feb-02	5.86	7.672	100%		76%	24%	
Mar-02	6.24	8.816	100%		71%	29%	
Apr-02	6.33	9.156	100%		69%	31%	
May-02	7.69	10.044	100%		77%	23%	
Jun-02	8.19	10.902	100%		75%	25%	
<b>Average Flow</b>	<b>7.34</b>	<b>9.80</b>	<b>100%</b>	<b>0%</b>	<b>75%</b>	<b>25%</b>	<b>0%</b>
	7.341	9.723	100.00%	0.00%	75.80%	24.20%	0.00%

Portsmouth Master Meter

Data From PWFD				
Purchased Amount PWFD SCADA Calendar Month (Gal x 1000)	Days	Average Day Purchases PWFD SCADA (Gal x 1000)	Maximum Day Purchases PWFD SCADA (Gal x 1000)	
<b>FY-00</b>				
Jul-99	31	1,841	2,336	57,071
Aug-99	31	1,530	2,307	47,430
Sep-99	30	1,282	1,718	38,460
Oct-99	31	1,185	1,530	36,735
Nov-99	30	1,064	1,317	31,920
Dec-99	31	1,003	1,249	31,093
Jan-00	31	1,023	1,247	31,713
Feb-00	29	1,045	1,148	30,305
Mar-00	31	918	1,166	28,458
Apr-00	30	949	1,136	28,470
May-00	31	1,164	1,478	36,084
Jun-00	30	1,348	2,049	40,440
<b>Total-FY00</b>	<b>366</b>	<b>1,197</b>	<b>2,336</b>	<b>438,179</b>
<b>FY-01</b>				
Jul-00	31	1,623	2,155	50,313
Aug-00	31	1,270	1,533	39,370
Sep-00	30	1,169	1,623	35,070
Oct-00	31	1,206	1,716	37,386
Nov-00	30	1,067	1,243	32,010
Dec-00	31	1,027	1,154	31,837
Jan-01	31	1,007	1,587	31,217
Feb-01	28	981	1,189	27,468
Mar-01	31	977	1,163	30,287
Apr-01	30	1,040	1,389	31,200
May-01	31	1,594	2,420	49,414
Jun-01	30	1,567	2,140	47,010
<b>Total-FY01</b>	<b>365</b>	<b>1,213</b>	<b>2,420</b>	<b>442,582</b>
<b>FY-02</b>				
Jul-01	31	1,572	2,089	48,732
Aug-01	31	1,554	2,191	48,174
Sep-01	30	1,534	2,078	46,020
Oct-01	31	1,292	1,622	40,052
Nov-01	30	1,230	1,651	36,900
Dec-01	31	996	1,187	30,876
Jan-02	31	1,007	1,537	31,217
Feb-02	28	981	1,241	27,468
Mar-02	31	980	1,202	30,380
Apr-02	30	1,128	1,531	33,840
May-02	31	1,218	1,574	37,758
Jun-02	30	1,458	2,095	43,725
<b>Total-FY02</b>	<b>365</b>	<b>1,247</b>	<b>2,191</b>	<b>455,142</b>
<b>FY 00 - FY 02</b>				
<b>Average</b>		<b>1,219</b>	<b>2,420</b>	<b>445,301</b>

City of Newport, Rhode Island

Water Consumption By Class Summary

Schedule RFC 5-C

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	Average '99-'03	FY 2004
Tertiary and Monthly Consumption (1)							
Residential (T&M)	633,858	682,937	698,765	773,853	779,444	713,771	719,012
Commercial (T&M)	668,656	703,460	620,182	561,576	564,052	623,585	628,164
Governmental (T&M)	14,021	20,634	20,197	19,222	19,132	18,641	18,778
Navy (M)	481,854	466,167	450,247	307,051	348,222	410,709	413,724
PW&FD (M)	298,876	464,054	442,387	439,326	447,802	418,489	421,562
Metered, Sundry Billed (2)							
Residential	3,161	3,452	3,279	5,140	3,891	3,785	3,813
Customer	1,066	2,414	1,152	1,213	1,353	1,440	1,450
	2,101,492	2,343,118	2,236,210	2,107,382	2,163,896	2,190,420	2,206,503
% Compound Growth Rate						0.73%	

Water Consumption By Block Summary

	FY 2000	FY 2001	FY 2002	Average '00-'02	FY 2003 (3)	FY 2004 (3)
Monthly Customers						
>14,000 gallons	61,522,039	61,267,638	61,481,951	61,423,876	61,874,879	62,329,193
<14,000 gallons	458,067,942	429,267,776	428,382,503	438,572,740	441,792,945	445,036,794
Tertiary Customers						
>56,000 gallons	729,196,467	702,796,665	707,345,602	713,112,911	718,348,918	723,623,369
<56,000 gallons	159,063,497	146,124,451	157,100,025	154,095,991	155,227,435	156,367,187
Total	1,407,849,945	1,339,456,530	1,354,310,081	1,367,205,519	1,377,244,177	1,387,356,544

Total Consumption Growth Rate By Customer Class

0.73%

(1) Consumption for retail classes, the Navy and Portsmouth Water & Fire District averaged from FY 1999 through FY 2003. Overall compound growth percentage in consumption applied to average for each customer class to obtain estimate of FY 2004 consumption.

(2) Metered Sundry consumption represents consumption by customers at public points throughout system that is allowed by Newport (fire hydrants, treatment plant connection, etc.). Billed at Block 1 rate, \$3.73/1,000 gallons. Not included in Schedule RFC 5-C1.

(3) Growth rate applied to obtain FY 2003 block consumption amounts for monthly and tertiary customers from total consumption growth rate by customer class. Block consumption applied to existing rates to determine revenue from existing rates as shown in Schedule 6, Revenue Proof.

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

FY 1999 (thousand gallons)														
Customer Class	July	August	September	October	November	December	January	February	March	April	May	June	Average	Annual
Unclassified (1) Middletown														
Residential														
Newport	9,655	44,886	43,557	56,954	11,766	39,147	32,804	40,730	9,215	34,820	29,704	42,453	32,974	395,691
Middletown	18,964	19,505	24,353	21,404	19,951	16,370	18,929	18,326	16,414	16,575	18,697	19,726	19,101	229,215
Combined	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Portsmouth	0	3,059	0	39	0	3,021	0	35	0	2,721	0	33	742	8,907
Residential Total	28,619	67,456	67,910	78,405	31,716	58,544	51,732	59,102	25,632	54,122	48,401	62,216	52,821	633,858
Commercial														
Newport	56,507	34,660	48,942	42,467	51,375	21,730	37,852	32,119	36,297	22,161	39,181.06	44,946	39,020	468,238
Middletown	21,200	24,964	12,999	14,580	16,991	14,717	10,820	10,174	16,522	15,100	11,836.81	15,543	15,454	185,447
Portsmouth	1,377	2,271	1,873	1,324	952	826	724	765	786	1,090	1,185	1,798	1,248	14,971
Commercial Total	79,085	61,895	63,814	58,371	69,318	37,273	49,396	43,058	53,604	38,351	52,203	62,288	55,721	668,656
Governmental-Gen														
Newport	109	211	117	112	89	90	89	93	90	84	71	78	103	1,232
Middletown	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Governmental-City														
Combined	0	0	0	11	0	0	0	13	0	0	0	17	3	41
Newport	4,566	0	0	0	4,888	0	0	0	3,293	0	0	0	1,062	12,748
Governmental Total	4,675	211	117	123	4,977	90	89	106	3,384	84	71	95	1,168	14,021
Newport Water Total	112,379	129,562	131,842	136,899	106,011	95,908	101,218	102,266	82,620	92,557	100,674	124,599	109,711	1,316,534
Navy														
Newport	12,678	14,455	14,361	14,003	11,809	8,925	8,670	8,259	7,495	8,246	8,426	10,247	10,631	127,574
Middletown	27,785	27,450	27,437	25,208	28,716	27,276	27,626	34,775	23,757	27,501	28,224	31,162	28,076	336,917
Portsmouth	1,861	835	652	1,338	1,395	1,414	1,375	1,590	1,808	1,790	1,756	1,550	1,447	17,364
Navy Total	42,323	42,739	42,450	40,548	41,920	37,615	37,671	44,624	33,060	37,537	38,407	42,959	40,155	481,854
Portsmouth Water and Fire														
Portsmouth	18,866	28,794	21,808	26,884	15,519	21,202	20,568	19,400	17,774	20,588	33,488	53,986	24,906	298,876
Portsmouth Total	18,866	28,794	21,808	26,884	15,519	21,202	20,568	19,400	17,774	20,588	33,488	53,986	24,906	298,876
<b>System Metered Total</b>	<b>173,568</b>	<b>201,095</b>	<b>196,099</b>	<b>204,331</b>	<b>163,450</b>	<b>154,725</b>	<b>159,457</b>	<b>166,290</b>	<b>133,454</b>	<b>150,682</b>	<b>172,569</b>	<b>221,545</b>	<b>174,772</b>	<b>2,097,265</b>

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

Customer Class	FY2000 (thousand gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
Unclassified (1) Middletown														
Residential														
Newport	0	9	0	7	0	6	0	10.5	0	7	0	12.9	4	52
Middletown	12,493	50,685	48,890	63,537	12,218	41,996	34,421	41,531	10,058	36,893	30,043	41,796	35,380	424,560
Combined	21,615	23,400	27,070	22,524	22,256	18,113	20,260	18,353	18,338	17,353	19,692	20,211	20,765	249,183
Portsmouth	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Portsmouth	0	3,198	0	45	0	2,959	0	30	0	2,884	0	26	762	9,141
Residential Total	34,108	77,291	75,959	86,114	34,473	63,074	54,681	59,924	28,396	57,136	49,735	62,046	56,911	682,937
Commercial														
Newport	57,011	30,393	52,540	45,770	52,045	25,917	37,120	34,925	41,646	21,762	41081.25	40,700	40,076	480,910
Middletown	29,330	31,530	18,253	13,209	17,434	18,923	10,068	10,759	16,340	15,502	11720.78	13,053	17,177	206,123
Portsmouth	2,228	1,802	2,370	1,519	907	875	856	984	896	1,192	1346	1,451	1,369	16,427
Commercial Total	88,570	63,725	73,163	60,498	70,386	45,715	48,044	46,669	58,882	38,456	54,148	55,203	58,622	703,460
Governmental-Gen														
Newport	90	49	168	96	125	79	103	96	91	77	61	110	95	1,144
Middletown	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Governmental-City														
Combined	0	0	0	16	0	0	0	12	0	0	0	17	4	45
Newport	4,748	0	0	0	8,155	0	0	0	6,543	0	0	0	1,620	19,446
Governmental Total	4,838	49	168	112	8,280	79	103	108	6,634	77	61	127	1,720	20,634
Newport Water Total	127,516	141,065	149,290	146,723	113,139	108,868	102,829	106,700	93,912	95,669	103,944	117,376	117,253	1,407,031
Navy														
Newport	10,950	11,947	11,413	10,764	9,984	7,764	8,933	5,788	7,852	8,687	10,255	11,594	9,661	115,932
Middletown	31,074	34,908	26,623	14,866	27,784	24,299	23,656	28,790	25,212	25,673	25,516	22,328	25,894	310,728
Portsmouth	1,395	1,594	1,869	3,754	4,500	4,154	3,579	3,627	4,010	3,785	3,619	3,624	3,292	39,507
Navy Total	43,419	48,449	39,905	29,384	42,268	36,216	36,167	38,205	37,074	38,144	39,390	37,546	38,847	466,167
Portsmouth Water and Fire														
Portsmouth	66,163	45,025	55,594	50,310	35,217	28,458	31,535	32,972	20,449	30,164	30,794	37,374	38,671	464,054
Portsmouth Total	66,163	45,025	55,594	50,310	35,217	28,458	31,535	32,972	20,449	30,164	30,794	37,374	38,671	464,054
<b>System Metered Total</b>	<b>237,098</b>	<b>234,539</b>	<b>244,789</b>	<b>226,416</b>	<b>190,624</b>	<b>173,542</b>	<b>170,530</b>	<b>177,877</b>	<b>151,435</b>	<b>163,977</b>	<b>174,128</b>	<b>192,296</b>	<b>194,771</b>	<b>2,337,252</b>

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

Customer Class	FY2001 (thousand gallons)												Average	Annual	
	July	August	September	October	November	December	January	February	March	April	May	June			
Unclassified (1) Middletown															
Residential	0	6	0	12	0	6	0	10	0	7	0	9	4	50	
Newport	10,467	46,098	45,528	54,787	11,871	37,145	46,521	52,410	22,217	34,108	40,914	51,012	37,756	453,077	
Middletown	20,702	20,666	25,566	20,251	19,644	22,759	16,753	18,135	16,681	20,808	15,930	19,263	19,763	237,159	
Combined	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Portsmouth	0	3,060	0	26	0	2,751	0	26	0	2,584	0	33	707	8,480	
Residential Total	31,169	69,830	71,093	75,076	31,515	62,661	63,274	70,581	38,898	57,507	56,844	70,317	58,230	698,765	
Commercial															
Newport	57,773	31,755	47,496	43,362	53,707	20,575	27,216	23,018	26,048	23,866	28,475	32,856	34,679	416,144	
Middletown	21,795	26,020	13,256	11,969	18,455	12,165	15,744	10,967	15,815	12,118	14,499	16,959	15,814	189,762	
Portsmouth	1,625	1,852	1,360	1,037	1,033	962	744	924	751	1,126	1,202	1,661	1,190	14,275	
Commercial Total	81,192	59,627	62,111	56,368	73,195	33,702	43,704	34,909	42,614	37,109	44,176	51,476	51,682	620,182	
Governmental-Gen															
Newport	91	111	41	133	77	76	108	56	81	71	69	65	81	978	
Middletown	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Governmental-City															
Combined	0	0	0	12	0	0	0	24	0	0	0	24	5	60	
Newport	4,675	0	0	0	7,723	0	0	0	6,761	0	0	0	1,597	19,159	
Governmental Total	4,766	111	41	145	7,800	76	108	80	6,843	71	69	89	1,683	20,197	
Newport Water Total	117,127	129,568	133,246	131,588	112,509	96,439	107,085	105,570	88,355	94,687	101,089	121,881	111,595	1,339,144	
Navy															
Newport	14,542	15,937	14,240	7,830	10,038	9,225	9,332	9,742	8,951	10,085	10,760	14,169	11,238	134,851	
Middletown	21,300	20,629	18,544	18,857	23,267	23,823	28,227	28,624	24,250	24,530	22,403	16,267	22,560	270,720	
Portsmouth	3,622	3,792	4,200	3,700	3,703	3,763	3,844	3,824	3,795	3,666	3,417	3,348	3,723	44,676	
Navy Total	39,464	40,358	36,984	30,387	37,008	36,810	41,403	42,191	36,996	38,281	36,579	33,784	37,521	450,247	
Portsmouth Water and Fire															
Portsmouth	44,559	46,743	38,996	31,191	31,572	37,905	28,604	32,329	23,602	33,572	37,396	55,918	36,866	442,387	
Portsmouth Total	44,559	46,743	38,996	31,191	31,572	37,905	28,604	32,329	23,602	33,572	37,396	55,918	36,866	442,387	
System Metered Total	201,150	216,669	209,226	193,167	181,090	171,154	177,093	180,090	148,953	166,540	175,064	211,583	185,982	2,231,779	

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

FY 2002 (thousand gallons)														
Customer Class	July	August	September	October	November	December	January	February	March	April	May	June	Average	Annual
Unclassified (1) Middletown	89													
Residential	0	8	0	11	0	7	0	11	0	10	0	9	5	56
Newport	25,923	44,007	60,472	67,255	28,042	38,200	48,686	49,219	22,009	32,296	45,623	52,607	42,862	514,339
Middletown	21,131	33,600	19,005	20,863	21,305	26,143	16,964	17,576	18,314	21,090	15,482	19,296	20,898	250,771
Combined	0	0	0	0	0	0	0	22	0	0	0	25	2	28
Portsmouth	0	2,994	0	48	0	2,941	0	0	0	2,677	0	0	722	8,659
Residential Total	47,054	80,609	79,477	88,177	49,347	67,290	65,650	66,828	40,323	56,073	61,105	71,937	64,488	773,853
Commercial														
Newport	40,960	37,062	37,203	32,307	33,983	20,720	27,740	24,251	27,009	22,950	28,806	28,743	30,145	361,734
Middletown	21,024	16,196	20,291	15,496	17,942	11,154	14,264	10,300	17,834	11,808	17,695	11,266	15,439	185,271
Portsmouth	1,466	1,818	1,939	1,716	843	938	851	746	751	1,223	1,186	1,093	1,214	14,570
Commercial Total	63,450	55,077	59,434	49,518	52,768	32,812	42,855	35,297	45,594	35,980	47,687	41,102	46,798	561,576
Governmental-Gen														
Newport	95	101	84	64	95	56	64	51	48	79	73	67	73	876
Middletown	4	0	0	0	1	0	0	0	0	0	0	0	0	5
Governmental-City														
Combined	0	0	0	27	0	0	0	0	0	0	0	0	2	27
Newport	6,356	0	0	0	8,047	0	0	0	3,911	0	0	0	1,526	18,314
Governmental Total	6,455	101	84	91	8,143	56	64	51	3,959	79	73	67	1,602	19,222
Newport Water Total	116,959	135,787	138,995	137,786	110,257	100,158	108,569	102,176	89,877	92,133	108,865	113,106	112,888	1,354,651
Navy														
Newport	13,899	15,081	16,177	9,805	9,970	9,588	9,175	9,013	8,420	9,456	10,013	10,469	10,922	131,066
Middletown	14,021	13,627	12,724	9,827	16,610	15,627	17,831	15,505	14,676	15,304	15,942	13,471	14,597	175,165
Portsmouth	99	13	7	40	187	193	239	8	5	6	10	13	68	820
Navy Total	28,019	28,721	28,908	19,672	26,767	25,408	27,245	24,526	23,101	24,766	25,965	23,953	25,588	307,051
Portsmouth Water and Fire														
Portsmouth	46,524	47,580	43,803	49,329	32,094	35,919	32,375	21,822	27,178	34,486	32,237	35,979	36,611	439,326
Portsmouth Total	46,524	47,580	43,803	49,329	32,094	35,919	32,375	21,822	27,178	34,486	32,237	35,979	36,611	439,326
<b>System Metered Total</b>	<b>191,503</b>	<b>212,089</b>	<b>211,706</b>	<b>206,788</b>	<b>169,118</b>	<b>161,486</b>	<b>168,189</b>	<b>148,524</b>	<b>140,156</b>	<b>151,385</b>	<b>167,067</b>	<b>209,017</b>	<b>175,086</b>	<b>2,101,029</b>

City of Newport, Rhode Island

Schedule RFC 5-C1

Consumption Data From City of Newport  
By Customer Class

Customer Class	FY 2003 (thousand gallons)												Average	Annual	Average '00-'02 Annual Consumption		
	July	August	September	October	November	December	January	February	March	April	May	June					
Unclassified (1) Middletown								0									
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41
Newport	24,971	44,318	62,181	70,020	29,282	39,176	45,456	52,590	22,318	32,903	43,707	48,343	42,939	515,267	460,587		
Middletown	22,215	36,574	20,486	22,017	20,934	25,290	16,478	18,455	17,765	21,994	15,570	17,571	21,279	255,351	244,336		
Combined	0	0	0	30	0	3,100	0	23	0	0	0	21	163	1,951	396		
Portsmouth	0	3,741	0	0	0	0	0	0	0	3,135	0	0	573	6,875	8,413		
Residential Total	47,186	84,634	82,667	92,067	50,216	67,566	61,934	71,068	40,084	58,032	59,277	65,936	64,954	779,444	713,771		
Commercial																	
Newport	47,803	42,141	36,578	33,849	35,923	23,849	23,038	22,582	26,578	23,395	30,752	31,253	31,478	377,741	420,953		
Middletown	24,427	1,976	18,802	15,228	17,723	11,875	14,212	11,601	16,876	11,907	14,823	14,225	14,473	173,675	188,056		
Portsmouth	1,566	1,651	1,512	1,474	868	851	602	857	661	836	837	920	1,053	12,636	14,576		
Commercial Total	73,796	45,767	56,893	50,551	54,513	36,574	37,852	35,040	44,115	36,139	46,412	46,398	47,004	564,052	623,585		
Governmental-Gen																	
Newport	65	17	111	96	59	39	50	35	34	40	40	38	52	624	971		
Middletown	7	0	0	0	0	0	0	0	0	0	0	0	1	7	2		
Governmental-City																	
Combined	0	0	0	0	0	0	0	0	0	0	0	0	0	0	35		
Newport	6,348	0	0	0	6,408	0	0	0	5,746	0	0	0	1,542	18,501	17,634		
Governmental Total	6,420	17	111	96	6,467	39	50	35	5,780	40	40	38	1,594	19,132	18,641		
Newport Water Total	127,402	130,418	139,671	142,714	111,196	104,179	99,836	106,143	89,979	94,211	105,730	112,372	113,552	1,362,627	1,355,998		
Navy																	
Newport	3,495	19,054	11,879	10,961	6,496	7,921	16,342	8,894	9,529	11,722	10,398	11,146	10,653	127,837	127,452		
Middletown	17,014	17,326	15,166	17,345	12,190	18,693	23,857	18,567	18,366	22,037	17,484	18,355	18,033	216,398	261,986		
Portsmouth	179	0	64	4	4	5	0	0	9	151	1,648	1,923	332	3,987	21,271		
Navy Total	20,688	36,380	27,110	28,310	18,690	26,618	40,199	27,461	27,904	33,910	29,530	31,424	29,019	348,222	410,709		
Portsmouth Water and Fire																	
Portsmouth	34,108	65,000	35,290	62,907	28,370	35,560	29,360	27,960	27,290	37,170	32,237	32,550	37,317	447,802	418,489		
Portsmouth Total	34,108	65,000	35,290	62,907	28,370	35,560	29,360	27,960	27,290	37,170	32,237	32,550	37,317	447,802	418,489		
<b>System Metered Total</b>	<b>182,198</b>	<b>231,798</b>	<b>202,070</b>	<b>233,931</b>	<b>158,256</b>	<b>166,357</b>	<b>169,395</b>	<b>161,564</b>	<b>145,173</b>	<b>165,290</b>	<b>167,497</b>	<b>176,346</b>	<b>179,888</b>	<b>2,158,652</b>	<b>2,185,195</b>		



Docket No. #####

City of Newport, Rhode Island

Consumption Data From Newport  
By Consumption Block

Schedule RFC 5-C2

Customer Class	FY2000 (gallons)											Average	Annual	
	July	August	September	October	November	December	January	February	March	April	May			June
<b>Tertiary</b>														
Residential														
Newport														
<56,000	22,539,050	38,165,958	51,493,142	56,216,626	23,273,849	33,831,131	41,462,598	43,452,071	19,506,739	30,712,900	36,890,799	44,504,061	36,837,410	442,048,924
>56,000	3,397,714	5,005,475	10,635,152	15,432,410	4,109,231	2,816,901	3,670,178	5,651,732	2,202,344	1,734,056	2,969,720	5,513,651	5,261,547	63,138,564
Total	25,936,764	43,171,433	62,128,294	71,649,036	27,383,080	36,648,032	45,132,776	49,103,803	21,709,083	32,446,956	39,860,519	50,017,712		
Middletown														
<56,000	19,509,039	25,561,226	18,664,466	20,000,238	18,969,417	20,511,621	15,013,897	16,740,211	16,542,726	20,073,305	14,600,760	17,874,767	18,671,806	224,061,673
>56,000	1,381,868	8,447,530	1,938,063	1,642,988	2,425,812	2,805,502	1,217,762	903,076	1,286,140	848,225	1,481,888	1,490,278	2,155,761	25,869,132
Total	20,890,907	34,008,756	20,602,529	21,643,226	21,395,229	23,317,123	16,231,659	17,643,287	17,828,866	20,921,530	16,082,648	19,365,045		
Portsmouth														
<56,000		3,148,070		45,000		2,901,411		30,000		2,810,182		26,000	1,493,444	8,960,663
>56,000		49,438		0		57,419		0		64,525		0	28,564	171,382
Total		3,197,508		45,000		2,958,830		30,000		2,874,707		26,000		
Total <56,000	42,048,089	66,875,254	70,157,608	76,261,864	42,243,266	57,244,163	56,476,495	60,222,282	36,049,465	53,596,387	51,491,559	62,404,828	57,002,660	675,071,260
Total >56,000	4,779,582	13,502,443	12,573,215	17,075,398	6,535,043	5,679,822	4,887,940	6,554,808	3,488,484	2,646,806	4,451,608	7,003,929	7,445,872	89,179,078
Residential Total	46,827,671	80,377,697	82,730,823	93,337,262	48,778,309	62,923,985	61,364,435	66,777,090	39,537,949	56,243,193	55,943,167	69,408,757	64,448,532	764,250,338
Commercial														
Newport														
<56,000	4,800,678	1,557,426	2,815,103	1,341,038	5,107,573	1,360,339	2,476,264	1,862,532	3,914,005	1,329,149	2,386,070	1,819,540	2,564,143	30,769,717
>56,000	4,433,558	1,591,853	2,625,800	3,994,950	7,008,890	840,500	1,068,100	2,884,115	3,254,540	596,000	905,100	2,057,488	2,605,075	31,260,894
Total	9,234,236	3,149,279	5,440,903	5,335,988	12,116,463	2,200,839	3,544,364	4,746,647	7,168,545	1,925,149	3,291,170	3,877,028		
Middletown														
<56,000	2,798,300	579,873	2,451,497	700,120	2,564,651	527,662	2,205,598	576,169	2,519,524	480,910	2,294,294	674,092	1,531,058	18,372,690
>56,000	5,344,380	1,208,100	4,015,600	181,000	4,532,800	1,290,600	1,822,850	133,200	3,880,850	756,700	1,314,850	176,100	2,054,753	24,657,030
Total	8,142,680	1,787,973	6,467,097	881,120	7,097,451	1,818,262	4,028,448	709,369	6,400,374	1,237,610	3,609,144	850,192		
Portsmouth														
<56,000		0				0				9,000			3,000	9,000
>56,000										0			0	0
Total	0	0	0	0	0	0	0	0	0	9,000	0	0		
Total <56,000	7,598,978	2,137,299	5,266,600	2,041,158	7,672,224	1,888,001	4,681,862	2,438,701	6,433,529	1,819,059	4,680,364	2,493,632	4,098,201	49,151,407
Total >56,000	9,777,938	2,799,953	6,641,400	4,175,950	11,541,690	2,131,100	2,890,950	3,017,315	7,135,390	1,352,700	2,219,950	2,233,588	4,659,827	55,917,924
Commercial Total	17,376,916	4,937,252	11,908,000	6,217,108	19,213,914	4,019,101	7,572,812	5,456,016	13,568,919	3,171,759	6,900,314	4,727,220	8,758,028	105,069,331

Docket No. #####

City of Newport, Rhode Island

Consumption Data From Newport  
By Consumption Block

Schedule RFC 5-C2

Customer Class	FY2000 (gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
Governmental-Gen														
Newport														
<56,000	100				1,350								725	1,450
>56,000	0				0								0	0
Total	100				1,350									
Middletown														
<56,000	4,300				27,800								16,050	32,100
>56,000	0				0								0	0
Total	4,300				27,800									
Governmental-City														
Combined														
<56,000				16,000				12,000				17,000	15,000	45,000
>56,000				0				0				0	0	0
Total				16,000				12,000				17,000		
Newport														
<56,000	1,627,350				1,778,850				1,483,650	1,800	1,800	1,800	815,875	4,895,250
>56,000	2,963,623				6,068,190				4,934,682	0	0	0	2,327,749	13,966,495
Total	4,590,973	0	0	0	7,847,040	0	0	0	6,418,332	1,800	1,800	1,800		
Total <56,000	1,631,750	0	0	16,000	1,808,000	0	0	12,000	1,483,650	1,800	1,800	18,800	847,650	4,973,800
Total >56,000	2,963,623	0	0	0	6,068,190	0	0	0	4,934,682	0	0	0	2,327,749	13,966,495
Govern. Total	4,595,373	0	0	16,000	7,876,190	0	0	12,000	6,418,332	1,800	1,800	18,800	3,175,399	18,940,295
Tertiary Total <56,000	51,278,817	69,012,553	75,424,208	78,319,022	51,723,490	59,132,164	61,158,357	62,672,983	43,966,644	55,417,246	56,173,723	64,917,260	61,948,511	729,196,467
Tertiary Total >56,000	17,521,143	16,302,396	19,214,615	21,251,348	24,144,923	7,810,922	7,778,890	9,572,123	15,558,556	3,999,506	6,671,558	9,237,517	14,433,448	159,063,497
Total-Tertiary Customers	68,799,960	85,314,949	94,638,823	99,570,370	75,868,413	66,943,086	68,937,247	72,245,106	59,525,200	59,416,752	62,845,281	74,154,777	76,381,959	888,259,964

Docket No. #####

City of Newport, Rhode Island

Consumption Data From Newport  
By Consumption Block

Schedule RFC 5-C2

Customer Class	FY2000 (gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Monthly</b>														
<b>Residential</b>														
Newport														
<14,000	452,200	457,600	452,900	452,300	418,500	428,150	415,100	435,200	432,300	434,150	398,650	421,500	433,213	5,198,550
>14,000	2,129,400	2,606,900	1,990,300	2,557,300	2,040,700	2,196,700	1,286,475	1,691,863	2,138,969	1,912,917	1,471,156	1,259,254	1,940,161	23,281,934
Total	2,581,600	3,064,500	2,443,200	3,009,600	2,459,200	2,624,850	1,701,575	2,127,063	2,571,269	2,347,067	1,869,806	1,680,754		
Middletown														
<14,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	336,000
>14,000	173,900	75,000	99,800	86,300	90,300	81,200	105,800	123,500	93,900	144,000	148,300	151,500	114,458	1,373,500
Total	201,900	103,000	127,800	114,300	118,300	109,200	133,800	151,500	121,900	172,000	176,300	179,500		
Portsmouth														
<14,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
>14,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total <14,000	480,200	485,600	480,900	480,300	446,500	456,150	443,100	463,200	460,300	462,150	426,650	449,500	461,213	5,534,550
Total >14,000	2,303,300	2,681,900	2,090,100	2,643,600	2,131,000	2,277,900	1,392,275	1,815,363	2,232,869	2,056,917	1,619,456	1,410,754	2,054,620	24,655,434
Residential Total	2,783,500	3,167,500	2,571,000	3,123,900	2,577,500	2,734,050	1,835,375	2,278,563	2,693,169	2,519,067	2,046,106	1,860,254	2,515,832	30,189,984
<b>Commercial</b>														
Newport														
<14,000	2,489,778	2,455,526	2,465,516	2,377,164	2,214,715	2,202,665	2,199,215	2,050,715	2,113,565	2,202,015	2,389,415	2,454,140	2,301,202	27,614,429
>14,000	29,419,551	29,239,022	28,951,817	26,935,495	20,395,781	24,231,756	18,962,617	18,428,897	18,548,090	20,012,022	23,713,634	24,480,387	23,609,922	283,319,069
Total	31,909,329	31,694,548	31,417,333	29,312,659	22,610,496	26,434,421	21,161,832	20,479,612	20,661,655	22,214,037	26,103,049	26,934,527		
Middletown														
<14,000	2,192,800	2,168,500	2,192,300	2,163,025	2,105,600	2,101,223	2,033,212	2,038,350	2,055,600	2,079,150	2,182,775	2,205,825	2,126,530	25,518,360
>14,000	19,512,362	17,205,012	15,932,962	10,931,677	8,945,127	9,662,686	7,901,086	8,569,287	8,271,437	8,416,937	9,361,700	10,667,366	11,281,470	135,377,639
Total	21,705,162	19,373,512	18,125,262	13,094,702	11,050,727	11,763,909	9,934,298	10,607,637	10,327,037	10,496,087	11,544,475	12,873,191		
Portsmouth														
<14,000	283,600	254,000	265,300	237,900	154,700	137,500	143,200	139,700	140,000	249,650	247,820	236,530	207,492	2,489,900
>14,000	1,944,400	1,548,400	2,104,900	1,280,800	752,200	737,900	713,200	844,600	755,700	942,100	1,098,500	1,214,300	1,161,417	13,937,000
Total	2,228,000	1,802,400	2,370,200	1,518,700	906,900	875,400	856,400	984,300	895,700	1,191,750	1,346,320	1,450,830		
Total <14,000	4,966,178	4,878,026	4,923,116	4,778,089	4,475,015	4,441,388	4,375,627	4,228,765	4,309,165	4,530,815	4,820,010	4,896,495	4,635,224	55,622,689
Total >14,000	50,876,313	47,992,434	46,989,679	39,147,972	30,093,108	34,632,342	27,576,903	27,842,784	27,575,227	29,371,059	34,173,834	36,362,053	36,052,809	432,633,708
Commercial Total	55,842,491	52,870,460	51,912,795	43,926,061	34,568,123	39,073,730	31,952,530	32,071,549	31,884,392	33,901,874	38,993,844	41,258,548	40,688,033	488,256,397

Docket No. #####

City of Newport, Rhode Island

Consumption Data From Newport  
By Consumption Block

Schedule RFC 5-C2

Customer Class	FY2000 (gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
Governmental-Gen														
Newport														
<14,000	28,000	14,000	28,000	28,000	36,050	31,010	35,740	35,700	36,900	31,900	24,600	34,900	30,400	364,800
>14,000	62,000	34,600	139,500	67,700	88,800	47,800	67,700	60,100	54,200	44,700	36,300	75,400	64,900	778,800
Total	90,000	48,600	167,500	95,700	124,850	78,810	103,440	95,800	91,100	76,600	60,900	110,300		
Middletown														
<14,000														
>14,000														
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Governmental-City														
Combined														
<14,000														
>14,000														
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Newport														
<14,000														
>14,000														
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total <14,000	28,000	14,000	28,000	28,000	36,050	31,010	35,740	35,700	36,900	31,900	24,600	34,900	30,400	364,800
Total >14,000	62,000	34,600	139,500	67,700	88,800	47,800	67,700	60,100	54,200	44,700	36,300	75,400	64,900	778,800
Governmental Total	90,000	48,600	167,500	95,700	124,850	78,810	103,440	95,800	91,100	76,600	60,900	110,300	95,300	1,143,600
Monthly Total <14,000	5,474,378	5,377,626	5,432,016	5,286,389	4,957,565	4,928,548	4,854,467	4,727,665	4,806,365	5,024,865	5,271,260	5,380,895	5,126,837	61,522,039
Monthly Total >14,000	53,241,613	50,708,934	49,219,279	41,859,272	32,312,908	36,958,042	29,036,878	29,718,247	29,862,296	31,472,676	35,829,590	37,848,207	38,172,329	458,067,942
Total-Monthly Customers	58,715,991	56,086,560	54,651,295	47,145,661	37,270,473	41,886,590	33,891,345	34,445,912	34,668,661	36,497,541	41,100,850	43,229,102	43,299,165	519,589,981
<b>Newport Total</b>	127,515,951	141,401,509	149,290,118	146,716,031	113,138,886	108,829,676	102,828,592	106,691,018	94,193,861	95,914,293	103,946,131	117,383,879	119,681,124	1,407,849,945
<b>Other Customers</b>														
<u>Monthly</u>														
Navy (1)														
Newport	10,950,480	11,947,400	11,413,100	10,764,300	9,984,100	7,764,000	8,932,800	5,788,000	7,852,300	8,686,500	10,254,630	11,594,350	9,660,997	115,931,960
Middletown	31,074,000	34,908,000	26,623,000	14,866,000	27,784,000	24,298,500	23,655,500	28,790,000	25,212,000	25,673,000	25,516,000	22,328,000	25,894,000	310,728,000
Portsmouth	1,394,600	1,593,700	1,868,600	3,753,500	4,500,000	4,153,800	3,578,600	3,626,600	4,010,000	3,784,700	3,619,400	3,623,900	3,292,283	39,507,400
Navy Total	43,419,080	48,449,100	39,904,700	29,383,800	42,268,100	36,216,300	36,166,900	38,204,600	37,074,300	38,144,200	39,390,030	37,546,250	38,847,280	466,167,360
Portsmouth Water and Fire (1)														
Portsmouth	66,163,000	45,025,000	55,594,000	50,309,500	35,216,924	28,458,000	31,535,000	32,971,600	20,449,000	30,164,000	30,794,000	37,374,000	38,671,169	464,054,024
Portsmouth Total	66,163,000	45,025,000	55,594,000	50,309,500	35,216,924	28,458,000	31,535,000	32,971,600	20,449,000	30,164,000	30,794,000	37,374,000	38,671,169	464,054,024

(1) Consumption Block does not apply. Single rate for wholesale customers applies (Navy = \$2.0873 per 1,000 gallons; Portsmouth = \$1.658 per 1,000 gallons).

Docket No. #####

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2001												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Tertiary</b>														
Residential														
Newport														
<56,000	21,974,272	36,889,816	49,287,184	50,697,956	22,181,244	32,685,065	40,698,593	43,826,650	18,255,075	29,376,275	36,857,835	43,188,136	35,493,175	425,918,101
>56,000	3,490,743	3,852,908	8,187,740	12,027,529	4,194,906	2,516,114	3,958,145	6,918,221	2,146,318	3,025,833	2,445,403	5,934,813	4,891,556	58,698,673
Total	25,465,015	40,742,724	57,474,924	62,725,485	26,376,150	35,201,179	44,656,738	50,744,871	20,401,393	32,402,108	39,303,238	49,122,949		
Middletown														
<56,000	18,551,028	23,607,696	17,545,931	18,526,692	17,686,646	20,105,632	15,206,739	16,564,028	15,502,316	19,924,367	14,576,376	17,955,841	17,979,441	215,753,292
>56,000	1,421,088	4,776,705	1,534,866	892,557	1,230,886	2,502,804	1,370,962	1,417,591	1,070,579	757,247	1,214,024	940,897	1,594,184	19,130,206
Total	19,972,116	28,384,401	19,080,797	19,419,249	18,917,532	22,608,436	16,577,701	17,981,619	16,572,895	20,681,614	15,790,400	18,896,738		
Portsmouth														
<56,000		2,933,696		26,000		2,710,026		26,000		2,566,678		33,000	1,382,567	8,295,400
>56,000		120,070		0		41,333		0		17,000		0	29,734	178,403
Total		3,053,766		26,000		2,751,359		26,000		2,583,678		33,000		
Total <56,000	40,525,300	63,431,208	66,833,115	69,250,648	39,867,890	55,500,723	55,905,332	60,416,678	33,757,391	51,867,320	51,434,211	61,176,977	54,855,183	649,966,793
Total >56,000	4,911,831	8,749,683	9,722,606	12,920,086	5,425,792	5,060,251	5,329,107	8,335,812	3,216,897	3,800,080	3,659,427	6,875,710	6,515,474	78,007,282
Residential Total	45,437,131	72,180,891	76,555,721	82,170,734	45,293,682	60,560,974	61,234,439	68,752,490	36,974,288	55,667,400	55,093,638	68,052,687	61,370,657	727,974,075
Commercial														
Newport														
<56,000	4,997,928	1,501,821	2,611,664	1,280,186	5,077,228	1,332,472	2,323,253	1,829,303	4,055,173	1,203,083	2,137,538	1,756,025	2,508,806	30,105,674
>56,000	5,049,778	1,492,760	1,887,150	4,287,737	6,801,950	1,072,030	1,220,028	1,660,713	2,498,550	489,200	647,350	1,787,475	2,407,893	28,894,721
Total	10,047,706	2,994,581	4,498,814	5,567,923	11,879,178	2,404,502	3,543,281	3,490,016	6,553,723	1,692,283	2,784,888	3,543,500		
Middletown														
<56,000	2,625,476	522,530	2,457,466	629,162	2,598,625	552,662	2,267,684	606,052	2,481,437	514,471	2,210,693	672,190	1,511,537	18,138,448
>56,000	4,800,050	735,300	4,027,250	203,000	5,693,400	690,950	1,891,800	160,100	4,802,000	468,350	1,205,050	186,900	2,072,013	24,864,150
Total	7,425,526	1,257,830	6,484,716	832,162	8,292,025	1,243,612	4,159,484	766,152	7,283,437	982,821	3,415,743	859,090		
Portsmouth														
<56,000		6,000				3,000				8,000			5,667	17,000
>56,000										0			0	0
Total	0	6,000	0	0	0	3,000	0	0	0	8,000	0	0		
Total <56,000	7,623,404	2,030,351	5,069,130	1,909,348	7,675,853	1,888,134	4,590,937	2,435,355	6,536,610	1,725,554	4,348,231	2,428,215	4,026,010	48,261,122
Total >56,000	9,849,828	2,228,060	5,914,400	4,490,737	12,495,350	1,762,980	3,111,828	1,820,813	7,300,550	957,550	1,852,400	1,974,375	4,479,906	53,758,871
Commercial Total	17,473,232	4,258,411	10,983,530	6,400,085	20,171,203	3,651,114	7,702,765	4,256,168	13,837,160	2,683,104	6,200,631	4,402,590	8,505,916	102,019,993

Docket No. #####

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2001												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
Governmental-Gen														
Newport														
<56,000	0				0								0	0
>56,000	0				0								0	0
Total	0				0									
Middletown														
<56,000	4,300				27,800								16,050	32,100
>56,000	0				0								0	0
Total	4,300				27,800									
Governmental-City														
Combined														
<56,000	0			12,000				24,000				24,000	15,000	60,000
>56,000	0												0	0
Total	0	0	0	12,000	0			24,000	0			24,000		
Newport														
<56,000	1,492,000				1,531,600				1,447,650	1,800	1,800	1,800	746,108	4,476,650
>56,000	3,077,411				5,967,137				5,313,750	0	0	0	2,393,050	14,358,298
Total	4,569,411	0	0	0	7,498,737	0	0	0	6,761,400	1,800	1,800	1,800		
Total <56,000	1,496,300	0	0	12,000	1,559,400	0	0	24,000	1,447,650	1,800	1,800	25,800	777,158	4,568,750
Total >56,000	3,077,411	0	0	0	5,967,137	0	0	0	5,313,750	0	0	0	2,393,050	14,358,298
Govern. Total	4,573,711	0	0	12,000	7,526,537	0	0	24,000	6,761,400	1,800	1,800	25,800	3,170,208	18,927,048
Tertiary Total <56,000	49,645,004	65,461,559	71,902,245	71,171,996	49,103,143	57,388,857	60,496,269	62,876,033	41,741,651	53,594,674	55,784,242	63,630,992	59,658,351	702,796,665
Tertiary Total >56,000	17,839,070	10,977,743	15,637,006	17,410,823	23,888,279	6,823,231	8,440,935	10,156,625	15,831,197	4,757,630	5,511,827	8,850,085	13,388,429	146,124,451
Total-Tertiary Customers	67,484,074	76,439,302	87,539,251	88,582,819	72,991,422	64,212,088	68,937,204	73,032,658	57,572,848	58,352,304	61,296,069	72,481,077	73,046,781	848,921,116

Docket No. #####

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2001												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Monthly</b>														
<b>Residential</b>														
<b>Newport</b>														
<14,000	416,625	414,114	387,149	410,800	447,300	420,600	413,950	400,050	392,500	419,900	402,850	425,100	412,578	4,950,938
>14,000	1,433,356	1,433,534	1,757,639	1,826,159	2,193,764	1,608,034	1,535,484	1,266,484	1,424,834	1,286,884	1,208,259	1,463,822	1,536,521	18,438,253
Total	1,849,981	1,847,648	2,144,788	2,236,959	2,641,064	2,028,634	1,949,434	1,666,534	1,817,334	1,706,784	1,611,109	1,888,922		
<b>Middletown</b>														
<14,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	42,000	29,167	350,000
>14,000	73,400	100,300	98,200	112,100	121,000	122,100	147,600	125,500	79,800	98,800	111,100	324,600	126,208	1,514,500
Total	101,400	128,300	126,200	140,100	149,000	150,100	175,600	153,500	107,800	126,800	139,100	366,600		
<b>Portsmouth</b>														
<14,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
>14,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total <14,000	444,625	442,114	415,149	438,800	475,300	448,600	441,950	428,050	420,500	447,900	430,850	467,100	441,745	5,300,938
Total >14,000	1,506,756	1,533,834	1,855,839	1,938,259	2,314,764	1,730,134	1,683,084	1,391,984	1,504,634	1,385,684	1,319,359	1,788,422	1,662,729	19,952,753
Residential Total	1,951,381	1,975,948	2,270,988	2,377,059	2,790,064	2,178,734	2,125,034	1,820,034	1,925,134	1,833,584	1,750,209	2,255,522	2,104,474	25,253,691
<b>Commercial</b>														
<b>Newport</b>														
<14,000	2,499,959	2,520,244	2,470,770	2,395,489	2,249,088	2,149,703	2,191,489	2,067,444	2,086,315	2,159,085	2,293,315	2,460,615	2,295,293	27,543,516
>14,000	28,496,666	29,794,224	26,434,188	25,231,859	22,741,134	16,020,546	21,481,202	17,460,062	17,407,562	20,014,134	23,397,145	26,851,810	22,944,211	275,330,532
Total	30,996,625	32,314,468	28,904,958	27,627,348	24,990,222	18,170,249	23,672,691	19,527,506	19,493,877	22,173,219	25,690,460	29,312,425		
<b>Middletown</b>														
<14,000	2,218,100	2,198,675	2,162,670	2,162,400	2,149,300	2,061,580	2,071,425	2,066,303	2,030,373	2,087,949	2,179,512	2,300,397	2,140,724	25,688,684
>14,000	12,784,186	14,708,466	10,966,884	9,666,596	8,591,887	8,859,668	9,512,790	8,134,733	6,501,485	9,046,931	8,903,704	13,799,461	10,123,066	121,476,791
Total	15,002,286	16,907,141	13,129,554	11,828,996	10,741,187	10,921,248	11,584,215	10,201,036	8,531,858	11,134,880	11,083,216	16,099,858		
<b>Portsmouth</b>														
<14,000	262,800	248,200	227,300	244,250	183,950	131,700	137,400	138,100	142,100	162,500	235,500	252,900	197,225	2,366,700
>14,000	1,361,800	1,603,600	1,132,500	792,400	848,800	827,300	606,900	786,100	608,900	955,400	966,200	1,407,800	991,475	11,897,700
Total	1,624,600	1,851,800	1,359,800	1,036,650	1,032,750	959,000	744,300	924,200	751,000	1,117,900	1,201,700	1,660,700		
Total <14,000	4,980,859	4,967,119	4,860,740	4,802,139	4,582,338	4,342,983	4,400,314	4,271,847	4,258,788	4,409,534	4,708,327	5,013,912	4,633,242	55,598,900
Total >14,000	42,642,652	46,106,290	38,533,572	35,690,855	32,181,821	25,707,514	31,600,892	26,380,895	24,517,947	30,016,465	33,267,049	42,059,071	34,058,752	408,705,023
Commercial Total	47,623,511	51,073,409	43,394,312	40,492,994	36,764,159	30,050,497	36,001,206	30,652,742	28,776,735	34,425,999	37,975,376	47,072,983	38,691,994	464,303,923

City of Newport, Rhode Isl

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2001												Average	Annual	
	July	August	September	October	November	December	January	February	March	April	May	June			
Governmental-Gen															
Newport															
<14,000	38,300	38,300	18,800	31,700	31,300	32,200	37,200	28,000	28,000	28,000	28,000	28,000	30,650	367,800	
>14,000	52,300	72,500	22,200	101,100	45,500	44,200	70,400	27,800	53,400	43,000	41,000	36,600	50,833	610,000	
Total	90,600	110,800	41,000	132,800	76,800	76,400	107,600	55,800	81,400	71,000	69,000	64,600			
Middletown															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Governmental-City															
Combined															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Newport															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total <14,000	38,300	38,300	18,800	31,700	31,300	32,200	37,200	28,000	28,000	28,000	28,000	28,000	30,650	367,800	
Total >14,000	52,300	72,500	22,200	101,100	45,500	44,200	70,400	27,800	53,400	43,000	41,000	36,600	50,833	610,000	
Governmental Total	90,600	110,800	41,000	132,800	76,800	76,400	107,600	55,800	81,400	71,000	69,000	64,600	81,483	977,800	
Monthly Total <14,000	5,463,784	5,447,533	5,294,689	5,272,639	5,088,938	4,823,783	4,879,464	4,727,897	4,707,288	4,885,434	5,167,177	5,509,012	5,105,637	61,267,638	
Monthly Total >14,000	44,201,708	47,712,624	40,411,611	37,730,214	34,542,085	27,481,848	33,354,376	27,800,679	26,075,981	31,445,149	34,627,408	43,884,093	35,772,315	429,267,776	
Total-Monthly Customers	49,665,492	53,160,157	45,706,300	43,002,853	39,631,023	32,305,631	38,233,840	32,528,576	30,783,269	36,330,583	39,794,585	49,393,105	40,877,951	490,535,414	
<b>Newport Total</b>	117,149,566	129,599,459	133,245,551	131,585,672	112,622,445	96,517,719	107,171,044	105,561,234	88,356,117	94,682,887	101,090,654	121,874,182	113,924,732	1,339,456,530	
<b>Other Customers</b>															
<u>Monthly</u>															
Navy (1)															
Newport	14,541,920	15,937,000	14,240,320	7,830,140	10,038,020	9,225,000	9,332,020	9,742,000	8,951,000	10,085,000	10,760,000	14,169,000	11,237,618	134,851,420	
Middletown	21,300,000	20,629,000	18,544,000	18,857,000	23,267,000	23,822,500	28,227,200	28,624,300	24,250,000	24,530,000	22,402,500	16,266,700	22,560,017	270,720,200	
Portsmouth	3,622,300	3,792,300	4,200,000	3,700,300	3,703,200	3,762,800	3,844,200	3,824,400	3,795,300	3,665,900	3,416,800	3,348,300	3,722,983	44,675,800	
Navy Total	39,464,220	40,358,300	36,984,320	30,387,440	37,008,220	36,810,300	41,403,420	42,190,700	36,996,300	38,280,900	36,579,300	33,784,000	37,520,618	450,247,420	
Portsmouth Water and Fire (															
Portsmouth	44,559,000	46,743,000	38,996,000	31,191,000	31,572,000	37,905,000	28,604,000	32,329,000	23,602,000	33,572,000	37,396,000	55,918,000	36,865,583	442,387,000	
Portsmouth Total	44,559,000	46,743,000	38,996,000	31,191,000	31,572,000	37,905,000	28,604,000	32,329,000	23,602,000	33,572,000	37,396,000	55,918,000	36,865,583	442,387,000	

(1) Consumption Block doe



Docket No. #####

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2002												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Tertiary</b>														
Residential														
Newport														
<56,000	20,991,969	35,782,762	47,456,704	52,202,176	21,858,933	33,031,230	41,436,741	42,732,392	18,544,794	30,270,009	37,089,318	43,576,181	35,414,434	424,973,209
>56,000	3,090,930	6,513,176	10,550,346	12,574,895	3,500,794	3,302,535	5,720,549	5,316,467	1,321,587	725,105	6,295,335	6,185,039	5,424,730	65,096,758
Total	24,082,899	42,295,938	58,007,050	64,777,071	25,359,727	36,333,765	47,157,290	48,048,859	19,866,381	30,995,114	43,384,653	49,761,220		
Middletown														
<56,000	19,234,404	24,029,931	17,233,350	19,112,246	18,298,256	22,306,255	15,782,875	16,629,132	16,730,371	19,920,486	14,110,008	17,807,550	18,432,905	221,194,864
>56,000	1,647,725	9,238,078	546,941	1,439,216	2,761,692	3,623,947	910,144	720,527	1,344,123	922,003	1,030,796	1,287,987	2,122,765	25,473,179
Total	20,882,129	33,268,009	17,780,291	20,551,462	21,059,948	25,930,202	16,693,019	17,349,659	18,074,494	20,842,489	15,140,804	19,095,537		
Portsmouth														
<56,000		2,866,883		48,000		2,919,598		0		2,676,853		0	1,418,556	8,511,334
>56,000		126,858		0		21,248		0		0		0	24,684	148,106
Total		2,993,741		48,000		2,940,846		0		2,676,853		0		
Total <56,000	40,226,373	62,679,576	64,690,054	71,362,422	40,157,189	58,257,083	57,219,616	59,361,524	35,275,165	52,867,348	51,199,326	61,383,731	55,265,895	654,679,407
Total >56,000	4,738,655	15,878,112	11,097,287	14,014,111	6,262,486	6,947,730	6,630,693	6,036,994	2,665,710	1,647,108	7,326,131	7,473,026	7,572,179	90,718,043
Residential Total	44,965,028	78,557,688	75,787,341	85,376,533	46,419,675	65,204,813	63,850,309	65,398,518	37,940,875	54,514,456	58,525,457	68,856,757	62,838,074	745,397,450
Commercial														
Newport														
<56,000	4,889,933	1,611,617	2,858,832	1,313,864	4,704,115	1,483,452	2,415,398	1,859,720	3,794,606	1,220,342	2,354,029	1,944,900	2,537,567	30,450,808
>56,000	5,528,989	1,657,750	1,694,200	4,495,744	5,938,266	1,171,150	943,000	2,160,260	3,142,732	309,600	770,339	2,076,115	2,490,679	29,888,145
Total	10,418,922	3,269,367	4,553,032	5,809,608	10,642,381	2,654,602	3,358,398	4,019,980	6,937,338	1,529,942	3,124,368	4,021,015		
Middletown														
<56,000	2,532,694	573,917	2,454,076	715,391	2,479,697	630,919	2,215,214	638,398	2,348,129	495,430	2,134,250	618,997	1,486,426	17,837,112
>56,000	5,134,500	1,089,800	3,472,450	157,400	5,090,187	1,074,800	1,252,500	154,100	3,771,800	275,300	779,950	230,000	1,873,566	22,482,787
Total	7,667,194	1,663,717	5,926,526	872,791	7,569,884	1,705,719	3,467,714	792,498	6,119,929	770,730	2,914,200	848,997		
Portsmouth														
<56,000		7,000				4,000				6,000			5,667	17,000
>56,000										0			0	0
Total	0	7,000	0	0	0	4,000	0	0	0	6,000	0	0		
Total <56,000	7,422,627	2,192,534	5,312,908	2,029,255	7,183,812	2,118,371	4,630,612	2,498,118	6,142,735	1,721,772	4,488,279	2,563,897	4,029,660	48,304,920
Total >56,000	10,663,489	2,747,550	5,166,650	4,653,144	11,028,453	2,245,950	2,195,500	2,314,360	6,914,532	584,900	1,550,289	2,306,115	4,364,244	52,370,932
Commercial Total	18,086,116	4,940,084	10,479,558	6,682,399	18,212,265	4,364,321	6,826,112	4,812,478	13,057,267	2,306,672	6,038,568	4,870,012	8,393,904	100,675,852

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2002												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
Governmental-Gen														
Newport														
<56,000	0				8,000			3,000					3,667	11,000
>56,000	0												0	0
Total	0				8,000			3,000					3,667	11,000
Middletown														
<56,000	4,000				700								2,350	4,700
>56,000	0				0								0	0
Total	4,000				700								2,350	4,700
Governmental-City														
Combined														
<56,000				27,000				0					13,500	27,000
>56,000								0					0	0
Total				27,000				0				0	13,500	27,000
Newport														
<56,000	1,525,850	5,050	5,050	5,050	1,567,300	0	0	0	1,210,275	0	0	0	359,881	4,318,575
>56,000	4,829,900	0	0	0	6,480,000	0	0	0	2,701,150	0	0	0	1,167,588	14,011,050
Total	6,355,750	5,050	5,050	5,050	8,047,300	0	0	0	3,911,425	0	0	0		
Total <56,000	1,529,850	5,050	5,050	32,050	1,576,000	0	0	0	1,213,275	0	0	0	379,398	4,361,275
Total >56,000	4,829,900	0	0	0	6,480,000	0	0	0	2,701,150	0	0	0	1,167,588	14,011,050
Govern. Total	6,359,750	5,050	5,050	32,050	8,056,000	0	0	0	3,914,425	0	0	0	1,546,985	18,372,325
Tertiary Total <56,000	49,178,850	64,877,160	70,008,012	73,423,727	48,917,001	60,375,454	61,850,228	61,859,642	42,631,175	54,589,120	55,687,605	63,947,628	59,674,953	707,345,602
Tertiary Total >56,000	20,232,044	18,625,662	16,263,937	18,667,255	23,770,939	9,193,680	8,826,193	8,351,354	12,281,392	2,232,008	8,876,420	9,779,141	13,104,011	157,100,025
Total-Tertiary Customers	69,410,894	83,502,822	86,271,949	92,090,982	72,687,940	69,569,134	70,676,421	70,210,996	54,912,567	56,821,128	64,564,025	73,726,769	72,778,964	864,445,627

Docket No. #####

City of Newport, Rhode Isl:

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2002												Average	Annual			
	July	August	September	October	November	December	January	February	March	April	May	June					
<b>Monthly</b>																	
<b>Residential</b>																	
Newport																	
<14,000	396,700	430,650	436,030	463,070	453,650	433,600	433,400	422,450	420,700	403,100	444,600	478,850			434,733	5,216,800	
>14,000	1,443,816	1,280,094	2,029,405	2,113,934	2,327,584	1,531,184	1,195,209	847,977	1,822,054	996,934	1,793,934	2,380,634			1,646,897	19,762,759	
Total	1,840,516	1,710,744	2,465,435	2,577,004	2,781,234	1,964,784	1,628,609	1,270,427	2,242,754	1,400,034	2,238,534	2,859,484					
Middletown																	
<14,000	42,000	42,000	41,650	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000			41,971	503,650	
>14,000	206,900	290,100	182,700	269,750	202,800	176,300	235,000	190,500	197,900	205,900	299,400	158,900			218,013	2,616,150	
Total	248,900	332,100	224,350	311,750	244,800	218,300	277,000	232,500	239,900	247,900	341,400	200,900					
Portsmouth																	
<14,000	0	0	0	0	0	0	0	0	0	0	0	0			0	0	
>14,000	0	0	0	0	0	0	0	0	0	0	0	0			0	0	
Total	0	0	0	0	0	0	0	0	0	0	0	0					
Total <14,000	438,700	472,650	477,680	505,070	495,650	475,600	475,400	464,450	462,700	445,100	486,600	520,850			476,704	5,720,450	
Total >14,000	1,650,716	1,570,194	2,212,105	2,383,684	2,530,384	1,707,484	1,430,209	1,038,477	2,019,954	1,202,834	2,093,334	2,539,534			1,864,909	22,378,909	
Residential Total	2,089,416	2,042,844	2,689,785	2,888,754	3,026,034	2,183,084	1,905,609	1,502,927	2,482,654	1,647,934	2,579,934	3,060,384			2,341,613	28,099,359	
<b>Commercial</b>																	
Newport																	
<14,000	2,426,095	2,481,743	2,466,315	2,388,036	2,235,112	2,101,823	2,105,220	2,039,356	2,088,697	2,153,803	2,333,047	2,420,650			2,269,991	27,239,897	
>14,000	28,114,790	31,311,317	30,184,139	24,109,615	21,105,147	15,963,557	22,276,408	18,191,593	17,983,029	19,265,769	23,348,481	22,301,566			22,846,284	274,155,411	
Total	30,540,885	33,793,060	32,650,454	26,497,651	23,340,259	18,065,380	24,381,628	20,230,949	20,071,726	21,419,572	25,681,528	24,722,216					
Middletown																	
<14,000	2,189,753	2,210,600	2,217,363	2,280,413	2,147,600	2,059,525	2,084,950	2,031,350	2,052,250	2,141,950	2,194,800	2,140,300			2,145,905	25,750,854	
>14,000	11,167,437	12,322,139	12,147,118	12,342,322	8,224,102	7,388,868	8,711,247	7,476,406	9,662,204	8,895,350	12,586,403	8,276,887			9,933,374	119,200,483	
Total	13,357,190	14,532,739	14,364,481	14,622,735	10,371,702	9,448,393	10,796,197	9,507,756	11,714,454	11,037,300	14,781,203	10,417,187					
Portsmouth																	
<14,000	249,600	233,450	266,200	215,250	181,900	135,850	139,800	141,400	146,100	185,280	265,370	274,550			202,896	2,434,750	
>14,000	1,216,600	1,578,000	1,672,850	1,500,300	661,500	798,200	711,290	604,610	604,900	1,031,450	920,350	818,350			1,009,867	12,118,400	
Total	1,466,200	1,811,450	1,939,050	1,715,550	843,400	934,050	851,090	746,010	751,000	1,216,730	1,185,720	1,092,900					
Total <14,000	4,865,448	4,925,793	4,949,878	4,883,699	4,564,612	4,297,198	4,329,970	4,212,106	4,287,047	4,481,033	4,793,217	4,835,500			4,618,792	55,425,501	
Total >14,000	40,498,827	45,211,456	44,004,107	37,952,237	29,990,749	24,150,625	31,698,945	26,272,609	28,250,133	29,192,569	36,855,234	31,396,803			33,789,525	405,474,294	
Commercial Total	45,364,275	50,137,249	48,953,985	42,835,936	34,555,361	28,447,823	36,028,915	30,484,715	32,537,180	33,673,602	41,648,451	36,232,303			38,408,316	460,899,795	

Docket No. #####

City of Newport, Rhode Isl

Consumption Data From N  
By Consumption Block

Support Schedule 5-C2

Customer Class	FY 2002												Average	Annual	
	July	August	September	October	November	December	January	February	March	April	May	June			
Governmental-Gen															
Newport															
<14,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
>14,000	66,900	73,400	56,400	35,600	58,700	28,000	36,100	22,900	16,500	50,900	44,900	39,000	39,000	44,108	529,300
Total	94,900	101,400	84,400	63,600	86,700	56,000	64,100	50,900	44,500	78,900	72,900	67,000	67,000		
Middletown															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Governmental-City															
Combined															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Newport															
<14,000															
>14,000															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total <14,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Total >14,000	66,900	73,400	56,400	35,600	58,700	28,000	36,100	22,900	16,500	50,900	44,900	39,000	39,000	44,108	529,300
Governmental Total	94,900	101,400	84,400	63,600	86,700	56,000	64,100	50,900	44,500	78,900	72,900	67,000	67,000	72,108	865,300
Monthly Total <14,000	5,332,148	5,426,443	5,455,558	5,416,769	5,088,262	4,800,798	4,833,370	4,704,556	4,777,747	4,954,133	5,307,817	5,384,350	5,384,350	5,123,496	61,481,951
Monthly Total >14,000	42,216,443	46,855,050	46,272,612	40,371,521	32,579,833	25,886,109	33,165,254	27,333,986	30,286,587	30,446,303	38,993,468	33,975,337	33,975,337	35,698,542	428,382,503
Total-Monthly Customers	47,548,591	52,281,493	51,728,170	45,788,290	37,668,095	30,686,907	37,998,624	32,038,542	35,064,334	35,400,436	44,301,285	39,359,687	39,359,687	40,822,038	489,864,454
<b>Newport Total</b>	116,959,485	135,784,315	138,000,119	137,879,272	110,356,035	100,256,041	108,675,045	102,249,538	89,976,901	92,221,564	108,865,310	113,086,456	113,086,456	113,601,002	1,354,310,081
<b>Other Customers</b>															
<u>Monthly</u>															
Navy (1)															
Newport	13,899,000	15,081,000	16,177,000	9,805,000	9,970,000	9,588,000	9,175,000	9,013,000	8,420,100	9,456,000	10,013,100	10,469,000	10,469,000	10,922,183	131,066,200
Middletown	14,021,100	13,627,300	12,723,800	9,827,400	16,609,700	15,627,200	17,831,200	15,504,700	14,676,300	15,304,300	15,941,500	13,470,700	13,470,700	14,597,100	175,165,200
Portsmouth	99,000	13,000	7,000	40,000	187,000	193,000	239,000	8,000	5,000	6,000	10,000	13,000	13,000	68,333	820,000
Navy Total	28,019,100	28,721,300	28,907,800	19,672,400	26,766,700	25,408,200	27,245,200	24,525,700	23,101,400	24,766,300	25,964,600	23,952,700	23,952,700	25,587,617	307,051,400
Portsmouth Water and Fire (															
Portsmouth	46,524,000	47,580,000	43,803,000	49,329,000	32,094,000	35,919,000	32,375,000	21,822,000	27,177,990	34,486,010	32,237,000	35,979,000	35,979,000	36,610,500	439,326,000
Portsmouth Total	46,524,000	47,580,000	43,803,000	49,329,000	32,094,000	35,919,000	32,375,000	21,822,000	27,177,990	34,486,010	32,237,000	35,979,000	35,979,000	36,610,500	439,326,000

(1) Consumption Block doe

City of Newport, Rhode Island

Schedule RFC 5-D

Derivation of Revised Capacity Factors for Max Day Flows  
 Determination of NonCoincident Capacity Factors By Class (1)  
 Maximum Day Capacity Factors  
Calculation of Max Month Capacity Factors

Customer Class	Average Rate for Max Month ( <i>thous gpd</i> ) (2) & (4)	Annual Average Rate <i>thous gpd</i>	Max Month Ratio	00-'02 Average Month ( <i>thous gpd</i> )	Max Month/Average Month Ratio
Residential	2,279	1,970	1.16	1,897	1.20
Commercial	2,591	1,721	1.51	1,746	1.48
Governmental	72	51	1.39	57	1.26
Navy	1,328	1,133	1.17	1,133	1.17
Portsmouth	1,905	1,155	1.65	1,246	1.53

Retail Coincident Maximum Day Demand (3) 9,723 *thous gpd*  
 Retail and Wholesale Coincident Maximum-Hour Demand (3a) 0 *thous gpd*  
 Retail and Wholesale Coincident Maximum-Month Demand (2) 8,175 *thous gpd*  
 Retail and Wholesale Coincident 1.19  
 Maximum-Day (Max Day)/Max Month Ratio (4a)  
 System Average Day Production 6,045 *thous gpd*

- (1) Methodology found in Appendix A "Development of Capacity Factors by Class" of AWWA M-1 Manual.
- (2) Monthly flow for customers in Residential and Governmental classes not available. Customer billed every four months. Assumption made that average monthly flow for four month period is monthly flow.
- (3) Actual data for Max Day from treatment plants used to develop max day/max month ratio for Retail customer classes.
- (3a) Actual data for Max Hour from treatment plants used to develop max hour/average day ratio for both Retail and Wholesale customers.
- (4) Average Rate for taken from FY 2000 through FY 2002 billable flow data.
- (4a) Applies to Retail customers only.

City of Newport, Rhode Island

Schedule RFC 5-D

Derivation of Revised Capacity Factors for Max Day Flows

Calculation of NonCoincident Max Day Capacity Factor

	Residential	Commercial	Governmental	Navy	Portsmouth
Class Max-month (MM)/Class Average Day (AD) Factor	1.16	1.51	1.39	1.17	1.65
Coincident Retail Max-Day Flow/System Max Month Ratio	1.19	1.19	1.19		
Wholesale Max-Day Flow/Metered Max Month Ratio				1.19	1.27
Weekly Usage Adjustment (5)	1.05	1.17	1.17	1.00	1.00
Calculated Max Day Capacity Factor (5a)	1.44	2.10	1.94	1.39	2.10
Capacity Factor from Chapter 8 AWWA M-1 Manual	2.50	2.00	2.00	2.13	2.25

(5) Adjustment factor to recognize the daily variations in usage for retail classes.

(5a) Capacity Factor calculated by : MM/AD Factor x System MD Flow/System MM Flow Ratio x Adjustment

Test of System Diversity (6)

	Annual Average Rate <i>thous gpd</i>	Calculated Max Day Capacity Factor	Noncoincident Demand <i>thous gpd</i>
Residential Max Day Demand	1,970	144%	2,846
Commercial Max Day Demand	1,721	210%	3,606
Governmental Max Day Demand	51	194%	100
Navy Max Day Demand	1,133	139%	1,580
Portsmouth Max Day Demand	1,155	210%	2,420
Total Noncoincident Demand			10,552
Noncoincident Max Day Capacity Factor:	10552 gpd/6046 gpd =		1.75
Coincidental Max Day Capacity Factor:	9723 gpd/6046 gpd =		1.61
System Max Day Diversity (7):		1.75/1.61	1.09

(6) From the AWWA M-1 Manual: "To test the reasonableness of the maximum day and hour capacity factors, the noncoincidental demands resulting from the application of the above capacity factors to the annual average daily demands of each class must be summed and compared against the actual coincidental system demands. This relationship of the noncoincidental to the coincidental demands is referred to as the measure of the system diversity of demand."

(7) Acceptable ranges for system diversity are 1.10 to 1.40 for max day and max hour capacity factors.

Docket No. #####

City of Newport, Rhode Island

Water Accounts

Schedule RFC 10-B

Customer Class	FY2000 (thousand gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Residential</b>														
T Newport	1,411	2,094	2,640	2,709	1,407	2,096	2,639	2,714	1,418	2,111	2,659	2,723	2,218	26,621
M Newport	40	40	40	40	39	39	39	39	39	39	39	39	39	472
T Middletown	990	1,051	887	1,030	994	1,078	887	1,034	1,002	1,091	899	1,046	999	11,989
M Middletown	2	2	2	2	2	2	2	2	2	2	2	2	2	24
T Portsmouth	0	182	0	1	0	182	0	1	0	182	0	1	46	549
M Portsmouth														
Residential Total	2,443	3,369	3,569	3,782	2,442	3,397	3,567	3,790	2,461	3,425	3,599	3,811	3,305	39,655
<b>Commercial</b>														
T Newport	258	120	161	118	261	117	161	119	257	122	168	126	166	1,988
M Newport	223	223	221	222	223	225	224	224	224	223	223	223	223	2,678
T Middletown	123	62	105	62	122	62	108	64	122	62	110	64	89	1,066
M Middletown	205	205	206	206	207	206	206	207	207	207	206	206	206	2,474
T Portsmouth		1				1				1			1	3
M Portsmouth	29	29	29	29	29	29	29	29	29	29	29	29	29	348
Commercial Total	838	640	722	637	842	640	728	643	839	644	736	648	713	8,557
<b>Governmental-Gen</b>														
T Newport	2				2				2	2	2	2		
M Newport	4	3	4	4	4	4	4	4	4	4	3	4	4	46
T Middletown	1	1			1	1			1	2	1	1		
M? Middletown														
<b>Governmental-City</b>														
T Combined	0	0	0	1	0	0	0	1	0	0	0	1	0	3
T Newport	50	2	2	2	50	2	2	2	50	8	8	8	16	186
Governmental Total	57	6	6	7	57	7	6	7	57	16	14	16	21	256
<b>Navy</b>														
Newport	6	6	6	7	7	7	7	7	7	6	7	7	7	80
Middletown	3	3	3	3	3	3	3	3	3	3	3	3	3	36
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Navy Total	10	10	10	11	11	11	11	11	11	10	11	11	11	128
<b>Portsmouth Fire and Water</b>														
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Portsmouth Total	1	1	1	1	1	1	1	1	1	1	1	1	1	12

Docket No. #####

City of Newport, Rhode Island

Water Accounts

Schedule RFC 10-B

Customer Class	FY2001 (thousand gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Residential</b>														
T Newport	1,421	2,103	2,646	2,708	1,413	2,109	2,662	2,729	1,429	2,126	2,681	2,740	2,231	26,767
M Newport	39	39	39	39	39	39	38	38	38	38	38	38	39	462
T Middletown	1,012	1,091	890	1,037	1,010	1,098	893	1,041	1,020	1,110	892	1,041	1,011	12,135
M Middletown	2	2	2	2	2	2	2	2	2	2	2	3	2	25
T Portsmouth	0	182	0	1	0	182	0	1	0	182	0	1	46	549
M Portsmouth														
Residential Total	2,474	3,417	3,577	3,787	2,464	3,430	3,595	3,811	2,489	3,458	3,613	3,823	3,328	39,938
<b>Commercial</b>														
T Newport	262	119	164	123	263	120	165	121	262	119	168	124	168	2,010
M Newport	223	223	223	223	223	223	225	226	226	225	225	226	224	2,691
T Middletown	122	61	112	65	122	63	116	66	123	65	121	67	92	1,103
M Middletown	206	206	208	208	209	211	211	211	212	212	212	212	210	2,518
T Portsmouth		1				1				1			1	3
M Portsmouth	29	29	29	29	29	29	29	29	29	29	29	29	29	348
Commercial Total	842	639	736	648	846	647	746	653	852	651	755	658	723	8,673
<b>Governmental-Gen</b>														
T Newport	2	2	1	1	1	2	2	2	2	2	2	2	2	21
M Newport	4	4	3	4	4	4	4	4	4	4	4	4	4	47
T Middletown	1	1			1	2	1	1	1	2	1	1	1	12
M? Middletown														
<b>Governmental-City</b>														
T Combined	0	0	0	1	0	0	0	1	0	0	0	1	0	3
T Newport	50	4	4	4	50	4	4	4	50	5	5	5	16	189
Governmental Total	57	11	8	10	56	12	11	12	57	13	12	13	23	272
<b>Navy</b>														
Newport	7	7	7	7	7	7	7	7	7	7	7	6	7	83
Middletown	3	3	3	3	3	3	3	3	3	3	3	3	3	36
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Navy Total	11	11	11	11	11	11	11	11	11	11	11	10	11	131
<b>Portsmouth Fire and Water</b>														
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Portsmouth Total	1	1	1	1	1	1	1	1	1	1	1	1	1	12



Docket No. #####

City of Newport, Rhode Island

Water Accounts

Schedule RFC 10-B

Customer Class	FY2002 (thousand gallons)												Average	Annual
	July	August	September	October	November	December	January	February	March	April	May	June		
<b>Residential</b>														
T Newport	1,433	2,120	2,680	2,746	1,431	2,122	2,682	2,740	1,432	2,137	2,709	2,767	2,250	26,999
M Newport	38	38	38	39	39	39	39	39	39	39	39	40	39	466
T Middletown	1,020	1,109	889	1,040	1,026	1,123	889	1,033	1,023	1,127	897	1,047	1,019	12,223
M Middletown	3	3	3	3	3	3	3	3	3	3	3	3	3	36
T Portsmouth	0	182	0	1	0	186	0	0	0	191	0	0	47	560
M Portsmouth														
Residential Total	2,494	3,452	3,610	3,829	2,499	3,473	3,613	3,815	2,497	3,497	3,648	3,857	3,357	40,284
<b>Commercial</b>														
T Newport	263	121	174	126	262	122	172	124	259	120	174	127	170	2,044
M Newport	226	227	227	229	229	229	229	230	230	230	230	230	229	2,746
T Middletown	116	61	121	70	120	65	127	69	121	64	130	68	94	1,132
M Middletown	212	212	213	215	215	217	217	217	219	218	219	219	216	2,593
T Portsmouth		1				1				1			1	3
M Portsmouth	29	29	29	29	29	29	29	29	29	30	31	31	29	353
Commercial Total	846	651	764	669	855	663	774	669	858	663	784	675	739	8,871
<b>Governmental-Gen</b>														
T Newport	2	2	2	2	3				3	2	2	2		
M Newport	4	4	4	4	4	4	4	4	4	4	4	4	4	48
T Middletown	1	1			1	1			1	1	0	0		
M? Middletown														
<b>Governmental-City</b>														
T Combined	0	0	0	1	0	0	0	0	0	0	0	0	0	1
T Newport	51	6	6	6	51	4	4	4	53	12	12	12	18	221
Governmental Total	58	13	12	13	59	9	8	8	61	19	18	18	25	296
<b>Navy</b>														
Newport	7	7	7	7	7	6	7	7	7	6	7	6	7	81
Middletown	3	3	3	3	3	3	3	3	3	3	3	3	3	36
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Navy Total	11	11	11	11	11	10	11	11	11	10	11	10	11	129
<b>Portsmouth Fire and Water</b>														
Portsmouth	1	1	1	1	1	1	1	1	1	1	1	1	1	12
Portsmouth Total	1	1	1	1	1	1	1	1	1	1	1	1	1	12

City of Newport, Rhode Island

Water Account Summary

Schedule RFC 10-A

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
Both Tertiary and Monthly Accounts					
Residential (T&M)	39,655	39,938	40,284	40,690	41,099
Commercial (T&M)	8,557	8,673	8,871	8,960	9,051
Governmental (T&M)	256	272	296	299	302
Navy (M)	128	131	129	130	132
PW&FD (M)	12	12	12	12	12
	<u>48,608</u>	<u>49,026</u>	<u>49,592</u>	<u>50,091</u>	<u>50,596</u>

% Growth Rate (1) 1.01%

(1) Growth rate based on compound annual growth rate from FY 2000 through FY 2003.

City of Newport, Rhode Island

Fire Protection Charges  
Private and Public Fire Services

Schedule RFC 8

	NWD FY 2004 (1)	
	Total	Other Categories
Fire Protection Charge		Fire Protection
Total Cost of Service	768,132	768,132
Less Offsets from Schedule RFC 2:	(13,516)	(13,516)
Subtotal:	(13,516)	(13,516)
To Be Recovered From Fire Protection Charge:	754,616	754,616

	Total	Public	Private
Allocation Public/Private	100%	73%	27%
<b>Total Revenue Requirements</b>	757,858	550,006	207,852
Additional Rev. Reqts. (3)	10,274	7,456	2,818
<b>Total Cost of Service</b>	768,132	557,462	210,670
Offsets To Revenue Requirements	(13,516)	(9,809)	(3,707)
<b>Net Cost of Service</b>	754,616	547,653	206,963

Allocation of Fire Service Costs to Public and Private Fire Service

Service Size	No. of Accounts	Demand Ratios (1)	Equivalent Accounts	Percent Allocation of Total Fire Protection Costs	Allocation \$
<b>Public Fire Service (2)</b>					
Newport	572				
Middletown	371				
Portsmouth	8				
Total Public Hydrants	951	111	105,856	72.57%	\$ 547,653
<b>Private Fire Service</b>					
5/8"	2	1.00	2		
2" (3)	50	6.19	310		
4"	33	38.32	1,265		
6"	218	111.31	24,266		
8"	55	237.21	13,047		
10"	1	426.58	427		
12"	1	689.04	689		
Total Private Connections	360	1,510	40,004	27.43%	\$ 206,963
<b>Total</b>	<b>1,311</b>		<b>145,860</b>	<b>100.00%</b>	<b>\$ 754,616</b>

(1) From AWWA M-1 Manual Chapter 30, "Rates for Fire Protection Service", Page 224.

(2) All public service connections are 6".

(3) Estimated number of 2" private service connections to be in service in FY 2004.

City of Newport, Rhode Island

Fire Protection Charges  
Private and Public Fire Services

Schedule RFC 8

Calculation of Private Fire Protection Charge

Service Size	No. of Accounts	Demand Ratios (1)	Equivalent Accounts	Calculated Monthly Unit Cost
<b>Private Fire Service</b>				
5/8"	2	1	2	\$ 0.431
2" (2)	50	6.19	310	2.669
4"	33	38.32	1,265	16.521
6"	218	111.31	24,266	47.989
8"	55	237.21	13,047	102.269
10"	1	426.58	427	183.912
12"	1	689.04	689	297.067
Total No. of Fire Services	360		40,004	
Private Fire Protection Revenue Requirements			\$	206,963
Rate per equivalent account				5.17

Calculation of Public Fire Protection Charge

Service Size	No. of Accounts	Public Fire Protection Revenue Requirements	Calculated Public Fire Protection Charge	Recommended Public Fire Protection Charge
Public Fire Hydrant	951	\$ 547,653	\$ 575.8800	\$ 575.00
<b>Public Fire Protection Charge per Annum</b>		<b>\$ 575.00</b>		

Private Fire Protection Charge

Meter Size	Calculated Charge per Annum	Calculated Annual Revenue	Recommended Private Fire Protection Charge per Annum	Annual Revenue
5/8"	\$ 5.28	\$ 10.56	\$ 5.28	\$ 10.56
2"	32.04	1,602.00	32.04	1,602.00
4"	198.36	6,545.88	285.00	9,405.00
6"	575.88	125,541.84	570.00	124,260.00
8"	1,227.24	67,498.20	1,305.00	71,775.00
10"	2,207.04	2,207.04	2,155.00	2,155.00
12"	3,564.84	3,564.84	3,460.00	3,460.00
		\$ 206,970.36		\$ 212,667.56

(1) From AWWA M-1 Manual Chapter 30, "Rates for Fire Protection Service", Page 224.

(2) Estimated number of 2" private service connections to be in service in FY 2004.

City of Newport, Rhode Island

Fire Protection Charge Impacts  
Private and Public Fire Services

Schedule RFC 9

Private Accounts

Service Size	Existing Charge per Annum	Calculated Charge per Annum	% Change	Recommended Charge per Annum
5/8"	\$ -	\$ 5.28	0.00%	\$ <b>5.28</b>
2"	-	32.04	0.00%	<b>32.04</b>
4"	285	198.36	-30.40%	<b>285.00</b>
6"	570	575.88	1.03%	<b>570.00</b>
8"	1,305	1,227.24	-5.96%	<b>1,305.00</b>
10"	2,155	2,207.04	2.41%	<b>2,155.00</b>
12"	3,460	3,564.84	3.03%	<b>3,460.00</b>

Public Accounts

Service Size	Existing Charge per Annum	Calculated Charge per Annum	% Change	Recommended Charge per Annum
Public Fire Hydrant	\$ 560	\$ 575	2.68%	\$ 560

City of Newport, Rhode Island

Public and Private Fire Protection Accounts

Schedule RFC 8-A

Number of Accounts

**Private**

Residential	
6" Hydrant	14
8" Hydrant	1
12" Hydrant	1
4" Sprinkler	8
6" Sprinkler	14
8" Sprinkler	5
10" Sprinkler	1
	<hr/>
	44

Commercial

5/8" Meter	2
Estimated 2"	50
4" Hydrant	2
6" Hydrant	9
8" Hydrant	15
4" Sprinkler	22
6" Sprinkler	172
8" Sprinkler	33
	<hr/>
	305

Government - General

4" Sprinkler	1
6" Sprinkler	5
8" Sprinkler	1
	<hr/>
	7

Government - Navy

6" Hydrant	2
6" Sprinkler	1
	<hr/>
	3

Government - City Newport

6" Sprinkler	1
	<hr/>
	1

**Public**

Newport	572
Middletown	371
Portsmouth	8
	<hr/>
<b>Total</b>	<b>951</b>

1311

**Docket No. ####**

**Total                    360**

Docket No. #####

City of Newport, Rhode Island

Schedule RFC A

Navy Meters

Name	Account #	FY 2000												
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Annual
RI Nurseries (7/16/01)	#046-12700													
US Navy														
Greene Lane (6/19/01)	#089-01300							9,300	12,200	11,500	11,700	11,600	12,000	68,300
Fort Adams (6/21/01)	#089-01400							1,410	1,602	1,746	1,349	1,460	1,654	9,221
Lawton Valley (6/20/01)	#089-01500							4,154	3,579	3,627	4,010	3,784	3,619	22,773
Coddington (1) (6/19/01)	#089-01700							10,699	9,256	1,329	9,412	9,873	9,416	49,984
Hospital Gate 7 (8/1/00)	#089-01800							3	4	7	3	8	100	125
Cloyne Park (1) (7/17/01)	#089-01900							6,173	7,146	3,856	6,326	7,099	8,154	38,754
Newport Hospital (6/20/01)	#078-10600							169	169	169	169	169	169	1,015
Coggeshall Marine - Bend Boat Basin (3/	#079-11908							138	318	231	57	155	339	1,238
Hyatt Regency - Goat Island (10/20/00)	#078-13700							900	1,000	950	850	900	950	5,550
IDC Inc. - Goat Island (11/15/00)	#078-13800							1,241	829	883	827	1,241	1,575	6,597
Rogers High School (6/8/02)	#056-00600										442			442
State of RI Ft. Adams (6/6/02)	#022-38410									464				464
Earth Tech (6/7/02)	#055-02700										2,977			2,977
Park Holm (1) (6/22/01)	#078-05000							1,372	1,039	1,624	1,503	1,331	1,641	8,510
Howard Johnson/Kempenaar (6/6/02)	#079-03810							401	336	370	480	442	517	2,546
The Wellington Hotel (6/5/02)	#078-00011							235	200	189	179	184	386	1,372



Docket No. #####

City of Newport, Rhode Island

Schedule RFC A

Navy Meters

FY 2001

		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Annual
RI Nurseries (7/16/01)	#046-12700											100		
US Navy														
Greene Lane (6/19/01)	#089-01300	11,200	12,200	11,800	10,300	10,400	11,200	11,300	14,000	11,400	9,100	9,600	9,300	131,800
Fort Adams (6/21/01)	#089-01400	1,480	1,140	1,382	1,397	1,460	1,476	1,469	1,626	1,391	1,429	1,523	1,591	17,364
Lawton Valley (6/20/01)	#089-01500	3,624	3,622	3,792	4,200	3,700	3,703	3,763	3,844	3,824	3,795	3,666	3,417	44,951
Coddington (1) (6/19/01)	#089-01700	6,918	4,905	4,629	3,944	4,357	8,067	8,323	10,027	13,024	10,950	10,730	8,903	94,777
Hospital Gate 7 (8/1/00)	#089-01800	33	1	392	735	287	615	478	566	1,207	577	831	257	5,979
Cloyne Park (1) (7/17/01)	#089-01900	1,776	12,887	14,163	12,108	6,083	7,947	7,278	7,140	7,144	6,945	7,731	8,912	100,114
Newport Hospital (6/20/01)	#078-10600	169	169	169	169	169	169	169	169	169	169	169	169	2,031
Coggeshall Marine - Bend Boat Basin (3/	#079-11908	313	333	205	247	217	302	205	204	201	210	242	445	3,124
Hyatt Regency - Goat Island (10/20/00)	#078-13700	1,000	956	924	789	985	887	385	83	684	212	335	304	7,545
IDC Inc. - Goat Island (11/15/00)	#078-13800	1,842	2,634	2,045	2,130	2,231	1,309	694	1,087	477	782	1,248	1,024	17,503
Rogers High School (6/8/02)	#056-00600		389				599				784			1,772
State of RI Ft. Adams (6/6/02)	#022-38410	392				1,914				1,069				3,376
Earth Tech (6/7/02)	#055-02700		1,363				3,890				2,883			8,136
Park Holm (1) (6/22/01)	#078-05000	1,527	1,721	1,764	1,582	1,619	1,832	1,704	1,834	1,900	1,769	1,555	1,845	20,651
Howard Johnson/Kempenaar (6/6/02)	#079-03810	627	613	762	576	602	459	372	480	311	224	497	417	5,939
The Wellington Hotel (6/5/02)	#078-00011	382	643	777	524	330	261	125	218	140	179	295	356	4,230

(1) Two meters under these account numbers.

Docket No. #####

City of Newport, Rhode Island

Schedule RFC A

Navy Meters

		FY 2002												
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Annual
RI Nurseries (7/16/01)	#046-12700			392				568						
US Navy														
Greene Lane (6/19/01)	#089-01300	9,800	9,473	8,161	7,422	4,985	6,581	5,753	6,067	5,316	5,309	5,658	6,245	
Fort Adams (6/21/01)	#089-01400	1,616	1,172	1,484	1,792	1,361	1,986	181	2,137	1,806	1,741	1,679	1,833	
Lawton Valley (6/20/01)	#089-01500	3,348	99	13	7	40	187	193	239	8	5	6	10	
Coddington (1) (6/19/01)	#089-01700	6,467	4,548	5,466	5,302	4,842	10,029	9,874	11,764	10,189	9,367	9,646	9,697	
Hospital Gate 7 (8/1/00)	#089-01800	1,574	1,674	1,972	1,636	940	606	984	480	535	482	882	791	
Cloyne Park (1) (7/17/01)	#089-01900	10,979	11,053	11,625	12,749	7,504	7,378	6,692	6,550	6,672	6,197	6,895	7,389	
Newport Hospital (6/20/01)	#078-10600	169	87											
Coggeshall Marine - Bend Boat Basin (3/	#079-11908	448	372	391	389	226	297	123	43	56	57	102	344	
Hyatt Regency - Goat Island (10/20/00)	#078-13700	545	644	970	359	435	298	93	160	91	107	111	157	
IDC Inc. - Goat Island (11/15/00)	#078-13800	1,564	1,613	2,082	1,232	981	809	138	900	874	537	623	990	
Rogers High School (6/8/02)	#056-00600		1,185				2,834				549			
State of RI Ft. Adams (6/6/02)	#022-38410	814				2,210				978				
Earth Tech (6/7/02)	#055-02700		1,945				1,775				1,729			
Park Holm (1) (6/22/01)	#078-05000	1,516	2,006	2,556	225	2,288	1,877	1,919	2,475	1,874	2,192	1,767	1,979	
Howard Johnson/Kempenaar (6/6/02)	#079-03810	481	552	631	468	509	288	191	237	190	293	290	430	4,559
The Wellington Hotel (6/5/02)	#078-00011	510	689	694	661	305	254	133	221	206	192	322	392	

1 **Q. Have you previously testified before any regulatory agencies or in court on utility rate**  
2 **related matters?**

3 A. Yes. I have provided expert testimony regarding the value of property located in southern  
4 Connecticut as a raw water source for neighboring communities. The crucial factor  
5 impacting the valuation of this property was the value placed on the sale of raw water. The  
6 owners of the property filed an antitrust suit to collect damages resulting from the inability to  
7 use the land as a raw water source.

8 **Q. Do you belong to any professional organizations or committees?**

9 A. Yes. I am a member of the American Water Works Association where I serve on the  
10 Competitive Practices Committee.

11 **Q Please describe your role in this proceeding?**

12 A. I have worked with the Director of Public Works and the staff of Newport Water to develop  
13 pro forma revenue requirements and the resulting cost allocations and cost based rates and  
14 charges. The results of my analyses are included in the schedules incorporated herein with my  
15 testimony.

16 **Q. Please describe the purpose of your testimony.**

17 A. This testimony provides an explanation for each schedule attached to my testimony. The  
18 schedules calculate the pro forma revenue requirements of Newport Water, as well as the  
19 commodity rates for residential, commercial and governmental classes of the City of Newport  
20 Water Division (“Newport”), the United States Navy (the “Navy”) and the Portsmouth Water  
21 and Fire District (the “PW&FD”). Other charges calculated in the model include a base charge,  
22 and both public and private fire protection charges for Newport, and portions of Middletown and

1 Portsmouth. The testimony also serves as a guide to other sources where assumptions are used,  
2 the logic that was used in the development of the model, and the flow of empirical and calculated  
3 information.

4 **Q. What are your general conclusions?**

5 A. Newport water is in need of additional revenue of \$515,143 to properly fund O&M and  
6 capital costs related to functional cost categories such as source of supply and treatment,  
7 transmission, and distribution, and meters and services, customer costs, and fire protection cost  
8 categories. In addition, Newport Water has been ordered to submit a cost allocation study using  
9 the base extra capacity method. I have conducted such a study, and it indicates that restructuring  
10 of the current rate schedule is needed.

11 **Q. What are the proposed Test Year and Rate Year in this filing?**

12 A. The proposed Rate Year is July 1, 2003 to June 30, 2004. The Test Year is April 1, 2002 to  
13 March 31, 2003.

14 **Q. Can you quantify the costs responsible for the proposed rate increase?**

15 A. Yes, the increase is due to several factors. The current commodity rates and base charge are  
16 insufficient to meet the costs associated with the functional categories and customer services.  
17 The net revenue requirements for the functional categories set forth in the FY 2004 Water Fund  
18 Budget including funding of PUC mandated reserve accounts is \$6,618,661. Under the current  
19 commodity rates and based on historic consumption, \$6,266,419 would be recovered for the FY  
20 2004 period. The net revenue requirements for customer services set forth in the FY 2004 Water  
21 Fund Budget is \$799,973. Under the current base charge and based on the historic number of  
22 accounts, \$556,555 would be recovered.

1 **CONTENT OF SCHEDULES**

2 **Q. Please provide a brief description of your prefiled schedules.**

3 A. There are twelve schedules some have supporting schedules as follows:

4 Schedule RFC 1-Summary Revenue Requirements: Summarizes detail from Water Fund FY  
5 2004 Budget in a format that exhibits the test year and rate year revenue requirements including  
6 a summary of adjustments. A summary is provided of the allocation of the rate year revenue  
7 requirements among the cost categories.

8 Schedule RFC 1.1- Summary Operating Revenue Requirements by Line Item: Summary  
9 of the test year, adjustments, rate year and allocation to cost categories by budget line  
10 item.

11 Schedule RFC 1-A-Detail Revenue Requirements: Each line item from the Water Fund  
12 Budget is exhibited in this schedule for the test year and rate year and allocated to the  
13 different cost categories.

14 Schedule RFC 2-Revenue Offsets: Lists additional sources of revenue to the Water Fund that are  
15 used to offset the revenue requirements needed to be recovered through rates.

16 Schedule RFC 3-Calculation of Commodity Rates: Allocates revenue requirements associated  
17 with functional cost categories between customer classes to determine flat retail commodity rates  
18 for retail customers and wholesale customers.

19 Schedule RFC 3-A-Unsold Water Adjustment: Unsold water data is calculated and  
20 allocated to the functional cost categories to be used in Schedule RFC 3 to adjust the  
21 allocation of functional costs to each customer class.

22 Schedule RFC 4-Allocation Index Summary: Summary of allocation percentages for each  
23 functional activity.

1           Schedule RFC 4-A- Allocation Indexes: Various allocation indexes are calculated and  
2           assigned to line items in the Water Fund FY 2004 Budget.

3           Schedule RFC 5-Units of Service/Base Extra Capacity Method: Exhibits the Base/Extra Capacity  
4           flows according to customer class in the Newport system.

5           Schedule RFC 5-A-Peak Flow Data Newport: Data from the Lawton Valley and Newport  
6           Treatment Plants is exhibited for average and max day consumption.

7           Schedule RFC 5-B-Peak Flow Data PW&FD: Data compiled by PW&FD that indicates  
8           the average and max day usage for FY 2000 through FY 2002.

9           Schedule RFC 5-C Consumption Summary: Summary of consumption per customer class  
10           and metered sundry billing exhibited for FY 1999 through FY 2003. Summary of  
11           consumption existing consumption block for Retail customers, the Navy, and PW&FD.

12           Schedule RFC 5-C1-Consumption Data from City of Newport by Customer Class:  
13           Consumption for each customer class exhibited for FY 1999 through FY 2003.

14           Schedule RFC 5-C2-Consumption Data from City of Newport by Consumption Block:  
15           Consumption for each consumption block exhibited for FY 2000 through FY 2002.

16           Schedule RFC 5-D-Derivation of Capacity Factors for Max Day Flow: Demand capacity  
17           factors for each customer class are calculated.

18           Schedule RFC 5-E-Plant Use Consumption Data from City of Newport

19           Schedule RFC 6-Revenue Proof: Compares the calculated revenues from proposed and existing  
20           commodity rates with the revenue requirements.

21           Schedule RFC 7-Rate Impacts: Compares the rates for each customer class at various  
22           consumption levels under the proposed and existing commodity rates and base charge.

1 Schedule RFC 8-Fire Protection Charges: Calculates charges for private and public fire  
2 connections.

3 Schedule RFC 8-A-Fire Protection Accounts: Lists number of public fire connections  
4 according to location and private fire connections according to size.

5 Schedule RFC 9-Fire Charge Impacts: Indicates what the calculated fire charges are compared to  
6 the existing charges. The recommended charges are what are used to calculate revenue in  
7 Schedule RFC 6.

8 Schedule RFC 10-Base Charge: Calculates a base charge based on the costs associated with  
9 customer service and the number of bills generated.

10 Schedule RFC 10-A-Account Summary: Summarizes number of accounts per customer  
11 class for FY 2000 through FY 2004 as equivalent accounts.

12 Schedule RFC 10-B-Accounts: Number of accounts billed per month from FY 2000  
13 through FY 2002.

14 Schedule RFC 11-Capital Improvements Schedule: Includes water projects for the FY 2003  
15 through FY 2008 planning horizon and assumed funding.

16 Schedule RFC 12-Restricted Account Balance: Exhibits the sources and uses of the PUC  
17 mandated restricted accounts that include the capital spending, debt service, and chemical  
18 allowance accounts.

19 Schedule RFC A-New Meters: Shows meter readings of new meters installed from January 2001  
20 through September 2002. Included for informational purposes only.

1 **REVENUE REQUIREMENTS**

2 **Q. How did RFC develop the revenue requirements for Newport?**

3 A. The summary revenue requirements are shown in Schedule RFC 1, which shows the operation  
4 and maintenance (“O&M”) costs and capital expenses for the entire Newport water system,  
5 including the PW&FD and the Navy. Furthermore, Schedule RFC 1 shows an overview of the  
6 allocation among three functional categories: supply and treatment, transmission, and  
7 distribution, as well as meters and services, customer costs, and fire protection. The meters and  
8 services, customer costs, and fire protection cost categories are included to determine base and  
9 fire protection charges.

10 A test year that is based on the actual expenses incurred by the Water Fund for the period from  
11 April 1, 2002 through March 31, 2003 is shown in Schedule RFC 1 and Schedule RFC 1-A for  
12 each line item in the budget. Adjustments to the test year reflect any out of the ordinary  
13 expenses that may have occurred during the test period that are unlikely to be repeated during the  
14 rate year. The result of these adjustments are shown under the Normalized Test Year column for  
15 both schedules. The Rate Year is based on the FY 2004 budget for the Water Fund. The  
16 differences between the Normalized Test Year and Rate Year are shown in the Adjustments  
17 column as well. Further detail regarding these adjustments are provided in the Testimony of  
18 Julia Forgue, City of Newport Public Works Director. The overall result indicates the revenue  
19 requirements that will need to be recovered through rates and charges from Retail, the Navy and  
20 the PW&FD.



1 **Q. Are specific line items from the budget for Newport used to develop the revenue**  
2 **requirements shown in Schedule RFC 1?**

3 A. Yes. The Rate Year column in Schedule RFC 1-A represents the amounts for each account  
4 number shown in the Water Fund FY 2003 – 2004 Budget (the “Budget”). The line items for  
5 each account are separated as shown in the Budget between personnel, other operating, and  
6 capital. In this schedule the personnel and other operating revenue requirements are as they  
7 appear in the Budget.

8 A portion of revenue requirements is further allocated among the three functional categories:  
9 supply and treatment, transmission, and distribution with the remaining balance allocated among  
10 meters and services, customer costs, and fire protection. The allocation of each line item to the  
11 different cost categories is based on the allocation matrix found in Schedule RFC 4.

12 **Q. How are property taxes associated with land owned by Newport in Portsmouth and**  
13 **Middletown represented?**

14 The property taxes associated with Portsmouth and Middletown are based on the FY 2004 tax  
15 bill as shown in the schedule prepared for Item 2.9 (i) in this filing. Item 2.9 (i) also includes  
16 property taxes associated with land in Tiverton and Little Compton.

17 **Q. How is the updated capital improvements plan incorporated into the model?**

18 A. The capital revenue requirements shown in Schedule RFC 1-A are based on the Budget and  
19 adjusted for items that will be funded through the anticipated State Revolving Fund Loan (“SRF  
20 Loan”). The updated capital improvements plan (the “CIP”) utilizes a forecast period of FY  
21 2004 through FY 2008 with the funding source indicated for each project either being funded  
22 through the SRF Loan or rate funded through the Water Fund. An average of the amounts shown

1 for each project for the forecast period is shown as the amount to be rate funded for FY 2004.  
2 This ensures that rates are sufficient to fund projects that appear later in the forecast period. The  
3 capital revenue requirements from the FY 2004 budget are shown in the Capital Revenue  
4 Requirements-Summary at the end of Schedule RFC 1-A. Included are new line items for SRF  
5 Loan principal and interest and IFR replacement to reflect the revised CIP. The capital items in  
6 the Budget are funded through the debt service and capital spending restricted accounts.

7 **Q. How is the debt service for the SRF Loan calculated?**

8 A. The total SRF Loan is based on \$3,000,000, which was authorized by the Public Utilities  
9 Commission in Docket 2985, and later approved by the Division of Public Utilities and Carriers  
10 in Docket D-02-3. According to the financial advisor for the Clean Water State Revolving Fund,  
11 interest rates are 25 basis points below the market rate with the payment period at 20 years.  
12 Assuming a market rate of 4%, the interest rate used to estimate debt service is 3.75%. Payment  
13 of the debt service does not start until construction is complete or three years from the start of  
14 construction when there are multiple projects being funded as is the case with the CIP for  
15 Newport. In the rate model the payments are assumed to begin in FY 2005 therefore those  
16 revenue requirements are not reflected in the rate year upon which the rates are based. The  
17 NWD will need to apply for an increase in rates once the payments begin.

18 **Q. How are revenue offsets developed and integrated into the RFC model?**

19 A. Revenue offsets are included to show the net revenue requirements that will be recovered  
20 through rates for all users of the system including Navy, PW&FD, and Retail. As previously  
21 mentioned there is a line item in Schedule RFC 1 that shows the total revenue offsets and how  
22 they are allocated among the different cost categories. The line items that comprise revenue

1 offsets are allocated among the functional costs in Table 2a of Schedule RFC 2 similar to the  
2 allocation in Schedule RFC 1-A. The revenues for the Test Year are based on the period from  
3 April 1, 2002 through March 31, 2003 and adjustments similar to those for the revenue  
4 requirements are applied.

5 **Q. How are revenue requirements and offsets allocated to the functional categories?**

6 A. An allocation matrix is used to allocate revenues and expenses in Schedule RFC 4. Its  
7 purpose is to allocate each budget line item to the three functional categories as well as to meters  
8 and services, customer costs, and fire protection for total costs associated with the Newport  
9 Water Division. The framework of the allocation matrix, mentioned previously in explanations  
10 of Schedule RFC 1-A, is based on Schedule JDM-1, page 8 of the model submitted by Exeter  
11 and Associates (“Exeter”) on behalf of the Division of Public Utilities and Carriers (“Division”)  
12 as part of its Newport cost of service study filed with the Rhode Island Public Utilities  
13 Commission (“RIPUC”) per Docket No. 2985. The matrix is revised with more detailed and up  
14 to date information provided by Newport. Each functional activity and its corresponding  
15 allocation symbol are assigned set allocation percentages for supply and treatment, transmission,  
16 distribution, meters and services, customer charge, and fire protection. The allocations are  
17 applied to the specific budget line items in Schedule RFC 1-A in order to allocate expenses  
18 among the respective cost categories. A cost of service amount is estimated under each  
19 functional activity for Retail customers. Total revenue offsets for each cost category are then  
20 carried forward to Schedule RFC 1 and Schedule RFC 1-A to determine net revenue  
21 requirements. Table 2a in Schedule RFC 2 shows the revenue offsets for Retail customers  
22 allocated to each cost category.

1 **Q. How are functional costs allocated among PW&FD, Navy and Retail customer classes?**

2 Schedule RFC 3 shows the process of allocating costs among retail customers, the Navy, and the  
3 PW&FD. The PW&FD is allocated only costs associated with supply and treatment while the  
4 costs allocated to the Navy include supply and treatment and transmission costs. Retail  
5 customers are allocated costs for all three functional categories. The allocation of these costs is  
6 based upon average flows from FY 1999 through FY 2003 for all customers adjusted for unsold  
7 water. These percentages are then used to calculate functional costs for PW&FD, the Navy and  
8 retail customers in Table 3f.

9 **Q. How is the base/extra capacity demand incorporated into the analysis?**

10 A. In Schedule RFC 5-A, average and peak flow data, obtained from the Newport and Lawton  
11 Valley treatment plants is used to allocate functional costs associated with base (average) and  
12 maximum day demand among functions in Table 3b of Schedule RFC 3. Tables 3d and 3e  
13 display the percentages to allocate the base (average demand) and extra capacity (max day  
14 demand) costs. These percentages are based on non-coincident peaking factors developed  
15 according to methodology outlined in Appendix A "Development of Capacity Factors by Class"  
16 of the American Water Works Association ("AWWA") M-1 Manual.

17 **Q. Is it possible to separate the peak demand between the Navy, the PW&FD, and retail**  
18 **customers?**

19 A. No, therefore it is assumed that the peak flow data for the Lawton Valley and Newport  
20 Treatment Plants apply to all customers in order to estimate an allocation percentage among  
21 functional categories. The percentages calculated for the supply and treatment functional  
22 activity are allocated only to base (average) demand since there are no transmission and

1 distribution costs for the PW&FD. The transmission and distribution allocation percentages are  
2 equal for base (average) and max day demand.

3 **Q. How are these allocation percentages used?**

4 A. In Table 3e, the base/extra capacity allocations calculated in Tables 3d and 3e for supply and  
5 treatment, and transmission and distribution, respectively are used to estimate the functional  
6 costs related to base (average) and max day demand for all customers in Table 3f.

7 **Q. How are costs associated with base (average) demand for each customer class**  
8 **calculated?**

9 A. In Tables 3d and 3e, allocation percentages for base (average) demand for residential,  
10 commercial, and governmental classes, the Navy, and PW&FD are calculated based on actual  
11 metered flow data provided by the City of Newport as shown in Schedule RFC 5-C and adjusted  
12 for unsold water. An annual flow for each class is determined by the average monthly demand  
13 calculated for each class.

14 **Q. Is any consideration given to coincident vs. non-coincident peaking demand?**

15 A. Yes, non-coincident extra capacity demand is calculated for all retail classes, the Navy, and  
16 the PW&FD in accordance with the procedure outlined in Appendix A of the AWWA M-1  
17 Manual. This procedure is used in Schedule RFC 5-D to derive the capacity factors for max day  
18 demand. The procedure estimates a max month daily flow from actual customer flow data for  
19 each customer class. A max month ratio is then calculated for each class by dividing the max  
20 month daily flow by the annual average daily rate for each class. The non-coincidental max day  
21 capacity factor is then estimated by multiplying the max month ratio by an overall system

1 coincident max day to overall system max month ratio. A weekly usage adjustment is then  
2 applied to account for daily variation in usage for retail classes.

3 **Q. Is a check done to ensure the capacity factors were consistent with AWWA guidelines?**

4 A. The procedure in the AWWA M-1 Manual prescribes a test of system diversity, which serves  
5 as a reasonableness test for the coincident max day capacity factor. This procedure is used in  
6 Schedule RFC 5-D. Although, the diversity factors calculated for the max day capacity factors  
7 fall outside the AWWA prescribed range, the unique nature of Newport's usage patterns given  
8 its unique tourism industry may explain the difference between it and the average usage pattern  
9 for a water system similar in size.

10 **Q. How is the base/extra capacity demand calculated in the RFC model?**

11 A. The consumption data for the rate year for the retail classes, the PW&FD, and the Navy are  
12 estimated from metered data to determine the base (average) demand. Total capacity flows for  
13 max day demand are calculated by multiplying the base demand by the non-coincident extra  
14 capacity factors. The extra capacity for max day demand is the difference between the total  
15 capacity flow for max day demand and the base flow.

16 **Q. How are the resulting base/extra capacity flows used?**

17 A. The average and max day flows calculated in Schedule RFC 5 are used to determine the  
18 percentages used to allocate costs associated with average and max day demand in Tables 3d and  
19 3e in Schedule RFC 3. These percentages are then used to determine the base/extra capacity  
20 costs per customer class in Table 3f by functional activity.

1 **Q. Is any consideration given to the functional categories for each customer class and if so**  
2 **how are they allocated?**

3 A. Yes. Flow percentages for the retail classes, the Navy, and the PW&FD are calculated  
4 separately for supply and treatment in Table 3d of Schedule RFC 3 and for transmission and  
5 distribution in Table 3e of Schedule RFC 3. Table 3f in conjunction with the base/extra capacity  
6 costs in Table 3c are used to develop base/extra capacity costs per functional activity for each  
7 customer class. The major distinction between the supply and treatment, and transmission and  
8 distribution functional categories is that the PW&FD is allocated no percentage of flows for  
9 transmission and distribution and the Navy is allocated no distribution costs.

10 **Q. How are commodity rates for Retail customers, the Navy and the PW&FD calculated?**

11 A. The costs associated with base/extra capacity demand are totaled for each customer class and  
12 divided by the respective customer class's average metered annual flow for FY 1999 to FY 2003  
13 to determine the commodity rate for each customer class.

14 **Q. Are separate rates calculated for each Retail customer class?**

15 Yes, but for comparison purposes only. The average of the rates will instead be applied to all  
16 retail classes. The reasons for this are twofold: 1.) Since the rates for each customer class are  
17 within 7% of one another, then it seems reasonable to maintain a single retail commodity rate;  
18 and 2.) It is not possible without a significant level of effort and expense to distinguish between  
19 retail customer classes. Therefore one commodity rate applies to residential, commercial, and  
20 governmental classes.

21

22

1 **Q. How is the base charge calculated?**

2 A. The base charge includes costs for meters and services and customer costs. These costs are  
3 allocated according to the allocation index in Schedule RFC 4. The calculation for the base  
4 charge is shown in Schedule RFC 10 of the RFC model. In order to calculate a base charge that  
5 is equitable for monthly and tertiary customers it was necessary to calculate an equivalent  
6 account per month. The number of monthly accounts remained unchanged while the number of  
7 tertiary accounts were multiplied by four. This was done to all Retail customer classes since  
8 each class had accounts that are billed monthly and tertiary. Since the frequency of billing will  
9 remain unchanged for all customers the tertiary and monthly customers will have base charges of  
10 \$17.56 and \$4.39 applied to their accounts, respectively. The charge is based on the accounts  
11 projected for FY 2004, which is determined by calculating a growth rate for the converted  
12 monthly accounts from FY 1999 to FY 2003 and applying it to the number of accounts for FY  
13 2003.

14

15 **Q. How are the public and private fire protection charges determined?**

16 A. The fire protection costs are allocated according to the allocation index in RFC 4. Schedule  
17 RFC 8 allocates the total fire protection cost further between public and private for each line item  
18 in the Budget. The allocation was based on the number of equivalent accounts for the total  
19 accounts as prescribed in Chapter 30, "Rates for Fire Protection Service", of the AWWA M-1  
20 Manual. The charges for public and private fire protection are shown in Schedule 8-A as well.  
21 The public fire protection charge is calculated based on the costs to be recovered and the total  
22 number of public fire hydrants, which totals 951 in Newport, and the areas of Portsmouth and



1 Middletown served by Newport. Private fire protection charges are based on meter size and the  
2 number of accounts per meter size.

3 Although a slight surplus in revenues is shown to be generated in Schedule RFC 6, “Revenue  
4 Proof”, from existing fire protection charges, the difference between the calculated and existing  
5 fire protection charges for both public and private accounts is small enough to recommend that  
6 no change be made to the existing fire protection charges.

7 **Q. Have you provided information on what the customer impacts are projected to be?**

8 A. Yes, Schedule RFC 7 shows existing and proposed rates and the percentage impacts that are  
9 likely to occur for various volumes. The base charge decreases from \$11 per account to \$4.39  
10 per account for monthly customers and increases to \$17.56 for tertiary customers, while the  
11 commodity rate has changed from a two-block rate structure for all Retail customer classes to a  
12 single commodity rate.

13 Schedule RFC 7 indicates the customer bill for certain volumes under the existing rate structure  
14 and what the total bill will be under the proposed rates for the same consumption. Schedule RFC  
15 7 indicates an increase for all customer classes including the Navy and the PW&FD.

16 **Q. What consideration has been given as to whether the revenues from the rates and  
17 charges are sufficient to cover revenue requirements for Newport?**

18 A. Schedule RFC 6 serves as a revenue proof to determine revenue sufficiency of the proposed  
19 commodity rates for retail customers. The income available for debt service is shown as well  
20 and is calculated by showing total revenues (user revenues and specific service revenues) less  
21 revenue requirements related to meters and services and customer costs and O&M expenses.  
22 The revenues that would be generated under the existing rate structure is shown for commodity

1 rates, base charges, and fire protection charges. The comparison indicates deficits for the  
2 recovery of costs associated with functional categories, meters and services, and customer costs.

3 **Q. According to the RFC model, are the rates and charges calculated sufficient to meet**  
4 **revenue requirements?**

5 A. Yes, as shown in Schedule RFC 6, a small surplus is generated which is due to rounding up  
6 the calculated commodity rates and billing charge to the nearest cent to use as the recommended  
7 commodity rates and base charge.

8 **Q. What are the reasons for the increase in the retail and wholesale rates and the base**  
9 **charge?**

10 A. The main reason for the increase is that the new rates be sufficient to recover revenue  
11 requirements set forth in the FY 04 budget. Also included in the revenue requirements is an  
12 average annual capital cost to be funded through rates and the restricted capital account. This  
13 annual cost has been developed from the most recent CIP that covers a planning horizon from  
14 FY 2003 - FY 2008 less projects to be funded by the SRF Loan. An additional debt service has  
15 been developed as well to address an outstanding loan from the General Fund to the Water Fund  
16 in the amount of \$2.5 million. An annual payment of \$500,000 for five years has been added to  
17 the revenue requirements to account for this.

18 Another reason is the overall increase in the amounts budgeted for line items in the FY 2004  
19 Budget as shown in Schedule RFC 1-A. As previously mentioned, further detail on these  
20 adjustments are provided in the Julia Forgue Testimony.

1 Although there are rate increases for all customers, the model has calculated rates that are  
2 projected to remain in place until the debt service payments for the SRF Loan are due to begin.

3 **Q. What is the reason for the increase in the Navy's rates?**

4 Since the Navy has service provided through Newport's transmission lines to various locations  
5 throughout Newport's system it has been regarded as a customer that should incur its share of  
6 transmission costs. The allocations are based on the average of the Navy's base and max day  
7 flows from FY 2000 – FY 2002. As with the Retail customers, the Navy has been allocated a  
8 percentage of supply and treatment and transmission costs based on these flows.

9 **Q. Does this conclude your testimony?**

10 A. Yes, with the exception of filing further testimony, this concludes my direct testimony.