

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES**

DOCKET NO.

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5. Notice to City and Town Councils of Cities and Towns Serviced by Newport Water (pursuant to R.I.G.L. ' 39-3-12.1).
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7. Testimony of Harold Smith, supporting schedules, attestation, and attestation of financial data.
8. Testimony of James C. Smith.
9. Appendix.

Attachments for compliance with Rule 2.9 of the State of Rhode Island Public Utilities Commission Rules of Practice and Procedure. (Items 2.9(e), 2.9(f), 2.9(g), 2.9(i), 2.9(j), 2.9(k), 2.9 (m), 2.9(n)(1), and 2.9(n)(3).

Documentation Required by R.I.G.L. ' 39-3-12.1.

10. Index (pursuant to State of Rhode Island Public Utilities Commission Rules of Practice and Procedure, Rule 2.10)

November 28, 2003

The Honorable Elia Germani, Chairman
State of Rhode Island
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: City of Newport, Utilities Department, Water Division,
General Rate Filing, November 2003

Dear Chairman Germani:

On behalf of the City of Newport, Utilities Department, Water Division (“Newport Water”), enclosed you will find revised rate schedules which Newport Water proposes to place in effect in thirty (30) days. The new rates are designed to collect total revenues in a twelve-month period equal to \$8,173,251.00. We have included in our filing pre-filed testimony from three witnesses to be presented by Newport Water, as well as Exhibits in support of the revised rates. Additionally, we have included all applicable information required by the Rhode Island Public Utilities Commission Rules of Practice and Procedure, and statements conforming to the mandates of RIGL ' 39-3-12.1. Additionally, Newport Water, pursuant to RIGL ' 39-3-12.1 is providing all documents to the following communities:

- (1) The Town of Middletown;
- (2) The Town of Portsmouth;
- (3) The United States, Department of the Navy, Department of Public Works.

We have also included a copy of our proposed notice to be published in the Providence Journal. We would respectfully ask that your staff immediately review the proposed notice so that it might be published within the ten (10) day period prescribed by law.

The following individuals should receive all correspondence for any additional information to be provided by the Public Utilities Commission: Julia Fogue, P.E., City of Newport, Director of Public Works, 70 Halsey Street, Newport, Rhode Island 02840; and Joseph A. Keough, Jr., Esquire, Keough

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**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES**

DOCKET NO.

NOTICE OF FILING AND CHANGE IN RATE SCHEDULES

On November 28, 2003, pursuant to the Rhode Island General Law 39-3-11 and Part II of the Public Utilities Commission's ("Commission") Rules of Practice and Procedure, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice that it has filed with the Commission an application to increase its rates.

The proposed rates are designed to collect additional operating revenue in the amount of \$606,662 to support total operating revenue requirements of \$8,173,251. The impact of this request will result in a 8.01 % increase in revenues. In addition, Newport Water proposes to change its current declining block rate structure to a flat rate commodity charge based on consumption. For a typical residential customer, the impact of this request will result in an increase of \$10.50 per year or 4.47%. Under the proposed flat commodity charge, the impact will vary based on customer classification and consumption level. Please note that while Newport Water is requesting this revenue increase, the Commission, after full investigation and hearings, may order a different revenue requirement and rate.

While the new rates are proposed to become effective December 28, 2003, the Commission can suspend the rates up to six months from the proposed effective date. No rate change will take effect until the Commission has conducted a full investigation and hearing on the proposal. The Commission will publish a notice of the hearing dates when they are scheduled. Ratepayers may comment on the proposed rate increases at that time.

A copy of the application is on file for examination at the Newport Water's office and at the offices of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to The Town of Portsmouth, The Town of Middletown and the United States Navy. A copy was also provided to the Rhode Island Attorney General's Department, Consumer Division. Subscriber billing statements will contain notice of this filing. Some larger subscribers will receive notice in their monthly billing and others in their regular billing.

City of Newport, Utilities Department, Water Division
70 Halsey Street
Newport, RI 02840

& Sweeney, 100 Armistice Boulevard, Pawtucket, Rhode Island 02860.

Honorable Elia Germani, Chairman

November 28, 2003

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Joseph A. Keough, Jr. will act as legal counsel for Newport Water and will represent the utility in all rate filing matters concerning these documents.

Thank you for your attention to these matters.

Sincerely,

Joseph A. Keough, Jr.

Counsel

City of Newport

Utilities Department

Water Division