

Prefiled Direct Testimony

Of

David G. Bebyn CPA

For

Pawtucket Water Supply Board

City of Pawtucket

APRIL 2005

INTRODUCTION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Q. Please state your name and business address for the record.

A. My name is David G. Bebyn CPA and my business address is 21 Dryden Lane, Providence, Rhode Island 02904.

Q. By whom are you employed and in what capacity?

A. I am the Vice President of B&E Consulting LLC. (B&E). B&E is a CPA firm that specializes in utility regulation, expert rate and accounting testimony, school budget reviews and accounting services. I was formerly employed by Bacon & Edge PC as the Consulting Department Manager.

Q. Mr. Bebyn, have you testified as an expert accounting witness prior to this docket?

A. Yes. I have prepared testimony in the Pawtucket Water Supply Board's (PWSB) past four full rate filings (Dockets #3164, #3193, #3378 & #3497 in support of the normalized adjusted test year. However, in the first two dockets, I was not required to give oral testimony. In addition to providing expert testimony on the test year, I also assisted the rate year witness with certain billing and consumption information and assisted in responding to data requests.

Q. What is your educational background?

A. I received my Bachelors of Science Degree in Accounting (BSA) from Rhode Island College. I became a Certified Public Accountant in 2000 after successfully passing the CPA exam.

Q. What is the purpose of your testimony?

A. B&E was engaged by PWSB to provide testimony in support of its rate request. My testimony includes a presentation of the normalized adjusted test year (July 1, 2003 - June 30, 2004).

1 **Q. Does that conclude your introduction?**

2 A. Yes.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

1 TEST YEAR (July 1, 2003 - June 30, 2004)

2
3 **Q. Mr. Bebyn, was the test year audited?**

4 A. Yes. The PWSB maintains its books and records on a fiscal year basis ending June 30th
5 of each year. The fiscal year ending June 30, 2004 was audited by Bacon & Edge.
6

7 **Q. Were you involved in the June 30, 2004 audit?**

8 A. Yes, I personally supervised and preformed a majority of the fieldwork regarding that
9 audit. During that audit, I reviewed all the year-end general ledger account balances and
10 the major transactions in the audit year (revenues and expenses) to assure that amounts
11 were properly recorded.
12

13 **Q. What adjustments did you make to convert the June 30, 2004 financial**
14 **statements prepared on a Generally Accepted Accounting Principles (GAAP) basis to**
15 **arrive at a normalized “rate making basis” test year?**

16 A. I made twenty three adjustments to the audited test year prepared on a GAAP basis in
17 order to present the test year on a normalized “rate making basis” as follows:
18

19 A. Removed all depreciation expense from the test year because PWSB is regulated on
20 a cash basis.

21 B. Added back to the test year bond and capitalized lease principal payments made in
22 the test year.

23 C. Removed all amortization expense from the test year because PWSB is regulated on
24 a cash basis.

25 D. Added the capitalized labor for T&D and Meter departments to the test year, once
26 again because PWSB is regulated on a cash basis. The capitalized labor for
27 engineering is addressed under item S below.

28 E. Increased the IFR expenditure to reflect the level granted and require to be restricted
29 in the last rate filing (See DGB-10). This adjusted balance includes capitalized
30 materials and road surface restoration expenditures which I moved from T&D

1 expenses to this account. Capitalized labor in the last filing was included in base
2 salaries. Engineering salary for Project Manager was added to this IFR account in
3 agreement with the prior filing.

4 F. Adjusted the public fire service, private fire service and customer service revenue
5 levels to reflect the increase approved the last rate filing (See DGB-5 and DGB-6).
6 Since the increase from Docket #3497 was implemented for consumption on and
7 after October 1, 2003, only a portion of the rate increase was included in the test year
8 (FYE June 30, 2004) before my adjustment.

9 G. Adjusted the sales for resale revenue amount to reflect a full year of the increased
10 rate allowed in the last rate filing (See DGB-4). Mr. Woodcock addresses the issue
11 of normalized consumption in his testimony.

12 H. Adjusted the metered sales revenue levels to reflect the increase approved in the last
13 rate filing (See DGB-3). Since the increase from Docket #3497 was implemented
14 for consumption on and after October 1, 2003, only a portion of the rate increase was
15 included in the test year (FYE June 30, 2004). Mr. Woodcock addresses the issue of
16 normalized consumption in his testimony.

17 I. Grant revenue is related to grant mandated expenditures and is not available to pay
18 for normal operations. Therefore, I have removed all of the grant revenues and
19 grant expenses from the GAAP basis financial statements.

20 J. Removed non-recurring miscellaneous revenue. The "Sales Revenue (held
21 doubtful)" account was the result of the PWSB collecting of a portion of the
22 Elizabeth Webbing account that was considered uncollectible for GAAP financial
23 statement purposes and written off.

24 K. The Service Installation account was set at the 6 year average to normalize this
25 revenue source. This account has been three to four times its normal levels due to
26 the low mortgage interest rates resulting in a boom in housing construction within
27 the City of Pawtucket. Misc. non-operating revenue was also set at the 6 year
28 average to normalize the account to better reflect the normal level of revenue. (See
29 DGB-7)

- 1 L. Removed interest income earned on monies held in the restricted accounts required
2 by the Rhode Island Public Utilities Commission (RIPUC) and Rhode Island Clean
3 Water Finance Agency (RICWFA). The restricted accounts required by the RIPUC
4 cover IFR, Debt service, O&M reserve and Central Falls reserve. The restricted
5 accounts required by the RICWFA cover the residual project monies transferred
6 from the closeout of the PBA and monies restricted by bond covenants for the PBA
7 defeasance and water treatment plant financing.
- 8 M. The current treatment plant was operated part year by the PWSB and the other part
9 by DBO contract (Earth Tech). This adjustment removes the PWSB expenditures
10 and presents a full year of DBO contract payments. The PWSB will continue to pay
11 property taxes and electricity expenses related towards the plant (See DGB-9).
- 12 N. I increased the O& M reserve expense level to reflect the amount granted in the last
13 docket and require to be restricted per bond covenants and the PUC.
- 14 O. The WTP restricted account approved in the prior docket included pumping storage
15 capital costs. This adjustment corrects the misposting of this expense to outside
16 services.
- 17 P. Removed Earth Tech reimbursement (revenue) & expenses. The majority of the
18 expenditure, which is covered by this reimbursement, is related to soil remediation
19 and removal from the new treatment facility site.
- 20 Q. Increased the debt service interest expenditure (net of expenditures already listed in
21 and administration section) to reflect the level granted and require to be restricted in
22 the last rate filing docket #3497 (See DGB-8).
- 23 R. Adjusted retirement contributions to reflect a full year of expenditure. Due to a
24 surplus in past years the PWSB has not been required to fund the employer portion
25 of the retirement accounts for a few years. The PWSB is now required by the State
26 to fund the employer portion. See Mr. Benson's testimony for additional detail.
- 27 S. Added the capitalized labor for engineering departments to the test year, once again
28 because PWSB is regulated on a cash basis. Also, I reclassified the engineering
29 salary for the Project Manager to IFR in agreement with the prior Commission
30 decision.

1 T. The source of supply salary accounts only reflected a partial year of salary expense
2 since the employees were included in the past in purification salaries.

3 U. Adjusted the Central Falls Franchise Requirement expense level to reflect the
4 amount granted in the last docket. This item was posted to the balance sheet during
5 the test year for GAAP purposes.

6 V. Remove non-recurring expenses related to the PBA which has been eliminated due
7 to the defeasance of the PBA bonds.

8 W. Reclassified WTP expenditures originally posted to outside service and IFR. After
9 these adjustments, I adjusted the WTP Reserve expense level to reflect the amount
10 granted in the last docket.

11
12 **Q. Mr. Bebyn, why were no adjustment needed to Regulatory Commission**
13 **Expenses?**

14 A. This account already had been normalized during the PWSB audit. The Commission
15 ordered that these expenses be recovered over two years. The FY 2004 expense \$134,861
16 includes a half year of expense from FY 2003 (Note: the FY 2003 regulatory commission
17 expense was recovered half in 2003 and half in 2004 in the amount of \$55,484 per year)
18 and half of the expense from FY 2004 of \$79,377.

19
20 **Q. What amount was granted for Regulatory Commission Expenses in docket 3497?**

21 A. The commission ordered that these expenses be recovered over two year for an annual
22 collection of \$58,659. This amount resulted in a FY 2004 shortfall of \$76,202 and will
23 result in a FY 2005 shortfall of \$20,718 just from the FY 2004 half expense recovered in
24 FY 2005.

25
26 **Q. Are the PUC yearly assessment included in Regulatory Commission Expenses? If**
27 **so what is the amount for FY 2004 and FY 2005?**

28 A. Yes. The FY 2004 PUC yearly assessment was \$28,924 and \$32,512 for FY 2005.
29

1 **Q. Mr. Bebyn, in your professional opinion does your adjusted test year present a**
2 **proper normalized test year?**

3 A. Yes, I believe that the adjusted, normalized test year that I have prepared for this filing
4 (DGB-1) fairly presents the operations of PWSB in a normal year on a ratemaking basis
5 with currently approved rates.

6

7 **Q. Did you complete any other reviews to prepare your test year adjustments?**

8 A. Yes, I did. I prepared a four-year analysis of the actual (audited) revenue and expenses
9 for the years 2001, 2002, 2003 & 2004. Major variances were investigated to determine if
10 an adjustment was needed. If so, I discussed these items with Mr. Woodcock to decide if it
11 required a test year or rate year adjustment.

12

13 **Q. Did you include a schedule of the four-year comparison with this testimony?**

14 A. Yes, see DGB-2.

15

16 **Q. Does that conclude your testimony?**

17 A. Yes.

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
REVENUE				
2-300-9510-4515200	Service Installation	\$ 241,670	K (135,317)	\$ 106,352
2-300-9510-4515250	Gain (Loss) Disposal Property	8,600	J (8,600)	-
2-300-9510-4515300	Private Fire Protection	297,160	F 35,821	332,982
2-300-9510-4515400	Public Fire Protection	746,896	F 72,358	819,254
2-300-9510-4515500	Customer Service Charge	1,746,082	F 44,483	1,790,565
2-300-9510-4517200	Merchandising & Jobbing Revenue	4,719		4,719
2-300-9510-4517300	Non-Operating Rental Income	21,320		21,320
2-300-9510-4517400	Meter Sales	8,531,676	H 494,486	9,026,162
2-300-9510-4517500	Sales for Resale	940,113	G (5,223)	934,890
2-300-9510-4517700	Engineering Fees	-		-
2-300-9510-4517900	State Surcharge .01/100 Gallons	64,364		64,364
2-300-9510-4519000	Misc. Non Operating Revenue	11,581	K 7,822	19,403
2-300-9510-4519005	MIsc Revenue -DBO	-		-
2-300-9510-4519002	Sales Revenue (held in doubtful)	178,562	J (178,562)	0
2-300-9510-4519001	Interest & Dividend Income (General)	23,416		23,416
2-300-9510-4710600	Interest Income (derived from Refinance)	56,348	L (56,348)	0
2-300-9510-4710601	Interest Inc,-JPM Restricted	75,431	L (75,431)	0
2-300-9510-4710602	Interest Inc-JPM Non-restrict	2,615		2,615
2-300-9510-4711000	Penalties Water Account	61,037		61,037
2-302-9510-4419000	Grant Revenue	80,176	I (80,176)	0
2-303-9510-4419000	Grant revenue	64,438	I (64,438)	(0)
2-308-9510-4419000	Land Acquisition-WRB grant	100,000	I (100,000)	-
2-315-9510-4511300	Earth Tech Consult Reimb Revenue	450,000	P (450,000)	-
2-316-9510-4511300	Earth Tech Transit Reimb Revenue	375,000	P (375,000)	-
	TOTAL REVENUE	\$ 14,081,203	\$ (874,125)	\$ 13,207,078

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
EXPENSES				
<i>Administrative Expenses</i>				
2-300-9510-6511510	Administration Salaries	\$ 440,532		\$ 440,532
2-300-9510-6511520	Admin Overtime Payroll	4,245		4,245
2-300-9510-6511521	Police Payroll Exp	18,176		18,176
2-300-9510-6511525	Admin Out of Class Pay	2,419		2,419
2-300-9510-6511540	Administration Longevity	19,890		19,890
2-300-9510-6511577	Admin. Vacation & Sick Pay	80,118		80,118
2-300-9510-6512010	Admin. Employers Payroll Tax-FICA	29,112		29,112
2-300-9510-6512020	Admin. Payroll Tax-Medicare	7,237		7,237
2-300-9510-6512110	Health Benefits	545,258		545,258
2-300-9510-6512120	Dental Benefits	35,754		35,754
2-300-9510-6512210	Admin MERS Contrib.	150	R 7,647	7,797
2-300-9510-6523030	Education and Training	9,727		9,727
2-300-9510-6523050	Outside Services Employed	157,510	O (44,103)	113,407
2-300-9510-6523072	Pagers and Cell Phones	16,964		16,964
2-300-9510-6524320	Maint. of Gen. Plant	18,454		18,454
2-300-9510-6524382	Repairs & Main/water plant	1,566		1,566
2-300-9510-6525010	Utilities-Telephone	12,666		12,666
2-300-9510-6525030	Utilities-Heating	18,841		18,841
2-300-9510-6525090	Utilities-Other	2,252		2,252
2-300-9510-6525210	Unemployment Insurance	2,277		2,277
2-300-9510-6525220	Workers Comp	32,414		32,414
2-300-9510-6525255	Property Insurance	143,287		143,287
2-300-9510-6525410	Advertising and Classifieds	9,490		9,490
2-300-9510-6525420	Printing	8,068		8,068
2-300-9510-6525440	Dues and Subscriptions	29,107		29,107
2-300-9510-6526010	Office Supplies & Other	17,449		17,449
2-300-9510-6526015	Postage	12,222		12,222
2-300-9510-6526050	Housekeeping Supplies	7,778		7,778
2-300-9510-6526051	Municipal Charges	136,250		136,250
2-300-9510-6526078	Capitalized Materials	32,142		32,142
2-300-9510-6526085	Materials and Supplies	1,722		1,722
2-300-9510-6526169	Bad Debt Exp.	-		-
2-300-9510-6526191	Damage Claims	7,499		7,499
2-300-9510-6526192	Infrastructure Reserve	313,957	E 2,357,082	2,671,039
2-300-9510-6526195	Depreciation Exp.	146,189	A (146,189)	0
2-300-9510-6526196	Franchise Requirements	-	U 172,831	172,831
2-300-9510-6526197	Regulatory Commission Exp.	134,861		134,861
2-300-9510-6526199	Other Miscellaneous Expense	10,511		10,511
2-300-9510-6526200	Construction Work in Progress	-		-
2-300-9510-6526300	Municipal Leasing	-		-
2-300-9510-6526400	PBA Misc. Exp.	37,551	V (37,551)	0
2-300-9510-6548410	Interest on L/T Debt	84,985		84,985
2-300-9510-6548420	Bond Rev 2003A Int	357,959		357,959
2-300-9510-6548425	Bond Rev 2003B int	170,593		170,593
2-300-9510-6548430	Bond Rev 2004A Int	6,442		6,442
2-300-9510-6548610	Lease Interest	7,444		7,444
<i>Total Administrative Expenses</i>		3,131,067	2,309,717	5,440,785
				-

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Customer Service Expenses</i>				-
2-300-9520-6511510	Cust Accts Payroll	127,577		127,577
2-300-9520-6511520	Cust Accts Overtime	2,501		2,501
2-300-9520-6511525	Cust.Srvc-out of class pay	115		115
2-300-9520-6511540	Customer Srvc.-Longevity	2,584		2,584
2-300-9520-6511577	Cust Accts Vacation & Sick	-		-
2-300-9520-6512010	Cust Accts Employers P/R Tax-FICA	8,197		8,197
2-300-9520-6512020	Customer Srvc Payroll Tax-Medicare	1,917		1,917
2-300-9520-6512210	Cust.Srvc.MERS Contribution	24	R 2,234	2,258
2-300-9520-6513030	Cust Serv Education & Training	398		398
2-300-9520-6513050	Outside Services	15,895		15,895
2-300-9520-6524255	Vehicle Maint-Fuel & Misc	1,774		1,774
2-300-9520-6524320	Main. of Misc Equipment	1,186		1,186
2-300-9520-6525010	Utilities-Telephone	1,287		1,287
2-300-9520-6525091	Cust Accts Utilities Exp.	-		-
2-300-9520-6525420	Printing	16,103		16,103
2-300-9520-6525440	Dues & Subscriptions	-		-
2-300-9520-6526015	Postage	25,840		25,840
2-300-9520-6526090	Miscellaneous Supplies	130		130
2-300-9520-6526199	Other Miscellaneous Expense	1,776		1,776
<i>Total Customer Service Expenses</i>		207,304	2,234	209,538
<i>Source of Supply Expenses</i>				
2-300-9530-6511510	Source of Supply Salaries	45,088	T 78,311	123,400
2-300-9530-6511520	Source of Supply Overtime	138	T 239	377
2-300-9530-6511528	Source of Supply Beeper	784	T 1,362	2,146
2-300-9530-6511540	Source of Supply Longevity	-		-
2-300-9530-6511577	SOS Vacation & Sick	5,453	T 9,472	14,925
2-300-9530-6512010	Source of Supply-FICA Tax	4,293	T 7,457	11,750
2-300-9530-6512020	Source of Supply-Medicare tax	1,004	T 1,744	2,748
2-300-9530-6512210	SOS MERS Contribution	24	R 774	798
2-300-9530-6523030	Education Training	45		45
2-300-9530-6523073	Security Services	67,847		67,847
2-300-9530-6524255	Vehicle Maint - Fuel & Misc	105		105
2-300-9530-6524320	Maintenance of Structures	2,752		2,752
2-300-9530-6524380	Maint Collection Reservoirs	78,048		78,048
2-300-9530-6524381	Maint. Structures & Improv.	-		-
2-300-9530-6524382	Maint Misc. Plant	569		569
2-300-9530-6524383	Maint Wells & Springs	-		-
2-300-9530-6525020	Utilities-Light & Power	23,888		23,888
2-300-9530-6525021	SOS-Utility Exp.	-		-
2-300-9530-6526010	Supplies/office	33		33
2-300-9530-6526078	Cap Materials	-		-
2-300-9530-6526085	Material/Supplies	52		52
2-300-9530-6526195	Depreciation Exp.	122,857	A (122,857)	(0)
2-300-9530-6526198	Property taxes	644,909		644,909
2-300-9530-6526199	Miscellaneous Expense	46		46
2-300-9530-6526200	Construction in Progress	-		-
<i>Total Source of Supply Expenses</i>		997,934	(23,498)	974,436
				-

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Pumping Expenses</i>				-
2-300-9540-6524320	Maint Structure & Improv.	-		-
2-300-9540-6524382	Maint of Water Plant	-		-
2-300-9540-6524383	Maint of Equipment	6,233		6,233
2-300-9540-6524389	Plant Maintenance	-		-
2-300-9540-6525010	Utilities-Telephone	1,953		1,953
2-300-9540-6525020	Utilities-Power	476,271		476,271
2-300-9540-6525030	Utilities-Heating	-		-
2-300-9540-6525090	Purchased Power			-
2-300-9540-6525091	Pumping-Utilities Exp.	-		-
2-300-9540-6526085	Materials and Supplies	-		-
2-300-9540-6526195	Depreciation Exp.	81,405	A (81,405)	0
2-300-9540-6526198	Property Taxes	23,528		23,528
2-300-9540-6526199	Misc Exp.	-		-
<i>Total Pumping Expenses</i>		589,390	(81,405)	507,985
				-
<i>Purification Expenses</i>				-
2-300-9550-6511510	Treatment Salaries	363,476	M (363,476)	(0)
2-300-9550-6511520	Treatment Overtime	22,918	M (22,918)	-
2-300-9550-6511525	Treat out of class pay	462	M (462)	(0)
2-300-9550-6511528	Beeper Stipend	3,776	M (3,776)	-
2-300-9550-6511540	Treat. Longevity	14,856	M (14,856)	(0)
2-300-9550-6511577	Treat. Vacation & Sick	-	M	-
2-300-9550-6512010	Treatment Employers P/R taxes-fica	25,108	M (25,108)	-
2-300-9550-6512020	Treat. Payroll tax-medicare	5,872	M (5,872)	0
2-300-9550-6512210	Treat.MERS contrib.	-	M	-
2-300-9550-6523030	Education and Training	3,190	M (3,190)	0
2-300-9550-6523040	Oper and Maint DBO Contact	430,839	M 718,065	1,148,904
2-300-9550-6523076	Lab. Testing	25,663	M (25,663)	0
2-300-9550-6524220	Vehicle Maint-Inspection	20	M (20)	-
2-300-9550-6524230	Vehicle Maint.-Tires	-	M	-
2-300-9550-6524231	Vehicle Maint-Batteries	-	M	-
2-300-9550-6524250	Vehicle Maint-Outside Parts	5,068	M (5,068)	(0)
2-300-9550-6524255	Vehicle Maint-Fuel & Misc	6,211	M (6,211)	0
2-300-9550-6524320	Maint Structures	3,409	M (3,409)	(0)
2-300-9550-6524380	Maint of Dist Reservoirs	26	M (26)	0
2-300-9550-6524381	Maintenance of Wells	-	M	-
2-300-9550-6524383	Maint of Equipment	28,164	M (28,164)	(0)
2-300-9550-6524390	Maint of Facilities	-	M	-
2-300-9550-6525010	Utilities-Telephone	3,328	M (3,328)	0
2-300-9550-6525020	Utilities-Light & Power	172,477		172,477
2-300-9550-6525030	Utilities-Heating	24,514	M (24,514)	(0)
2-300-9550-6525090	Utilities-Other	259	M (259)	(0)
2-300-9550-6525091	Purification Utilities	-	M	-
2-300-9550-6525410	Advertising and Classifieds	-	M	-
2-300-9550-6525440	Dues and Subscriptions	-	M	-
2-300-9550-6526010	Office Supplies	1,181	M (1,181)	0
2-300-9550-6526015	Postage	432	M (432)	0
2-300-9550-6526020	supplies/gas & oil	(143)	M 143	(0)
2-300-9550-6526085	Materials and Supplies	5,982	M (5,982)	(0)
2-300-9550-6526086	Treatment Chemicals	192,851	M (192,851)	(0)
2-300-9550-6526195	Depreciation Exp.	121,247	A (121,247)	(0)

ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Purification Expenses (Continued)</i>				
2-300-9550-6526198	Property Taxes	48,116		48,116
2-300-9550-6526199	Other Miscellaneous Expense	4,616	M (4,616)	0
2-300-9550-6526200	Pump Misc Exp	-	M	-
<i>Total Purification Expenses</i>		1,513,917	(144,421)	1,369,496
<i>Transmission & Distribution Expenses</i>				
2-300-9560-6511510	T&D Payroll	587,128	D 61,723	648,851
2-300-9560-6511520	T&D Overtime	111,019		111,019
2-300-9560-6511525	T&D out of class pay	8,539		8,539
2-300-9560-6511528	Beeper Stipend	6,465		6,465
2-300-9560-6511540	T&D Longevity	52,124		52,124
2-300-9560-6511577	T&D Vacation & Sick	(41,584)		(41,584)
2-300-9560-6512010	T&D Employers Payroll Taxes-FICA	55,289		55,289
2-300-9560-6512020	T&D Payroll Tax-medicare	12,931		12,931
2-300-9560-6512210	T&D MERS Contrib.	138	R 10,254	10,392
2-300-9560-6523030	Education and Training	4,047		4,047
2-300-9560-6524210	Vehicle Maint-Registration	96		96
2-300-9560-6524220	Vehicle Maint - Inspection	614		614
2-300-9560-6524230	Vehicle Maint-Tires	879		879
2-300-9560-6524240	Vehicle Maint-Batteries	-		-
2-300-9560-6524250	Vehicle Maint-Outside Parts	31,641		31,641
2-300-9560-6524255	Vehicle Maint-Fuel & Misc	15,796		15,796
2-300-9560-6524320	Maintenance of Misc T&D Plant	2,789		2,789
2-300-9560-6524384	Maint of T&D Mains	19,541		19,541
2-300-9560-6524386	Maint of Services	11,225		11,225
2-300-9560-6524387	Maint of Hydrants	4,254		4,254
2-300-9560-6524389	Maint of Misc Plant	-		-
2-300-9560-6525010	Utilities-Telephone	1,930		1,930
2-300-9560-6525030	Utilities-Heating	-		-
2-300-9560-6525091	Utilities Exp	-		-
2-300-9560-6525410	Advertising & Classifieds	1,473		1,473
2-300-9560-6525440	dues	30		30
2-300-9560-6526015	Postage	(494)		(494)
2-300-9560-6526078	Capitalized Materials	-		-
2-300-9560-6526079	Miscellaneous Tools & Supplies	11,634		11,634
2-300-9560-6526085	Inventory Water Material	5,404		5,404
2-300-9560-6526087	Road Surface Restoration	103,150	E (103,150)	(0)
2-300-9560-6526090	T&D Other Misc Supplies	872		872
2-300-9560-6526195	Depreciation Exp	553,476	A (553,476)	0
2-300-9560-6526198	Property Taxes	126,182		126,182
2-300-9560-6526199	Misc Exp.	29,117		29,117
<i>Total Transmission & Distribution Expenses</i>		1,715,705	(584,649)	1,131,056
<i>Engineering Expenses</i>				
2-300-9570-6511510	Engineering Payroll	162,249	S 149,162	311,411
2-300-9570-6511520	Engineering Overtime	8,018		8,018
2-300-9570-6511525	Engineering out of class pay	2,402		2,402
2-300-9570-6511528	Beeper Stipend	240		240
2-300-9570-6511540	Engineering Longevity	17,609		17,609
2-300-9570-6511577	Engineering Vacation & Sick	8,889		8,889
2-300-9570-6512010	Engin Employers Payroll Taxes-FICA	24,401		24,401

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Engineering Expenses (Continued)</i>				
2-300-9570-6512020	Engin.Payroll Tax-medicare	5,707		5,707
2-300-9570-6512210	Engin.MERS Contrib.	68	R 2,734	2,802
2-300-9570-6523030	Education and Training	1,670		1,670
2-300-9570-6523050	Outside Services Employed	-		-
2-300-9570-6524210	Vehicle Maint-Registration	56		56
2-300-9570-6524220	Vehicle Maint-Inspect	76		76
2-300-9570-6524230	Vehicle Maint-Tires	452		452
2-300-9570-6524240	Vehicle Maint.Batteries	-		-
2-300-9570-6524250	Vehicle Maint-Outside Parts	2,041		2,041
2-300-9570-6524255	Vehicle Maint-Fuel & Other	4,862		4,862
2-300-9570-6524320	Maint of Misc Equipment	148		148
2-300-9570-6525010	Utilities-Telephone	3,217		3,217
2-300-9570-6525091	Utilities Exp	-		-
2-300-9570-6525410	Advertising and Classifieds	563		563
2-300-9570-6525420	Printing	-		-
2-300-9570-6525440	Dues & Subscriptions	35		35
2-300-9570-6526010	Office Supplies & Other	19,406		19,406
2-300-9570-6526015	Postage	-		-
2-300-9570-6526085	Capitalized Materials	92		92
2-300-9570-6526090	Other Miscellaneous Expense	3,177		3,177
2-300-9570-6526199	Misc Exp	9,036		9,036
2-300-9570-6526200	Construction in Progress	-		-
<i>Total Engineering Expenses</i>		274,414	151,896	426,310
<i>Meter Department Expenses</i>				
2-300-9580-6511510	Meter Payroll	281,708	D 46,474	328,182
2-300-9580-6511520	Meter Overtime	5,046		5,046
2-300-9580-6511525	Meter Out of class pay	646		646
2-300-9580-6511528	Beeper Stipend	1,311		1,311
2-300-9580-6511540	Meter Longevity	12,985		12,985
2-300-9580-6511577	Meter Vacation & Sick	3,813		3,813
2-300-9580-6512010	Meter Employers Payroll Taxes-FICA	21,572		21,572
2-300-9580-6512020	Meter Payroll Tax-medicare	5,045		5,045
2-300-9580-6512210	Meter MERS Contrib.	60	R 4,926	4,986
2-300-9580-6523030	Education & Training	935		935
2-300-9580-6524220	Vehicle Maint-Inspect	8		8
2-300-9580-6524224	Vehicle Maint - Batteries	-		-
2-300-9580-6524230	Vehicle Maint - Tires	102		102
2-300-9580-6524250	Vehicle Maint-Outside Parts	1,658		1,658
2-300-9580-6524255	Vehicle Maint-Fuel & Misc	6,238		6,238
2-300-9580-6524320	Maintenance of Misc Equipment	3,017		3,017
2-300-9580-6524388	Maint of Meters	845		845
2-300-9580-6525010	Utilities-Telephone	1,501		1,501
2-300-9580-6525091	Utilities Exp	-		-
2-300-9580-6525410	Advertising and Classifieds	-		-
2-300-9580-6525820	Travel	1,554		1,554
2-300-9580-6526010	Meter Office Supplies	2,927		2,927
2-300-9580-6526015	Postage	-		-
2-300-9580-6526020	supplies/gas & oil	(184)		(184)
2-300-9580-6526085	Capitalized Materials	-		-
2-300-9580-6526088	Merchandising & Jobbing	26,062		26,062

**ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Meter Department Expenses (Continued)</i>				
2-300-9580-6526089	Meter Maint. Exp	-		-
2-300-9580-6526090	Meter Reading Exp	4,867		4,867
2-300-9580-6526091	Meter Inventory	678		678
2-300-9580-6526199	Other Miscellaneous Expense	136		136
2-300-9580-6526200	Construction work in Progress	-		-
<i>Total Meter Department Expenses</i>		382,529	51,400	433,929
<i>Other Miscellaneous Expenses</i>				
2-300-9590-6525410	Advertising and Classifieds	-		-
2-300-9590-6526195	Amortization expense	87,913	C (87,913)	(0)
2-300-9590-6526196	Amortization - Refinancing Losses	236,087	C (236,087)	(0)
2-300-9590-6526197	Amortization - Loan Premium	(13,819)	C 13,819	(0)
2-300-9590-6526199	Other Miscellaneous Expense			-
2-300-9510-6548510	Bond Principal Payments		B 930,000	930,000
2-300-9510-6548620	Capital Lease Principal Payments		B 110,689	110,689
	Additional Restricted Debt Service		Q 763,623	763,623
2-303-9510-6523020	O & M Reserve		N 666,997	666,997
	WTP Reserve		W 778,000	778,000
2-303-9510-6523050	EPA Grant-Profess Services	234,253	I (234,253)	(0)
2-316-9510-6511510	Consulting Services	38,145	I (38,145)	0
2-316-9510-6511540	Earth Tech Transit Salaries	138,550	P (138,550)	0
2-316-9510-6511577	Earth Tech Transit-Longevity	11,043	P (11,043)	0
2-316-9510-6512010	Earth Tech Transit Vac&Sick	3,240	P (3,240)	0
2-316-9510-6512020	Earth Tech Transit fica	11,370	P (11,370)	(0)
2-485-9510-5938701	Earth Tech Transit Medicare	2,659	P (2,659)	0
2-488-9510-4419000	Lead Pipe Replacement Expense			-
2-488-9510-5938701	T&D Improvement Revenue			-
2-490-9510-5938701	Trans. & Dist. Improvement Exp.			-
<i>Total Other Miscellam</i>		749,441	2,499,868	3,249,309
TOTAL EXPENSES		\$ 9,561,702	\$ 4,181,143	\$ 13,742,845
NET INCOME/(LOSS)		\$ 4,519,502	\$ (5,055,268)	\$ (535,766)

- (A) = Remove Depreciation
- (B) = Added back to the test year bond and capitalized lease principal
- (C) = Removed all amortization expense
- (D) = Added the capitalized labor to the test year (T&D and Meter only, See Adj S for engineering labor)
- (E) = Increased the IFR expenditure to reflect the level granted in Docket 3497 (SEE DGB-10)
- (F) = Normalize Fire Service and Customer Charges (SEE DGB-5 & DGB-6)
- (G) = Normalize Sales for Resale (SEE DGB-4)
- (H) = Normalize Metered Sales (SEE DGB-3)
- (I) = Remove Grant revenue and expenditures
- (J) = Remove non-recurring revenues
- (K) = Normalize Service Installations & Misc revenue (SEE DGB-7)
- (L) = Remove interest income on restricted accounts
- (M) = Remove expenses from PWSB running Plant and Add full year of DBO contract expense (SEE DGB-9)
- (N) = Adjusted the O&M Reserve expense level to reflect the amount granted in docket 3497
- (O) = Reclass WTP Expenses posted to outside services

ADJUSTED TEST YEAR
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
---------	----------------------------	----------------------	--------------------------	-----------------------

(P) = Remove Earthtech reimbursement (revenue) & expenditures

(Q) = Adjusted the Debt Service Interest expense level to reflect the amount granted in docket 3497 (SEE DGB-8)

(R) = Record full year of Retirement contributions

(S) = Added Engineering capitalized labor to the test year and Reclass engineering labor funded by IFR. (SEE DGB-11)

(T) = Normalized Source of Supply Salaries (first 1/2 of year posted to purification)

(U) = Adjusted the Central Falls Franchise Requirement expense level to reflect the amount granted in docket 3497

(V) = Remove non-recurring expenses

(W) = Reclass exp posted to outside services and IFR.

Also, Adjust the WTP reserve to level granted in docket 3497 (SEE DGB-12)

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL REVENUES	FY 2002 ACTUAL REVENUES	FY 2003 ACTUAL REVENUES	FY 2004 ACTUAL REVENUES
REVENUE					
2-300-9510-4515200	Service Installation	\$ 78,098	\$ 64,320	\$ 156,062	\$ 241,670
2-300-9510-4515250	Gain (Loss) Disposal Property	-	-	-	8,600
2-300-9510-4515300	Private Fire Protection	265,323	263,146	268,006	297,160
2-300-9510-4515400	Public Fire Protection	334,012	380,984	526,851	746,896
2-300-9510-4515500	Customer Service Charge	1,100,725	1,259,327	1,471,700	1,746,082
2-300-9510-4517200	Merchandising & Jobbing Revenue	-	-	13,946	4,719
2-300-9510-4517300	Non-Operating Rental Income	31,489	13,235	20,646	21,320
2-300-9510-4517400	Meter Sales	6,513,349	6,644,243	8,324,506	8,531,676
2-300-9510-4517500	Sales for Resale	676,784	923,337	789,328	940,113
2-300-9510-4517700	Engineering Fees	-	-	-	-
2-300-9510-4517900	State Surcharge .01/100 Gallons	77,689	70,830	72,578	64,364
2-300-9510-4519000	Misc. Non Operating Revenue	15,693	33,757	-	11,581
2-300-9510-4519005	Misc Revenue -DBO	-	40,000	7,840	-
2-300-9510-4519002	Sales Revenue (held in doubtful)	-	-	-	178,562
2-300-9510-4519001	Interest & Dividend Income	108,429	83,810	30,965	23,416
2-300-9510-4710600	Interest Income	-	-	-	56,348
2-300-9510-4710601	Interest Inc,-JPM Restricted	-	-	-	75,431
2-300-9510-4710602	Interest Inc-JPM Non-restrict	-	-	-	2,615
2-300-9510-4711000	Penalties Water Account	114,940	91,772	76,940	61,037
2-302-9510-4419000	Grant Revenue	-	-	-	80,176
2-303-9510-4419000	Grant revenue	-	558,972	124,990	64,438
2-308-9510-4419000	Land Acquisition-WRB grant	-	-	-	100,000
2-315-9510-4511300	Earth Tech Consult Reimb Revenue	-	-	-	450,000
2-316-9510-4511300	Earth Tech Transit Reimb Revenue	-	-	-	375,000
	TOTAL REVENUE	\$ 9,316,531	\$ 10,427,735	\$ 11,884,360	\$ 14,081,203

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
 PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
EXPENSES					
<i>Administrative Expenses</i>					
2-300-9510-6511510	Administration Salaries	\$ 317,188	\$ 372,820	\$ 393,554	\$ 440,532
2-300-9510-6511520	Admin Overtime Payroll	1,806	7,169	6,222	4,245
2-300-9510-6511521	Police Payroll Exp	6,801	2,535	19,522	18,176
2-300-9510-6511525	Admin Out of Class Pay	171	-		2,419
2-300-9510-6511540	Administration Longevity	11,998	12,916	14,942	19,890
2-300-9510-6511577	Admin. Vacation & Sick Pay	214	5,399	47,175	80,118
2-300-9510-6512010	Admin. Employers Payroll Tax-FICA	20,894	24,027	24,888	29,112
2-300-9510-6512020	Admin. Payroll Tax-Medicare	5,132	5,625	6,179	7,237
2-300-9510-6512110	Health Benefits	397,618	456,523	506,237	545,258
2-300-9510-6512120	Dental Benefits	34,915	35,383	36,766	35,754
2-300-9510-6512210	Admin MERS Contrib.	-	-		150
2-300-9510-6523030	Education and Training	3,665	7,519	10,000	9,727
2-300-9510-6523050	Outside Services Employed	103,391	73,325	87,233	157,510
2-300-9510-6523072	Pagers and Cell Phones	7,822	14,342	14,097	16,964
2-300-9510-6524320	Maint. of Gen. Plant	11,380	10,628	16,522	18,454
2-300-9510-6524382	Repairs & Main/water plant				1,566
2-300-9510-6525010	Utilities-Telephone	12,450	15,415	12,662	12,666
2-300-9510-6525030	Utilities-Heating	12,893	7,167	10,748	18,841
2-300-9510-6525090	Utilities-Other	1,553	1,561	2,363	2,252
2-300-9510-6525210	Unemployment Insurance		4,584	15,774	2,277
2-300-9510-6525220	Workers Comp	29,721	23,932	28,247	32,414
2-300-9510-6525255	Property Insurance	66,466	73,929	122,450	143,287
2-300-9510-6525410	Advertising and Classifieds	4,496	2,228	6,951	9,490
2-300-9510-6525420	Printing	15,761	19,054	16,392	8,068
2-300-9510-6525440	Dues and Subscriptions	7,527	20,164	17,133	29,107
2-300-9510-6526010	Office Supplies & Other	42,760	18,706	17,360	17,449
2-300-9510-6526015	Postage	951	14,590	341	12,222
2-300-9510-6526050	Housekeeping Supplies	4,660	4,596	5,359	7,778
2-300-9510-6526051	Municipal Charges	119,688	120,314	126,398	136,250
2-300-9510-6526078	Capitalized Materials	3,341	30,915	39,792	32,142
2-300-9510-6526085	Materials and Supplies	2,771	8,322	3,611	1,722
2-300-9510-6526169	Bad Debt Exp.	204,565	-	56,383	-
2-300-9510-6526171	Bank Charges			28	-
2-300-9510-6526191	Damage Claims	5,354	3,873	3,254	7,499
2-300-9510-6526192	Infrastructure Reserve	-	27,207	257,935	313,957
2-300-9510-6526195	Depreciation Exp.	107,209	114,498	122,935	146,189
2-300-9510-6526196	Franchise Requirements	537,144	362,761		-
2-300-9510-6526197	Regulatory Commission Exp.	53,774	158,983	139,934	134,861
2-300-9510-6526199	Other Miscellaneous Expense	62,533	89,891	4,381	10,511
2-300-9510-6526200	Construction Work in Progress	-	-		-
2-300-9510-6526300	Municipal Leasing	-	-		-
2-300-9510-6526400	PBA Misc. Exp.	-	-		37,551
2-300-9510-6548410	Interest on L/T Debt	124,604	101,276	85,232	84,985
2-300-9510-6548420	Bond Rev 2003A Int				357,959
2-300-9510-6548425	Bond Rev 2003B int				170,593
2-300-9510-6548430	Bond Rev 2004A Int				6,442
2-300-9510-6548610	Lease Interest	807,528	992,415	1,131,281	7,444
<i>Total Administrative Expenses</i>		3,150,743	3,244,591	3,410,281	3,131,067

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
<i>Customer Service Expenses</i>					
2-300-9520-6511510	Cust Accts Payroll	172,808	172,059	163,475	127,577
2-300-9520-6511520	Cust Accts Overtime	1,831	2,267	6,470	2,501
2-300-9520-6511525	Cust.Srvc-out of class pay	284	-	409	115
2-300-9520-6511540	Customer Srvc.-Longevity	12,366	8,662	9,311	2,584
2-300-9520-6511577	Cust Accts Vacation & Sick	21,491	4,859		-
2-300-9520-6512010	Cust Accts Employers P/R Tax-FICA	12,740	11,638	12,263	8,197
2-300-9520-6512020	Customer Srvc Payroll Tax-Medicare	2,979	2,722	2,690	1,917
2-300-9520-6512210	Cust.Srvc.MERS Contribution	-	-		24
2-300-9520-6513030	Cust Serv Education & Training	-	980	139	398
2-300-9520-6513050	Outside Services	38,741	20,096	16,332	15,895
2-300-9520-6524255	Vehicle Maint-Fuel & Misc	716	724	1,499	1,774
2-300-9520-6524320	Main. of Misc Equipment	990	1,461	624	1,186
2-300-9520-6525010	Utilities-Telephone	552	1,592	1,375	1,287
2-300-9520-6525091	Cust Accts Utilities Exp.	-	-		-
2-300-9520-6525420	Printing	19,928	17,053	19,390	16,103
2-300-9520-6525440	Dues & Subscriptions	-	110		-
2-300-9520-6526015	Postage	17,907	19,529	22,863	25,840
2-300-9520-6526090	Miscellaneous Supplies	1,464	-		130
2-300-9520-6526199	Other Miscellaneous Expense	4,045	3,259	4,962	1,776
<i>Total Customer Service Expenses</i>		308,842	267,011	261,802	207,304
<i>Source of Supply Expenses</i>					
2-300-9530-6511510	Source of Supply Salaries				45,088
2-300-9530-6511520	Source of Supply Overtime				138
2-300-9530-6511528	Source of Supply Beeper				784
2-300-9530-6511540	Source of Supply Longevity				-
2-300-9530-6511577	SOS Vacation & Sick				5,453
2-300-9530-6512010	Source of Supply-FICA Tax				4,293
2-300-9530-6512020	Source of Supply-Medicare tax				1,004
2-300-9530-6512210	SOS MERS Contribution				24
2-300-9530-6523030	Education Training				45
2-300-9530-6523073	Security Services	46,135	52,421	68,822	67,847
2-300-9530-6524255	Vehicle Maint - Fuel & Misc	98	-	75	105
2-300-9530-6524320	Maintenance of Structures	8,181	689	1,225	2,752
2-300-9530-6524380	Maint Collection Reservoirs	28,681	51,486	49,686	78,048
2-300-9530-6524381	Maint. Structures & Improv.	4,284	-		-
2-300-9530-6524382	Maint Misc. Plant	679	5,660	1,491	569
2-300-9530-6524383	Maint Wells & Springs	-	-	257	-
2-300-9530-6525020	Utilities-Light & Power	19,644	20,732	13,282	23,888
2-300-9530-6526078	Cap Materials			9,995	
2-300-9530-6525021	SOS-Utility Exp.	-	-		-
2-300-9530-6526010	Supplies/office				33
2-300-9530-6526078	Cap Materials				-
2-300-9530-6526085	Material/Supplies				52
2-300-9530-6526195	Depreciation Exp.	122,850	122,857	122,857	122,857
2-300-9530-6526198	Property taxes	444,396	455,897	620,526	644,909
2-300-9530-6526199	Miscellaneous Expense	-	-		46
2-300-9530-6526200	Construction in Progress	-	-		-
<i>Total Source of Supply Expenses</i>		674,947	709,741	888,215	997,934

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
<i>Pumping Expenses</i>					
2-300-9540-6524320	Maint Structure & Improv.	455	920		-
2-300-9540-6524382	Maint of Water Plant	-	1,463	2,183	-
2-300-9540-6524383	Maint of Equipment	3,998	2,847	1,944	6,233
2-300-9540-6524389	Plant Maintenance	-	-		-
2-300-9540-6525010	Utilities-Telephone	1,824	1,960	2,025	1,953
2-300-9540-6525020	Utilities-Power	542,458	523,940	449,396	476,271
2-300-9540-6525030	Utilities-Heating	3,210	9,821	9,368	-
2-300-9540-6525090	Purchased Power	-	-		-
2-300-9540-6525091	Pumping-Utilities Exp.	-	-		-
2-300-9540-6526085	Materials and Supplies	172	-		-
2-300-9540-6526195	Depreciation Exp.	77,776	77,776	77,776	81,405
2-300-9540-6526198	Property Taxes	7,105	15,155	21,960	23,528
2-300-9540-6526199	Misc Exp.	329	175		-
<i>Total Pumping Expenses</i>		637,327	634,058	564,651	589,390
<i>Purification Expenses</i>					
2-300-9550-6511510	Treatment Salaries	534,626	572,457	601,556	363,476
2-300-9550-6511520	Treatment Overtime	39,068	32,126	30,529	22,918
2-300-9550-6511525	Treat out of class pay	837	741	729	462
2-300-9550-6511528	Beeper Stipend	5,415	5,710	5,245	3,776
2-300-9550-6511540	Treat. Longevity	15,989	18,673	27,119	14,856
2-300-9550-6511577	Treat. Vacation & Sick	1,643	10,798	361	-
2-300-9550-6512010	Treatment Employers P/R taxes-fica	36,970	39,441	42,325	25,108
2-300-9550-6512020	Treat. Payroll tax-medicare	8,646	9,223	9,899	5,872
2-300-9550-6512210	Treat.MERS contrib.	-	-		-
2-300-9550-6523030	Education and Training	7,670	18,313	4,920	3,190
2-300-9550-6523040	Oper and Maint DBO Contact				430,839
2-300-9550-6523076	Lab. Testing	37,577	40,951	79,872	25,663
2-300-9550-6524220	Vehicle Maint-Inspection	47	5	47	20
2-300-9550-6524230	Vehicle Maint.-Tires	95	926	705	-
2-300-9550-6524231	Vehicle Maint-Batteries	160	-		-
2-300-9550-6524250	Vehicle Maint-Outside Parts	1,579	2,846	11,326	5,068
2-300-9550-6524255	Vehicle Maint-Fuel & Misc	4,021	5,970	5,694	6,211
2-300-9550-6524320	Maint Structures	1,730	8,500	4,438	3,409
2-300-9550-6524380	Maint of Dist Reservoirs	-	5,081	5,216	26
2-300-9550-6524381	Maintenance of Wells	-	-		-
2-300-9550-6524383	Maint of Equipment	49,335	40,086	40,388	28,164
2-300-9550-6524390	Maint of Facilities	-	739		-
2-300-9550-6525010	Utilities-Telephone	6,039	7,112	5,623	3,328
2-300-9550-6525020	Utilities-Light & Power	183,571	171,973	150,797	172,477
2-300-9550-6525030	Utilities-Heating	21,263	11,924	24,304	24,514
2-300-9550-6525090	Utilities-Other	180	206	274	259
2-300-9550-6525091	Purification Utilities	-	-		-
2-300-9550-6525410	Advertising and Classifieds	168	-		-
2-300-9550-6525440	Dues and Subscriptions	-	152		-
2-300-9550-6526010	Office Supplies	3,267	5,138	3,869	1,181
2-300-9550-6526015	Postage	643	845	952	432
2-300-9550-6526020	suppiles/gas & oil				(143)
2-300-9550-6526085	Materials and Supplies	5,185	7,349	5,096	5,982

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
<i>Purification Expenses (Continued)</i>					
2-300-9550-6526086	Treatment Chemicals	222,013	256,684	504,928	192,851
2-300-9550-6526195	Depreciation Exp.	81,442	81,758	81,927	121,247
2-300-9550-6526198	Property Taxes	33,498	69,998	47,924	48,116
2-300-9550-6526199	Other Miscellaneous Expense	53,640	30,537	31,349	4,616
2-300-9550-6526200	Pump Misc Exp	-	-		-
<i>Total Purification Expenses</i>		1,356,320	1,456,263	1,727,411	1,513,917
<i>Transmission & Distribution Expenses</i>					
2-300-9560-6511510	T&D Payroll	554,391	579,570	627,472	587,128
2-300-9560-6511520	T&D Overtime	61,822	88,685	112,379	111,019
2-300-9560-6511525	T&D out of class pay	3,124	3,075	1,741	8,539
2-300-9560-6511528	Beeper Stipend	5,025	6,320	6,695	6,465
2-300-9560-6511540	T&D Longevity	47,171	50,146	54,889	52,124
2-300-9560-6511577	T&D Vacation & Sick	1,452	14,037		(41,584)
2-300-9560-6512010	T&D Employers Payroll Taxes-FICA	44,839	48,486	53,220	55,289
2-300-9560-6512020	T&D Payroll Tax-medicare	10,486	11,339	12,447	12,931
2-300-9560-6512210	T&D MERS Contrib.	-	-		138
2-300-9560-6523030	Education and Training	1,168	5,109	2,079	4,047
2-300-9560-6524210	Vehicle Maint-Registration	56	32	5	96
2-300-9560-6524220	Vehicle Maint - Inspection	376	517	94	614
2-300-9560-6524230	Vehicle Maint-Tires	2,185	2,929	3,056	879
2-300-9560-6524240	Vehicle Maint-Batteries	248	2,052	130	-
2-300-9560-6524250	Vehicle Maint-Outside Parts	18,861	24,261	19,415	31,641
2-300-9560-6524255	Vehicle Maint-Fuel & Misc	18,733	12,119	14,115	15,796
2-300-9560-6524320	Maintenance of Misc T&D Plant	6,141	2,295	3,495	2,789
2-300-9560-6524384	Maint of T&D Mains	718	12,407	325	19,541
2-300-9560-6524386	Maint of Services	47,227	30,270	14,513	11,225
2-300-9560-6524387	Maint of Hydrants	3,870	6,688	5,173	4,254
2-300-9560-6524388	Maint Dist Reservoirs	-	-		-
2-300-9560-6524389	Maint of Misc Plant	-	-		-
2-300-9560-6525010	Utilities-Telephone	1,981	2,200	1,918	1,930
2-300-9560-6525030	Utilities-Heating	-	-		-
2-300-9560-6525091	Utilities Exp	-	-		-
2-300-9560-6525410	Advertising & Classifieds	2,475	1,389	2,499	1,473
2-300-9560-6525440	dues		65		30
2-300-9560-6526015	Postage				(494)
2-300-9560-6526078	Capitalized Materials	753	1,945	629	-
2-300-9560-6526079	Miscellaneous Tools & Supplies	19,592	8,792	22,683	11,634
2-300-9560-6526085	Inventory Water Material	375	-	14,146	5,404
2-300-9560-6526087	Road Surface Restoration	235,744	195,961	77,248	103,150
2-300-9560-6526090	T&D Other Misc Supplies	1,946	4,091	6,317	872
2-300-9560-6526195	Depreciation Exp	438,742	443,428	454,599	553,476
2-300-9560-6526198	Property Taxes	74,548	97,491	123,583	126,182
2-300-9560-6526199	Misc Exp.	7,548	12,718	12,664	29,117
<i>Total Transmission & Distribution Expenses</i>		1,611,598	1,668,415	1,647,527	1,715,705
<i>Engineering Expenses</i>					
2-300-9570-6511510	Engineering Payroll	149,682	160,478	187,103	162,249
2-300-9570-6511520	Engineering Overtime	5,891	5,128	10,456	8,018
2-300-9570-6511525	Engineering out of class pay	906	1,880	1,466	2,402

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
<i>Engineering Expenses (Continued)</i>					
2-300-9570-6511528	Beeper Stipend				240
2-300-9570-6511540	Engineering Longevity	16,907	18,304	19,711	17,609
2-300-9570-6511577	Engineering Vacation & Sick	15,238	11,337		8,889
2-300-9570-6512010	Engin Employers Payroll Taxes-FICA	14,871	19,240	23,764	24,401
2-300-9570-6512020	Engin. Payroll Tax-medicare	3,478	4,431	5,558	5,707
2-300-9570-6512210	Engin. MERS Contrib.	-	-		68
2-300-9570-6523030	Education and Training	1,269	1,141	1,138	1,670
2-300-9570-6523050	Outside Services Employed	-	2,400		-
2-300-9570-6524210	Vehicle Maint-Registration	-	257	222	56
2-300-9570-6524220	Vehicle Maint-Inspection				76
2-300-9570-6524230	Vehicle Maint-Tires	340	322	621	452
2-300-9570-6524240	Vehicle Maint. Batteries	-	482		-
2-300-9570-6524250	Vehicle Maint-Outside Parts	1,435	690	1,895	2,041
2-300-9570-6524255	Vehicle Maint-Fuel & Other	2,099	2,954	5,231	4,862
2-300-9570-6524320	Maint of Misc Equipment	272	1,327	735	148
2-300-9570-6525010	Utilities-Telephone	3,302	3,980	3,196	3,217
2-300-9570-6525091	Utilities Exp	-	-		-
2-300-9570-6525410	Advertising and Classifieds	-	661	3,298	563
2-300-9570-6525420	Printing	-	1,026		-
2-300-9570-6525440	Dues & Subscriptions	257	-	105	35
2-300-9570-6526010	Office Supplies & Other	5,407	16,220	6,677	19,406
2-300-9570-6526015	Postage		85		-
2-300-9570-6526085	Capitalized Materials	-	3,422	1,465	92
2-300-9570-6526090	Other Miscellaneous Expense	1,763	1,941	4,746	3,177
2-300-9570-6526199	Misc Exp	10,437	7,778	7,012	9,036
2-300-9570-6526200	Construction in Progress	-	-		-
<i>Total Engineering Expenses</i>		233,555	265,483	284,399	274,414
<i>Meter Department Expenses</i>					
2-300-9580-6511510	Meter Payroll	232,225	181,046	251,382	281,708
2-300-9580-6511520	Meter Overtime	491	1,157	6,068	5,046
2-300-9580-6511525	Meter Out of class pay	-	-	304	646
2-300-9580-6511528	Beeper Stipend	1,040	1,060	1,040	1,311
2-300-9580-6511540	Meter Longevity	16,878	17,320	12,268	12,985
2-300-9580-6511577	Meter Vacation & Sick	11,190	7,919		3,813
2-300-9580-6512010	Meter Employers Payroll Taxes-FICA	17,485	15,569	21,252	21,572
2-300-9580-6512020	Meter Payroll Tax-medicare	4,090	3,623	5,052	5,045
2-300-9580-6512210	Meter MERS Contrib.	-	-		60
2-300-9580-6523030	Education & Training	612	665	1,275	935
2-300-9580-6524220	Vehicle Maint-Inspection				8
2-300-9580-6524224	Vehicle Maint - Batteries	68	-	79	-
2-300-9580-6524230	Vehicle Maint - Tires	225	382	101	102
2-300-9580-6524250	Vehicle Maint-Outside Parts	565	375	1,375	1,658
2-300-9580-6524255	Vehicle Maint-Fuel & Misc	1,800	3,037	5,309	6,238
2-300-9580-6524320	Maintenance of Misc Equipment	3,903	2,125	1,507	3,017
2-300-9580-6524388	Maint of Meters	1,266	200	365	845
2-300-9580-6525010	Utilities-Telephone	1,541	1,857	1,492	1,501
2-300-9580-6525091	Utilities Exp	-	-		-
2-300-9580-6525410	Advertising and Classifieds	176	-		-
2-300-9580-6525820	Travel	1,647	1,902	1,506	1,554

FOUR YEARS OF FISCAL YEAR
ACTUAL REVENUE & EXPENSES
 PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2001 ACTUAL EXPENSES	FY 2002 ACTUAL EXPENSES	FY 2003 ACTUAL EXPENSES	FY 2004 ACTUAL EXPENSES
<i>Meter Department Expenses (Continued)</i>					
2-300-9580-6526010	Meter Office Supplies	475	850	505	2,927
2-300-9580-6526015	Postage	279	117		-
2-300-9580-6526020	supplies/gas & oil				(184)
2-300-9580-6526078	supplies/cap materials				-
2-300-9580-6526085	Capitalized Materials	640	1,418	328	-
2-300-9580-6526088	Merchandising & Jobbing	13,515	30,232	39,671	26,062
2-300-9580-6526089	Meter Maint. Exp	2,034	741	432	-
2-300-9580-6526090	Meter Reading Exp	1,318	2,698	3,960	4,867
2-300-9580-6526091	Meter Inventory				678
2-300-9580-6526199	Other Miscellaneous Expense	85	53	552	136
2-300-9580-6526200	Construction work in Progress	-	-		-
<i>Total Meter Department Expenses</i>		313,548	274,348	355,822	382,529
<i>Other Miscellaneous Expenses</i>					
2-300-9590-6525410	Advertising and Classifieds	-	-		
2-300-9590-6526195	Amortization expense	70,731	70,731	71,948	87,913
2-300-9590-6526196	Amortization - Refinancing Losses				236,087
2-300-9590-6526197	Amortization - Loan Premium				(13,819)
2-300-9590-6526199	Other Miscellaneous Expense	-	-		
2-300-9510-6548510	Bond Principal Payments				
2-300-9510-6548620	Capital Lease Principal Payments				
	O & M Reserve				
2-303-9510-6523020	EPA Grant-Profess Services	-	41,381	63,703	234,253
2-303-9510-6523050	Consuting Services				38,145
2-316-9510-6511510	Earth Tech Transit Salaries				138,550
2-316-9510-6511540	Earth Tech Transit-Longevity				11,043
2-316-9510-6511577	Earth Tech Transit Vac&Sick				3,240
2-316-9510-6512010	Earth Tech Transit fica				11,370
2-316-9510-6512020	Earth Tech Transit Medicare				2,659
2-485-9510-5938701	Lead Pipe Replacement Expense	2,197			
2-488-9510-4419000	T&D Improvement Revenue	-			
2-488-9510-5938701	Trans. & Dist. Improvement Exp.				
<i>Other Miscellaneous Expenses (Continued)</i>					
2-490-9510-5938701	Sedimentation Basin Expense	5,054			
<i>Total Other Miscellaneous Expenses</i>		77,982	112,112	135,651	749,441
TOTAL EXPENSES		\$ 8,364,863	\$ 8,632,021	\$ 9,275,760	\$ 9,561,702
NET INCOME/(LOSS)		\$ 951,668	\$ 1,795,714	\$ 2,608,600	\$ 4,519,502

REVENUE ANALYSIS--METERED SALES REVENUE
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-3

	Test Year Consumption	Docket 3497 Rates	Test Year Revenue
Small 5/8", 3/4" & 1"	3,095,830	2.057	\$ 6,368,123
Med 1-1/2" & 2"	763,379	1.916	1,462,634
Large 3" & 4"	367,351	1.812	665,641
Small 6" and above	312,360	1.696	529,763
	<u>4,538,920</u>		

Total Adjusted Test Year Metered Sales Revenue \$ 9,026,160

Total FY 2004 Metered Sales Revenue 8,531,674

Test Year Adjustment (H) \$ 494,486

Consumption Data

	Cycle 1-4		Cycle 5		Cycle 6		Cycle 7		Cycle 11		All Cycles
	FY 2004	Test Year	FY 2004	Test Year	FY 2004	Test Year	FY 2004	Test Year	FY 2004	Test Year	
5/8-inch meter	2,000,547	100.0%	2,000,547	550,751	100.0%	550,751	277,493	100.0%	277,493		
3/4-inch meter	30,593	100.0%	30,593	10,861	100.0%	10,861	3,179	100.0%	3,179		
one-inch meter	76,819	100.0%	76,819	15,360	100.0%	15,360	5,613	100.0%	5,613		
	<u>2,107,959</u>		<u>2,107,959</u>	<u>576,972</u>		<u>576,972</u>	<u>286,285</u>				<u>286,285</u>
1-1/2-inch meter	35,675	100.0%	35,675	4,327	100.0%	4,327	760	100.0%	760		
two-inch meter	48,463	100.0%	48,463	6,090	100.0%	6,090	1,803	100.0%	1,803		
	<u>84,138</u>		<u>84,138</u>	<u>10,417</u>		<u>10,417</u>	<u>2,563</u>				<u>2,563</u>
	<u>2,192,098</u>		<u>2,192,098</u>	<u>587,389</u>		<u>587,389</u>	<u>288,848</u>				<u>288,848</u>
5/8-inch meter	23,239	100.0%	23,239	11,366	100.0%	11,366					
3/4-inch meter	15,235	100.0%	15,235	2,183	100.0%	2,183					
one-inch meter	67,623	100.0%	67,623	4,968	100.0%	4,968					
	<u>106,097</u>		<u>106,097</u>	<u>18,517</u>		<u>18,517</u>					3,095,830
1-1/2-inch meter	88,781	100.0%	88,781	-	100.0%	0					
two-inch meter	407,582	100.0%	407,582	169,898	100.0%	169,898					
	<u>496,363</u>		<u>496,363</u>	<u>169,898</u>		<u>169,898</u>					763,379
three-inch meter	51,731	100.0%	51,731	219,720	100.0%	219,720					
four-inch meter	25,591	100.0%	25,591	70,310	100.0%	70,310					
	<u>77,321</u>		<u>77,321</u>	<u>290,030</u>		<u>290,030</u>					367,351
6-inch meter	990	100.0%	990	308,080	100.0%	308,080					
8-inch meter	-	100.0%	0	3,290	100.0%	3,290					
	<u>990</u>		<u>990</u>	<u>311,370</u>		<u>311,370</u>					312,360
	<u>680,771</u>		<u>680,771</u>	<u>789,815</u>		<u>789,815</u>					<u>4,538,920</u>

REVENUE ANALYSIS--WHOLESALE REVENUE
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-4

	(FY 2004) Test Year Consumption	Docket 3497 Rates		Test Year Revenue
Cumberland	548,162	\$	1.7055	
Total Adjusted Test Year Wholesale Revenue				\$ 934,890
Total FY 2004 Wholesale Revenue				<u>940,113</u>
Test Year Adjustment (G)				<u><u>\$ (5,223)</u></u>

Note: This adjustment resulted in a decrease due to PWSB periodically applying the Cumberland Charge Back. The Charge back that occurred in september was at the older rates. To eliminate this problem in the future the PWSB since October 2003 nets this charge back in Cumberland's monthly bill.

**REVENUE ANALYSIS--CUSTOMER CHARGE
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-5

Customer Charge:

<u>Meter Size</u>	<u>Number of Meters</u>	<u>Bills per Year</u>	<u>Docket 3497 Rates</u>	<u>Test Year Revenue</u>
Quarterly Billings				
5/8"	21,243	4	16.93	\$ 1,438,576
3/4"	239	4	21.19	20,258
1"	474	4	29.39	55,723
1 1/2"	230	4	58.97	54,252
2"	374	4	94.23	140,968
3"	24	4	188.55	18,101
4"	10	4	294.72	11,789
6"	4	4	589.35	9,430
8"	-		1355.49	-
Monthly Billings				
5/8"	8	12	9.59	921
3/4"	4	12	11.01	528
1"	11	12	13.26	1,750
1 1/2"	6	12	20.87	1,503
2"	28	12	31.41	10,554
3"	16	12	62.85	12,067
4"	6	12	98.24	7,073
6"	3	12	196.45	7,072
8"	-	12	451.83	-
	<u>22680</u>			
Total Adjusted Test Year Customer Charge Revenue				\$ 1,790,565
Total FY 2004 Customer Charge Revenue				<u>1,746,082</u>
Test Year Adjustment (F)				<u>\$ 44,483</u>

REVENUE ANALYSIS--PUBLIC & PRIVATE FIRE SERVICE
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-6

Number of Services	Service Size	Docket 3497 Rates	Test Year Revenue
Private Fire			
18	2" service	\$ 151.97	\$ 2,735
29	4" service	359.39	10,422
333	6" service	587.25	195,554
88	8" service	1,313.51	115,589
4	10" service	2,170.17	<u>8,681</u>
Total Adjusted Test Year Private Fire Revenue			\$ 332,982
Total FY 2004 Private Fire Revenue			<u>297,160</u>
Test Year Adjustment (F)			<u><u>\$ 35,821</u></u>
Public Fire			
1514 Hydrants(Pawt)		\$ 422.03	\$ 638,953
201 Hydrants(CF)		422.03	84,828
197 Hydrants(Valley)		422.03	83,140
21	6" service	587.25	<u>12,332</u>
Total Adjusted Test Year Private Fire Revenue			\$ 819,254
Total FY 2004 Private Fire Revenue			<u>746,896</u>
Test Year Adjustment (F)			<u><u>\$ 72,358</u></u>

EXPENSE ANALYSIS--ADDITIONAL
RESTRICTED DEBT SERVICE
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-8

Interest approved Docket 3497		\$ 1,291,045
RICWFA approved Docket 3498		100,000
2-300-9510-6548410	Interest on L/T Debt	(84,985)
2-300-9510-6548420	Bond Rev 2003A Int	(357,959)
2-300-9510-6548425	Bond Rev 2003B int	(170,593)
2-300-9510-6548430	Bond Rev 2004A Int	(6,442)
2-300-9510-6548610	Lease Interest	<u>(7,444)</u>
Total Adjusted Test Year Additional Restricted Debt Service		\$ 763,623
Total FY 2004 Additional Restricted Debt Service		<u>-</u>
	Test Year Adjustment (Q)	<u><u>\$ 763,623</u></u>

**EXPENSE ANALYSIS--DBO RELATED EXPENSES
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-9

Expenses now covered by DBO Contract

	TEST YEAR 6/30/04	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
2-300-9550-6511510 Treatment Salaries	363,476	M (363,476)	(0)
2-300-9550-6511520 Treatment Overtime	22,918	M (22,918)	-
2-300-9550-6511525 Treat out of class pay	462	M (462)	(0)
2-300-9550-6511528 Beeper Stipend	3,776	M (3,776)	-
2-300-9550-6511540 Treat. Longevity	14,856	M (14,856)	(0)
2-300-9550-6511577 Treat. Vacation & Sick	-	M	-
2-300-9550-6512010 Treatment Employers P/R taxes-fica	25,108	M (25,108)	-
2-300-9550-6512020 Treat. Payroll tax-medicare	5,872	M (5,872)	0
2-300-9550-6512210 Treat.MERS contrib.	-	M	-
2-300-9550-6523030 Education and Training	3,190	M (3,190)	0
2-300-9550-6523076 Lab. Testing	25,663	M (25,663)	0
2-300-9550-6524220 Vehicle Maint-Inspection	20	M (20)	-
2-300-9550-6524230 Vehicle Maint.-Tires	-	M	-
2-300-9550-6524231 Vehicle Maint-Batteries	-	M	-
2-300-9550-6524250 Vehicle Maint-Outside Parts	5,068	M (5,068)	(0)
2-300-9550-6524255 Vehicle Maint-Fuel & Misc	6,211	M (6,211)	0
2-300-9550-6524320 Maint Structures	3,409	M (3,409)	(0)
2-300-9550-6524380 Maint of Dist Reservoirs	26	M (26)	0
2-300-9550-6524381 Maintenance of Wells	-	M	-
2-300-9550-6524383 Maint of Equipment	28,164	M (28,164)	(0)
2-300-9550-6524390 Maint of Facilities	-	M	-
2-300-9550-6525010 Utilities-Telephone	3,328	M (3,328)	0
2-300-9550-6525030 Utilities-Heating	24,514	M (24,514)	(0)
2-300-9550-6525090 Utilities-Other	259	M (259)	(0)
2-300-9550-6525091 Purification Utilities	-	M	-
2-300-9550-6525410 Advertising and Classifieds	-	M	-
2-300-9550-6525440 Dues and Subscriptions	-	M	-
2-300-9550-6526010 Office Supplies	1,181	M (1,181)	0
2-300-9550-6526015 Postage	432	M (432)	0
2-300-9550-6526020 suppiles/gas & oil	(143)	M 143	(0)
2-300-9550-6526085 Materials and Supplies	5,982	M (5,982)	(0)
2-300-9550-6526086 Treatment Chemicals	192,851	M (192,851)	(0)
2-300-9550-6526199 Other Miscellaneous Expense	4,616	M (4,616)	0
2-300-9550-6526200 Pump Misc Exp	-	M	-

	Monthly Charge	Test Year Expense
2-300-9550-6523040 Oper and Maint DBO Contact	\$ 95,742	12
Total Adjusted Test Year DBO Expense		\$ 1,148,904
Total FY 2004 DBO Expense		<u>430,839</u>
Test Year Adjustment (M)		<u>\$ 718,065</u>

EXPENSE ANALYSIS--IFR RESERVE
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-10

	<i>Test Year</i>	
<i>IFR Engineering Capitalized Labor</i>	\$ 13,634	See DGB - 11 (aa)
<i>Engineering Position funded by IFR</i>	55,061	See DGB - 11 (aa)
<i>Road Surface Materials Funded by IFR</i>	103,150	See DGB - 1 page 5 (bb)
<i>WTP purchases originally posted to IFR</i>	(96,037)	See DGB - 12
<i>IFR Purchases Capitalized</i>	334,521	
<i>Adjustment to gross up for Approved (Restricted Balance)</i>	1,946,753	
<i>Test Year Adjustment (E)</i>	\$ 2,357,082	
<i>IFR approved Docket 3497</i>	\$ 2,671,039	
<i>Total FY 2004 IFR Reserve</i>	313,957	
<i>Test Year Adjustment (E)</i>	\$ 2,357,082	

(aa) these amounts are reclassified from engineering salaries

(bb) this amount is reclassified from T&D expenses

EXPENSE ANALYSIS--ENGINEERING SALARIES
PAWTUCKET WATER SUPPLY BOARD

Schedule DGB-11

	<u>Test Year</u>	
<i>IFR Engineering Capitalized Labor</i>	\$ (13,634)	See DGB-10
<i>Engineering Capitalized Labor</i>	217,858	
<i>Engineering Position funded by IFR</i>	<u>(55,061)</u>	See DGB-10
<i>Test Year Adjustment (S)</i>	<u><u>\$ 149,162</u></u>	

**EXPENSE ANALYSIS--WTP RESTRICTED ACCOUNT
PAWTUCKET WATER SUPPLY BOARD**

Schedule DGB-12

	<u>Test Year</u>	
Tank Install (posted to Outside Service)	\$ 44,103	See DGB-1 page 2
2 Pumps	22,089	
wash water tank level transmitter	1,130	
Flocculator Chains & Sprockets	10,350	
9 chemical feed pumps	18,285	
Concrete work	9,327	
Lab Washer	5,735	
Autoclave	26,185	
TDS Meters	<u>2,936</u>	
 WTP purchases posted to IFR	 96,037	 See DGB-10
 Adjustment to gross up for Approved (Restricted Balance)	 <u>637,860</u>	
 Test Year Adjustment (W)	 <u><u>\$ 778,000</u></u>	
 Pumping DBO Delay approved Docket 3497	 \$ 90,000	
Purification DBO Delay approved Docket 3497	648,000	
Pumping Storage Capital Costs (Docket 3497)	<u>40,000</u>	
Approved Restrictd WTP	<u><u>\$ 778,000</u></u>	