



PASCOAG
UTILITY DISTRICT

Pascoag Electric • Pascoag Water

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August 1, 2005

RI Public Utilities Commission
Ms. Luly Massaro
Commission Clerk
89 Jefferson Blvd
Warwick, RI 02888

Re: Division Data Request, Docket #3685

Dear Ms. Massaro:

Enclosed please find an original and nine copies of Pascoag's response, as an addenda, to Division First Set of Data Requests in the above docket.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Judith R. Allaire
Customer Service and Accounting Manager

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PUBLIC UTILITIES COMMISSION

RIPUC Docket No. 3685
Data Request of the Division of Public Utilities and Carriers
Set 1
DIV 2 (addenda)

DIV 2. Will the proposed tariff result in an increase/decrease in the revenue collected by Pascoag? If so, please quantify the anticipated increase/decrease.

Answer: Provided by Judith R. Allaire

The District does not feel that the revenue change will be substantive. Since the District currently has only about twenty-seven customers that are billed a demand charge, and most of these customers exhibit fairly stable demand.

With the exception of one or two customers (i.e. the ice rink), there should be minimal impact to customers.

Addenda: To provide support for the answer above, Pascoag took a sample of approximately 25% of the current Industrial customers to calculate the impact of the tariff change on them.

Seven customers were chosen for the sample. The sample period was the preceding twelve-month period, and demands were calculated under two scenarios:

- 1) actual demand times \$6.53 to determine the demand under the current tariff; and
- 2) demand based on highest peak reached for the following eleven-month period at the current rate of \$6.53/kw.

A cross section of customers were chosen for the survey including, the ice rink, nursing home, meat processing plant, school, grocery market, etc. These seven customers range from low-demand customers to high-demand customers, and include customers with seasonal usage.

Based on this sampling, the additional revenue generated by these seven customers would be \$9,096 per month. Assuming that these are fairly typical customers, and since the sample contained approximately 25% of the customer class, Pascoag estimates an increase in annual revenue of \$36,000 per year, or \$3,000 per month.

The work sheet detailing the customer demand usage is attached as Schedule 2-A.

