

February 2, 2007

Via Hand Delivery and Electronic Mail

Luly Massaro, Division Clerk
Division of Public Utilities and Carriers
89 Jefferson Boulevard
Warwick, Rhode Island 02888

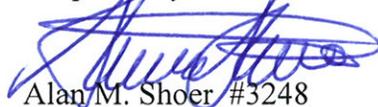
Re: Docket No. 3800: Woonsocket Water Division's Responses To First Set of Data
Requests From Division of Public Utilities and Carriers Dated:
January 15, 2007

Dear Luly:

On behalf of the City of Woonsocket's Water Division, I am enclosing an original and nine copies (as agreed, two copies of attachments due to volume) of their responses to the Division's first set of Data Requests. We expect to file the attachments referenced in these responses early next week (as agreed to with the Division's attorney, Assistant Attorney General, Leo Wold).

Please do not hesitate to contact me if you have any questions or comments.

Respectfully submitted,



Alan M. Shoer #3248

Attorney for Woonsocket Water Division

AMS/bck

Enclosure

cc: Service List (via regular and electronic mail) (with enclosures)

407343_1.doc

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-1. Please provide a copy of the Inter-Municipal Agreement referenced on page 4 of Ms. Lariviere's testimony.

Response: Please see attached Inter-Municipal Agreement dated January 25, 2006

Respondent: Carol Lariviere

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-2. Regarding page 5, lines 7-13 of Ms. Lariviere's testimony, please identify the amount spent on paving activities in each of the past three years and the amount included in the Water Division's claim in this case.

Response: See Schedule DGB-2 which shows the cost for Maintenance – Roads and Walks for the past four years. The cost of Maintenance Roads and Walks for FYE 2007 YTD is \$136,376.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-3. Please provide the supporting data for the chart shown on page 6 of Ms. Lariviere's testimony.

Response: See attached.

Respondent: Carol Lariviere

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-4. Please provide the supporting data for the chart shown on page 7 of Ms. Lariviere's testimony.

Response: See attachment to DIV-3 response.

Respondent: Carol Lariviere

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-5. Regarding page 8, lines 3-4 of Ms. Lariviere's testimony, please describe the conservation efforts undertaken in each of the past three years and identify the amount spent in each of those years on conservation efforts.

Response: The Rhode Island Water Resources Board requires that utilities engage in a water conservation program. Woonsocket's program consists of the following:

1. Residential retrofit kits are provided free of charge to WWD customers.
2. WWD prints conservation-supporting messages on the back of the water bills.
3. WWD sponsors performances by The National Theater for Children during Drinking Water Week in May. These performances emphasize water conservation and ways to protect our fresh water supply to second and third grade students through a highly-interactive, fun, attention-getting skit.

Expenditures were:

2004	\$ 780
2005	\$1980
2006	\$2570

Respondent: Carol Lariviere

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-6. Regarding page 10, lines 4-6 of Ms. Lariviere's testimony, how does the "cost of the Study" differ from "professional services retained in connection with the preparation and analysis of this study"?

Response: Professional services will be included in the cost of the study.

Respondent: Carol Lariviere

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-7. Regarding page 10, lines 4-6 of Ms. Lariviere's testimony, what are the estimated costs to be incurred by the Water Division for "professional services retained in connection with the preparation and analysis of this study"?

Response: Section 14 of the Inter-Municipal Agreement commits up to \$150,000 towards this study.

Respondent: Carol Lariviere

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-8. Has the Water Division issued a Request for Proposal relating to the Study referenced on page 10, lines 4-6 of Ms. Lariviere's testimony? If so, please provide a copy of the RFP. If no RFP has been issued, please provide the estimated date for issuance of an RFP.

Response: No RFP was issued or required. Consultants under contract to the City and the WWD for provision of services (engagement contract & master agreement with task orders) are being utilized for the study. A copy of the Eisenhardt Group, Inc. Task order authorization has been provided in response to COMM 6. The law firm of Burns & Levinson is retained by the City to provide certain legal services.

Respondent: Carol Lariviere

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-9. Please provide the 1999 and 2004 CDM reports referenced on page 11, lines 18-19 of Ms. Lariviere's testimony.

Response: See attached for the 1999 and 2004 CDM report.

Respondent: Carol Lariviere

Dated: February 2, 2007

Attachment

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-10. Please provide a copy of the estimated rate increases necessary for the construction of a new water treatment plant, referenced on page 2 of 4 of Exhibit "2" of Ms. Lariviere's testimony.

Response: In 2006 the Eisenhardt Group prepared a detailed report entitled "Water Utility Financial and Rate Projections". A copy of this report is attached. Also attached is the attachment "A" referred to in Exhibit "2" of Ms. Lariviere's testimony. Although this report assumed that rate relief would be obtained for fiscal year June 30, 2007 (which will not happen), the report does provide that the rate increases for the new treatment plant will be in the range of 38% to 49% (B&E has not updated this report). It should be noted however, that this report assumed that the financing for the plant would be completed in one year and by FYE June 2007, which is impossible.

It is my opinion that the financing of the new plant will be phased in \$1,000,000 in FYE June 30, 2008 (represents .5% of the 24.92% revenue requirement requested in this filing) and \$30,000,000 late in calendar 2007 or early calendar 2008. An abbreviated filing for debt service will have to be filed when the financing package is finalized. It is possible that some of the rate increase for the \$30,000,000 of borrowing will be in FYE June 30, 2008 while the first full year of the debt service increase will be in FYE June 30, 2009. Depending on the percentage increase that gets into FYE 2008 and the revenue requirement approved in this docket the percentage increase for the debt service only in FYE 2009 should be 25% or less.

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-11. Regarding page 3 of Ms. Gurghigian's testimony, please clarify the Water Division's intent with regard to the \$1 million borrowing for 2007. Is it the Water Division's intention to use IFR funding for this debt service?

Response: I am sorry for the confusion on this issue. Inadvertently I included the \$42,500 cost of the \$1,000,000 borrowing in the IFR cost (Schedule WEE-10) and I also included on the debt service schedule \$42,050 for this same borrowing (Schedule WEE-12). It is the Water Division's intention to pay the debt service for this \$1,000,000 borrowing from the \$445,000 requested increase in the IFR funding, therefore the debt service amount of \$42,050 is unnecessary as long as IFR allowance is increased as requested.

Further, it is the Water Division's intent to pay-off the \$1,000,000 debt when it borrows the \$30,000,000 for the new treatment facility. It is expected that the debt service payments for the \$30,000,000 will be collected through debt service and not IFR financing. The elimination of the debt service payments in the IFR fund for the \$1,000,000 borrowing will simply provide additional funds for IFR projects.

Please note that the IFR schedule shows debt service payments for the \$1,000,000 borrowing for only two years (rate year FYE 2008 and FYE 2009) because of the expected pay-off discussed above.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-12. Regarding page 1, lines 4-5 of Mr. Bebyn's testimony, please state when the audit for the fiscal year ending June 30, 2006 will be complete and provide a copy of the audit, when available.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-13. Regarding page 2, lines 25-29 of Mr. Bebyn's testimony, please identify each grant received in each of the past three years and in the current fiscal year to date. For each grant, please state how the grant was spent and how the associated expenditure was reflected in the Water Division's books and records of account.

Response: Grant revenues were only received during FY 2006 out of the past three years. The total FY 2006 grant revenue came from two sources, \$177,450 from the Rhode Island Water Resources Board (RIWRB) and \$433,700 from the US Environmental Protection Agency (EPA).

The RIWRB grant was used to fund three projects as follows:

\$ 12,710	Due diligence costs associated with the purchase of property located at Iron Mine Hill Road, North Smithfield. The land will be purchased with additional RIWRB grants. This will be combined with the total land costs and capitalized as Land in fixed assets.
\$ 128,740	Security fencing and guardrails. This will be combined with the total land costs and capitalized as Land in fixed assets.
\$ 36,000	Vulnerability assessment performed by Tectonic Engineering & Survey Consultants. The associated expense was posted to Engineering expense on 6/30/04 (FY 2004). The initial request for reimbursement from the RIWRB was 11/8/05.

The EPA grant revenue helped pay for a portion of the Logee Street main project. The majority of this project was paid with the \$4 million clean water bond. These costs were posted to Transmission and Distribution assets.

Respondent: David G. Bebyn

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-14. Please provide a copy of the Infrastructure Replacement Plan.

Response: See WEE-10 for projected expenditures in the Infrastructure Replacement Plan through FYE June 30, 2010.

Attachments to DIV-9 (1999 and 2004)

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-15. Please identify the amount spent on Infrastructure Replacement for each year since 2002, and provide a brief description of the projects undertaken each year.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-16. For each of the past five years, please provide the number of customers, by customer class.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-17. For each of the past five years, please provide the total water sales, by customer class.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-18. For each of the past five years, please provide the total water pumped by the Water Division.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-19. Please provide the unaccounted-for water percentage for each of the past five years.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-20. Please provide the volume of water sold to the Town of North Smithfield for each month since the Inter-Municipal Agreement was executed.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-21. If the Water Division decided not to pursue new wholesale and/or retail sales customers, would a new treatment facility still be required? Please provide documentation to support your response.

Response Yes. Per the Woonsocket Water Whitepaper prepared by Eisenhardt in conjunction with CDM, "In March 2006, RIDEM issued new, updated state-wide requirements for the treatment of the water plant's filter backwash. This backwash has historically been discharged to the Blackstone River. The RIDEM requirements cannot be accommodated by the existing plant." (See Exhibit "2" attached to the Superintendent's prefiled testimony).

CDM's 2004 Water Treatment Plant Evaluation report (attached in response to DIV - 9) evaluated the condition of the clearwells, washwater tank and the structural integrity of the perifilters. Generally speaking extensive rehabilitation to the clearwells, the washwater tank and 3 perifilters will extend their useful lives. There are severe and in some cases, insurmountable operational constraints in taking these entities off-line for the amounts of time required to do the suggested repairs.

The total cost estimate for rehabilitation of the clearwells, washwater tank, and the three perifilters in 2004 dollars is \$980,000. Even if it were operationally feasible to do the necessary work on the tanks, CDM's report states that, given the age of the tanks, the only way to ensure that the tank bottoms will last for an additional 15-20 years is to weld new bottoms to the tanks. This is a very expensive repair and no estimates were provided in the report.

An additional water quality standard, The Long Term 2 Enhanced Surface Water Treatment Rule (LT2ESWTR) has recently been promulgated by EPA and will affect Woonsocket in October of 2007. A portion of the rule requires monthly source water monitoring for *Cryptosporidium*. Additional treatment may be required to achieve required removal of *Cryptosporidium* if monitoring indicates concentrations greater than or equal to 0.075/L. The additional treatment would likely be required sometime in 2011.

In March 2006, RIDEM issued new, updated state-wide requirements for the treatment of the water plant's filter backwash. The backwash has historically been discharged to the Blackstone River providing the discharge met the permit requirements for Total Suspended Solid (TSS), pH and Chlorine. The new permit

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

requirements are more stringent, particularly regarding TSS and pH, and would require the construction of a containment facility or lagoon to capture the backwash and treat it prior to discharge into the river. CDM consultants have determined that the current plant site does not have the space necessary for either structure which will cause the plant to be in violation of the proposed permit. The City and RIDEM are undergoing negotiations to enter into a Consent Agreement to allow the plant until 2011 to comply with the discharge requirements under the condition that WWD will build a new plant with capabilities to meet the new requirements.

Respondent: Carol Lariviere

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-22. For each of the Water Division's debt issuances, please provide a) the date of the issuance, b) the amount of the issuance, c) the amount of proceeds received, d) the purpose for which the debt was issued, e) the applicable interest rate, f) a debt service schedule over the life of the issuance showing annual principal and interest payments, and g) a description of any debt service reserve requirements or other coverage requirements.

Response: Items a), b), and e) are shown on Schedule WEE-12. Item c) and item b) are the same with the exception of the refinance items in which WWD received nothing. (See attached debt service schedules for item f).

- a.) See Schedule WEE-12
- b.) See Schedule WEE-12
- c.) See Schedule WEE-12
- d.) See Schedule WEE-12
- e.) See Schedule WEE-12
- f.) See attached
- g.) There are debt service requirements on the 2005 (\$4,000,000) and 2003 (\$10,000,000) Reserve Bonds. These requirements are more fully described in the Trust indenture as follows:

"Debt Service Reserve Fund Requirement" shall mean, with respect to any Series of Bonds, as of any particular date of computation, an amount of cash, Permitted Investments or Reserve Deposits, or any combination of the foregoing, equal to the lesser of (i) the maximum aggregate Debt Service Requirement on a Series of Bonds in any current or future fiscal year or other appropriate twelve month period on such Series of Bonds; (ii) 125% of the average annual Debt Service Requirement on a Series of Bonds in any current or future fiscal year or other appropriate twelve month period, and (iii) 10% of the Outstanding Principal Amount of such Series of Bonds. For purposes of this computation, the amount of anticipated loan subsidies to be paid by the Agency on account of a Series of Bonds in such years shall be deducted from the calculation of Debt Service Requirement with respect to each Series of Bonds;

Section 205. General Provisions for Issuance of Bonds - coverage provision in bold type Section 205 (2) (iv) (b):

(1) Bonds of any Series shall be authorized by a Supplemental Indenture which shall specify: (i) the authorized Principal Amount, designation, manner of

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

numbering and lettering and Series of such Bonds; (ii) the date of such Bonds and the date or dates of maturity thereof; (iii) the Redemption Price or Prices and the time or times and other terms of redemption, if any, of any of such Bonds; (iv) the amount and date of each Sinking Fund Payment, if any, required to be paid for the retirement of any of such Bonds of like maturity; (v) the manner in which the proceeds, if any, of such Bonds are to be applied; (vi) the Project or Projects, if any, to be financed by such Bonds and the designation of a Project Account, if any, for the Bonds of such Series; (vii) the form or forms of the Bonds of such Series; (viii) the Series Debt Service Reserve Fund Requirement applicable to the Bonds of such Series; (ix) if the Bonds are Agency Bonds, the Required Debt Service Fund Deposits to be made to the Debt Service Fund in compliance with the applicable Agency Loan Agreement, taking into account any principal or interest subsidies available to the City in connection with such Agency Loan Agreement; (x) the minimum denomination, if any, applicable to the Bonds of such Series; and (xi) any other provisions deemed advisable by the City not in conflict with the Indenture. (2) The Bonds of each Series shall be executed by the City and delivered to the Authenticating Agent for such Series of Bonds and by it authenticated and delivered to or upon

the order of the City, but only upon receipt by the Trustee of: (i) written order signed by an Authorized Officer of the City as to the authentication and delivery of such Bonds; (ii) a copy of the applicable Supplemental Indenture executed by an Authorized Officer; (iii) an amount of moneys or Reserve Deposits in a stated amount such that following the issuance of such Bonds and application of their proceeds, the amounts on deposit in and the aggregate stated and unpaid amount of all Reserve Deposits held as part of the Debt Service Reserve Fund shall equal the Debt Service Reserve Fund Requirement; provided, however, that the applicable Supplemental Indenture may provide that the Series Debt Service Reserve Fund Requirement attributable to any Series of Agency Bonds may be funded in substantially equal monthly installments over a period of time after issuance as specified in the applicable Supplemental Indenture (which period shall not exceed 24 months); (iv) a certificate of a Consulting Engineer or Certified Public Accountant selected by the City and satisfactory to the Trustee (a) setting forth the estimated annual Net Revenues for each of the three full Fiscal Years following the issuance of such

Bonds (including the Fiscal Year in which such Bonds are issued), after giving effect to any increases or decreases in Rates and Charges projected to be in effect for such period, and to the Series Debt Service Reserve Fund Requirement attributable to such Bonds and to any additional Revenues projected to be

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

available during such period, and (b) showing for each of such Fiscal Years that the estimated annual Net Revenues for such Fiscal Year together with amounts in the Stabilization Account, if any, available in such Fiscal Year (as calculated by an Authorized Officer at the time of issuance of such Bonds) will be at least equal to one hundred twenty-five percent (125%) (or such higher amount as may be set forth in the Supplemental Indenture authorizing the issuance of such Series of Bonds) of the Debt Service Requirement for such Fiscal Year; provided that the Consulting Engineer's or Certified Public Accountant's certificate shall not project any increase in Rates and Charges during the first full Fiscal Year of the projection period which has not been adopted by the City and approved by the Public Utilities Commission for such Fiscal Year on or before the date of such certificate; (v) if on the date of issuance of such Series of Bonds the City has any outstanding obligation to replenish the Debt Service Reserve Fund under Section 508(4), evidence that the City has made at least one monthly payment with respect to such obligation on or before the date required thereunder; and (vi) a certificate of an Authorized Officer stating that, as of the date of delivery of such Bonds, no Event of Default, as described in Section 701, has occurred and is continuing. (vii) evidence that all regulatory approvals required to issue the Bonds or to collect fees and charges sufficient to pay the Bonds have been obtained.

Respondent: Maureen Gurghigian and Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-23. For each of the past three years, please provide a) the amount of bad debts written-off, b) the amount of bad debts written-off that were subsequently recovered, c) the amount of any addition to a bad debt reserve, and d) the total revenues from water sales.

Response:

- a.) Zero
- b.) Zero
- c.) Zero
- d.) See DGB 2 (page 1)

Respondent: David G. Bebyn

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-24. Regarding Schedule WEE-4a, please identify any position(s) that is not covered by a union contract.

Response: Superintendent.

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-25. Please provide the percentage of salary and wage increases granted to employees in each of the past five years. If applicable, please provide this information separately for union and non-union personnel.

Response: See attachments to DIV-28 (union contracts).

Respondent: David G. Bebyn

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-26. Please provide the number of employee positions authorized and the actual number of employees for each of the past 36 months.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-27. Please provide, for each of the past three years, the total overtime hours and overtime costs. If applicable, please provide this information separately for union and non-union personnel.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-28. Please provide copies of all union contracts under which employees operate.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-29. Regarding Schedule WEE-4a, for each position, please describe how the increase from the test year to the interim year was determined, and provide supporting documentation, if available.

Response: The test year was the FYE June 30, 2006 and the interim year is the FYE June 30, 2007. Both the test year and the interim year columns on WEE-4a represent actual salaries for those years for the employees employed at that time. In November of 2006, when we were putting together the filing, we knew the 2007 salary levels for the then current employees and we used those salary levels in the interim year. The increases are the result of union contract annual increases, step increases and change of employees in various positions. The "increase from the test year to the interim year" was not "determined". Both years stand alone. See attachment to DIV-28.

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-30. Please provide, for each of the past three years, the total costs incurred for a) part-time employees and b) temporary employees.

Response: a) There are no part-time employees during the period requested.
b) The total costs for temporary employees for the past three fiscal years were \$12,027 for FY 2006, \$12,808 for FY 2005 and \$11,730 for FY 2004.

Respondent: David G. Bebyn

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-31. Please describe all incentive compensation programs available to employees and provide the amount of incentive compensation awarded in each of the past three years.

Response: There are no incentive compensation programs.

Respondent: David G. Bebyn

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-32. When do employees receive salary increases, i.e. do all employees receive increases on a specific date or are increases granted on the employee's anniversary date?

Response: Contractual increases are given for the most part semi-annually. Step increases are implemented when employees reach those steps.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-33. Please provide the current medical insurance rates and provide a copy of the most recent medical insurance invoice(s).

Response: There are no invoices for premiums since Woonsocket pays for medical insurance on claims basis. Woonsocket pays a working rate to Blue Cross which year end there is a true up adjustment. See attached for a schedule of the Blue Cross Working Rates.

Respondent: Walter E. Edge

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-34. Do employees contribute to their health care costs? If so, please identify how the amount of the contribution is determined and indicate how it has been reflected in the filing.

Response: Yes. The Superintendent, all Pro-tech union employees, and municipal union employees hired after 1996 contribute 1% of their base pay. This has been reflected in this filing since health insurance costs are presented net of the contribution.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-35. Please describe any retirement benefits or post-retirement benefits other than pensions available to employees, and provide the actual costs incurred for each plan over each of the past three years.

Response: The only post retirement benefit is health insurance. The costs are covered by the City of Woonsocket General Fund and are not allocated to the WWD costs at the present time.

Respondent: David G. Bebyn

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-36. Please provide all available contracts for rate case services supporting the Company's rate case cost claim.

Response: WWD has not entered into any written contracts for rate case services in the docket. Adler Pollock and Sheehan P.C., B&E Consulting and Eisenhardt are all serving the WWD for this rate proceeding as needed and can be terminated by WWD at any time. WWD hopes to save ratepayer dollars by completing as much of the rate case work as possible in house.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-37. Please provide the most recent actual costs to date for the current rate case.

Response: The actual cost through the filing of the rate case in December 2006 was as follows:

Adler Pollock and Sheehan P.C.	\$ 59,158.07
B & E. Consulting	\$ 32,937.00
Eisenhardt Group	<u>\$ 10,150.00</u>
	<u>\$102,245.00</u>

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-38. For each rate case filed since 1990, please provide a) the amount of the increase requested, b) the percentage increase requested, c) the amount of the increase granted, d) whether the case was litigated or settled, and e) the actual rate case costs incurred.

Response: For the Docket #, filing date, amount requested - a) above, amount allowed - c) above and the percentage increase allowed - see Commission Order #18307 in Docket # 3626, page 1. The rate increase requested - item b) above is in the Commission Orders for each of those cases. For example, in Docket #3626, WWD requested an increase of \$2,067,150 (39.58%). The rate case expense for the last four years (and the last two dockets) is reflected on Schedule DGB-2 in this docket.

WWD feels that since most of its expense for any rate filing is incurred before any stipulation, that all cases incurred are litigated.

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-39. Regarding page 10, lines 1-5 of Mr. Edge's testimony, please provide the actual cost for Maintenance-Roads and Walks in each of the past five years.

Response: See Schedule DGB-2 which shows the cost for Maintenance – Roads and Walks for the past four years. The cost of maintenance Roads and Walks for FYE 2007 YTD is \$136,376.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-40. Please provide supporting documentation for each rate year electric rate reflected in Schedule WEE-6a.

Response: See attached.

Respondent: Walter E. Edge

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-41. Please provide supporting documentation for each of the interim year property tax costs shown in Schedule WEE-7.

Response: See attached.

Respondent: Walter E. Edge

Dated: February 2, 2007

Attachment

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-42. For each category of insurance shown in WEE-8, please provide the actual insurance cost for each of the past three years.

Response: See schedule DGB-2

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-43. For each category of insurance shown in WEE-8, please provide the most recent premium and state the period of time covered by the premium.

Response: The City is charged premiums for each category of insurance for all departments. The total coverage for each category is allocated then to each department based on several factors (i.e. numbers of vehicles & employees). As indicated in WEE-8, the rate year increases were provided by City finance. The allocation of insurance to each department is based on the fiscal year cycle.

Respondent: Walter E. Edge

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-44. Please provide actual chemical costs for each of the past five years and as budgeted for fiscal year 2007.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007

Attachment

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-45. Please provide supporting documentation and workpapers for the \$60,084 engineering adjustment referenced on page 11, lines 27-32. For each activity included in this cost estimate, please identify the amount spent on that activity in each of the past three years.

Response: The 1999 CDM Report, section 3.10 "flushing program" (see report provided in response to DIV-9). This adjustment is for the engineering work necessary to develop a "uni-directional flushing program". It is important to periodically flush the system using this method to scour tuberculation and sediment off the pipe walls improving water quality throughout the system. CDM will use the Woonsocket Water Distribution System Model they developed and calibrated to determine which valves to close and which hydrants to open to create a one-way flow of water starting from the treatment plant and extending out to the perimeter of the WWD system. This type of flushing will remove more sediment and tuberculation and use less water than the random flushing that was done in the past. No funds have been spent on such an engineering review in the past.

Respondent: Walter E. Edge

Dated: February 2, 2007

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-46. Please identify any dues, membership fees, and donations, including charitable donations, included in the Water Division's test year results.

Response: The WWD did not have the expenses regarding donations or charitable. Dues and membership fees for the test year were recorded in account 52213 "Dues & Subscriptions" on DGB-1. The breakdown of dues by professional organization was as follows:

AWWA	\$182
RIWWA	\$490
NEWWA	\$ 30
IMA	\$185

Upon further review, the remaining \$3,146 in this account turned out to be telephone expenses which should be reclassified.

Respondent: David G. Bebyn

Dated: February 2, 2007

In Re: Woonsocket Water Division

Docket No.: 3800

CITY OF WOONSOCKET WATER DIVISION'S
RESPONSES TO DATA REQUESTS FROM THE
DIVISION OF PUBLIC UTILITIES AND CARRIERS DATED: JANUARY 15, 2007

SET 1

DIV-47. Please identify and quantify all renewal and replacement projects undertaken over the past three years.

Response: See attached.

Respondent: David G. Bebyn

Dated: February 2, 2007