

CITY OF NEWPORT - WATER DEPARTMENT
Docket No. 3818
Response to
Division of Public Utilities & Carriers' Data Requests
Set 2

Div 2-1: Please explain why it is appropriate to set FY 2008 rate year sales equal to FY 2006 sales in light of Mr. Smith's testimony at page 8 that FY 2006 sales were lower than normal due to the much higher than normal annual rainfall.

Response: As shown by the consumption analysis submitted in response to PWFD 1-14 total consumption in Newport is trending generally downward. Based on this trend analysis total consumption in FY 2008 should be approximately 2,080,000 thousand gallons which is coincidentally very close to the consumption in FY 2006. Trend analysis of consumption by each class yielded volumes that were similar to the volumes sold in FY 2006, but the fact that the R^2 values associated with all but one of these individual projections were less than 0.2 it was determined that the consumption by individual class in FY 2006 was a reasonable estimate of the way in which consumption would be divided among the classes.

Prepared by: Harold Smith

CITY OF NEWPORT- UTILITIES DIVISION - WATER DEPARTMENT
Docket No. 3818
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-6: Please provide workpapers and supporting documentation showing the derivation of the rate year health, dental and life insurance premiums reflected in RFC Schedule C.

Response: The City of Newport's Finance Dept. provided the rate year health, dental and life insurance premiums reflected in RFC Schedule C to be used for the rate filing. Annual current health, dental and life insurance premiums for each type of coverage are provided in the response to question 5 and the most recent communication from Blue Cross regarding the projected rate for FY 2008 is attached to the response for question 7. Please refer to the electronic copies of RFC Schedule C forwarded to all rate filing recipients for an explanation of the formulas used to arrive at the various calculations.

Prepared by: Helen de St. Jorre

Supplemental Response: In reviewing the original responses to Div. 1-6 and 1-7, the response to 1-7 does not mention an attachment, nor was one provided. It appears that when the responses to Div. 1-6 and 1-7 were originally written, it was assumed that Newport would be receiving the final insurance rates. However, the final rates were not received before the responses were submitted. As such, the response to 1-7 was revised, but the response to 1-6 was not. It is Newport's understanding that the final rates from Blue Cross and Delta Dental will be provided within the next 7 to 14 days. At that time, Newport will further supplement this request.

Prepared by: Julia Forgue

City of Newport Water Department Docket No. 3818
Div 1-23

Chemical Usage Lawton Valley

| FY 04 | Alum | Chlorine | Sodium Chlorite | Fluoride |
|--------------------------|----------------|---------------|-----------------|---------------|
| July | 47,389 | 5,094 | 9,158 | 2,259 |
| August | 42,262 | 5,080 | 8,696 | 1,903 |
| September | 42,226 | 3,940 | 7,999 | 1,999 |
| October | 38,104 | 3,425 | 7,193 | 1,853 |
| November | 24,135 | 2,135 | 4,354 | 951 |
| December | 21,817 | 1,635 | 3,724 | 965 |
| January | 20,713 | 1,345 | 3,185 | 776 |
| February | 18,381 | 1,365 | 3,017 | 919 |
| March | 10,423 | 745 | 1,673 | 568 |
| April | 14,616 | 1,155 | 2,383 | 863 |
| May | 31,591 | 3,605 | 6,943 | 1,771 |
| June | 38,526 | 3,735 | 5,230 | 1,999 |
| Total | 350,183 | 33,259 | 63,555 | 16,826 |
| FY05 | | | | |
| July | 52,720 | 4,296 | 6,293 | 2,277 |
| August | 51,183 | 5,070 | 5,662 | 2,009 |
| September | 45,907 | 5,050 | 5,555 | 1,841 |
| October | 30,452 | 3,265 | 4,125 | 1,364 |
| November | 21,018 | 2,465 | 3,112 | 1,286 |
| December | 13,746 | 1,540 | 2,303 | 901 |
| January | 10,855 | 1,170 | 1,813 | 640 |
| February | 10,063 | 1,233 | 1,657 | 588 |
| March | 10,716 | 1,170 | 1,719 | 583 |
| April | 17,386 | 1,565 | 2,340 | 792 |
| May | 24,079 | 2,560 | 3,784 | 1,341 |
| June | 39,934 | 3,640 | 5,235 | 1,954 |
| Total | 328,059 | 33,024 | 43,598 | 15,576 |
| FY06 | | | | |
| July | 51,974 | 4,935 | 6,856 | 2,228 |
| August | 61,774 | 6,125 | 7,245 | 2,363 |
| September | 41,689 | 4,785 | 5,383 | 1,702 |
| October | 36,244 | 3,850 | 4,880 | 1,520 |
| November | 24,195 | 3,060 | 3,962 | 1,300 |
| December | 20,294 | 2,260 | 3,777 | 1,134 |
| January | 18,371 | 1,965 | 3,746 | 823 |
| February | 18,018 | 1,945 | 3,502 | 1,307 |
| March | 21,903 | 2,130 | 3,864 | 1,244 |
| April | 30,041 | 2,375 | 4,067 | 820 |
| May | 33,238 | 2,560 | 5,378 | 915 |
| June | 24,799 | 3,140 | 4,893 | 973 |
| Total | 382,540 | 39,130 | 57,553 | 16,329 |
| Docket 3675 quantities | 498,285 | 39,640 | 95,103 | 15,594 |
| Three year maximum usage | 382,000 | 40,000 | 63,500 | 16,800 |
| FY 07 unit price | \$0.14 | \$0.45 | \$0.69 | \$0.39 |
| Rate year unit price | \$0.15 | \$0.46 | \$0.73 | \$0.40 |
| Rate year total | \$55,722.00 | \$18,400.00 | \$46,355.00 | \$6,720.00 |

Note: All chemical usages indicated in pounds