

HinckleyAllenSnyder LLP
ATTORNEYS AT LAW

50 Kennedy Plaza, Suite 1500
Providence, RI 02903-2393
TEL: 401.274.2000
FAX: 401.277.9600
www.haslaw.com

Brent R. Canning
bcanning@haslaw.com

June 14, 2007

Luly E. Massaro, Commission Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

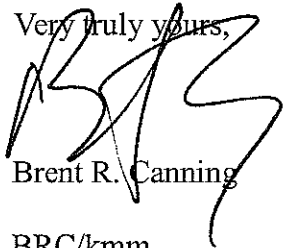
RECEIVED
2007 JUN 18 PM 4:30
PUBLIC UTILITIES COMMISSION

**Re: City of Newport Water Division Rate Filing
Docket No. 3818**

Dear Luly:

I enclose three copies of Portsmouth Water & Fire District's Supplemental Responses to NWD Data Requests Set 1.

Very truly yours,



Brent R. Canning

BRC/kmm
Enclosures

#795726 v10

CITY OF NEWPORT - WATER DEPARTMENT
Docket No. 3818
Portsmouth Water & Fire District
Supplemental Responses to
NWD Data Requests Set 1

NWD 1-1. In Christopher Woodcock's testimony, he indicates that Newport Water's Capital Improvement Program is "slipping" (Page 4, lines 12-13). Please have Mr. Woodcock describe in detail how Newport Water's Capital Improvement Program is "slipping" and set forth each and every fact that supports his contention. Please have Mr. Woodcock identify in his answer each and every Capital Project that has slipped.

Response:

Mr. Woodcock has not performed an exhaustive study of all of Newport Water's proposed capital programs in the past few dockets. Rather, he has examined several items and proposed studies. Please refer to Exhibit B to Mr. Woodcock's prefiled testimony that presents various projects that were proposed to be funded by a bond issue dating back to 1999. Also, see the following:

- page 10 of Mr. Woodcock's prefiled Testimony relating to various studies that were funded for FY 2006 that have yet to completed, or in several cases, even awarded.
- Newport Water's responses to PWFD 1-8, 1-10.

Mr. Woodcock has not examined all the capital programs going back three to four dockets; however, an examination of a number of similar projects that showed up in Newport Water's Capital Improvement Plan from Docket 3675 and the current filing shows slippage. See attachment.

A complete record of Newport Water's proposed annual capital improvement program and actual expenses over the past 5 – 10 years can hopefully be found in the records of the Newport Water Department. An analysis of these records by Newport Water may provide a more complete response.

Prepared by: C. Woodcock

Supplemental Response:

It remains difficult to catalogue each instance of slippage. Nevertheless, Mr. Woodcock has discovered additional information that supports his response to NWD 1-1 regarding the historic slippage of Newport's capital program:

In the Report and Order in Docket 3578, page 3 (no line numbers) it states:

Ms. Forgue stated that the restricted accounts ordered in Docket No. 2985 have been established. However, with regard to reporting on the Infrastructure Replacement Fund ("IFR") and Capital expenditures, Ms. Forgue indicated that Newport Water has been operating without a detailed IFR or Capital Improvement Project ("CIP") program. In fact, she indicated that some of the projects set forth for funding in Docket No. 2985 were not completed due to a lack of support from staff members. However, the City of Newport is required to file a new Infrastructure Replacement Plan with the Department of Health in July 2004. She indicated that at that time, the City will develop a detailed IFR and CIP program. (this reference footnotes pages 6-7 of Ms. Forgue's prefiled testimony in that docket)

The Report and Order in that Docket also contains numerous other references to historic slippage in the capital program.

Prepared by: C. Woodcock

NWD 1-7. In Mr. Woodcock's testimony (Page 9, Lines 4-6), he indicates that Newport Water has a history of not selling bonds as they project. Please have Mr. Woodcock provide each and every fact upon which he bases this statement. Please have Mr. Woodcock include in his answer each and every bond issue that was not sold as projected and the reasons why said bond sales were not completed as projected.

Response:

Please see pages 5-9 and Exhibit B to Mr. Woodcock's prefiled testimony for a description of the bond issues that were not sold as projected. As to why the bond sales were not completed, Newport Water can best answer why the bond sales were not completed.

Prepared by: C. Woodcock

Supplemental Response:

In addition to the information provided above, in the Report and Order in Docket 3578, pages 3-4 (no line numbers) it states:

Another issue surrounds Newport Water's debt service. The Commission and Division of Public Utilities and Carriers ("Division") previously authorized Newport Water to borrow up to \$3,000,000 from the Drinking Water State Revolving Fund ("SRF") to continue work on its CIP. However, as of the filing date in the instant case, Newport had not borrowed those funds and in fact, excluded this amount from this filing because the debt service is projected to begin in FY 2005. (This also references Ms. Forgue's prefiled direct testimony pages 7-9)

Prepared by: C. Woodcock

NWD1-30. Mr. Driscoll suggests that “perhaps we could even get to the stage where we could agree on multi-year rate changes.” (p.3, lines 16-77). Please explain in detail how this could be done under the current Rhode Island General Laws governing public utilities and the Commission’s own Rules of Practice and Procedure.

Response:

Objection. This request calls for a legal opinion.

Supplemental Response:

Mr. Driscoll is not an attorney. He has not considered the legal aspects of his suggestion. Portsmouth Water has not obtained a legal opinion with respect to Mr. Driscoll’s suggestion. To the extent Newport Water wishes to examine the legal aspects of Mr. Driscoll’s suggestion, it is free to do so.

Prepared by: P. Driscoll

CERTIFICATION

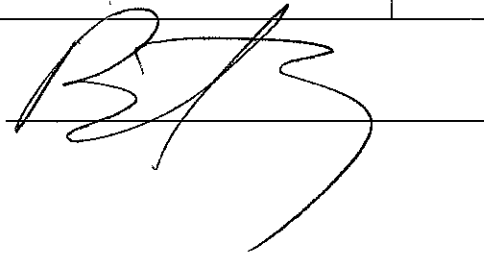
I hereby certify that I sent by electronic mail a copy of the within Supplemental Responses to Newport Water's First Set of Data Requests to all parties set forth on the attached Service List on June 14, 2007.

SERVICE LIST - RIPUC DOCKET NO. 3818
City of Newport Water Division – General Rate Filing

Updated 2/22/07

Parties/Address	E-mail Distribution	Phone/Fax
Joseph A. Keough, Jr., Esq. Keough & Sweeney 100 Armistice Blvd. Pawtucket RI 02860	jkeoughjr@keoughsweeney.com	401-724-3600 401-724-9909
Julia Forgue, Director of Public Works Newport Water Department 70 Halsey St. Newport RI 02840	jforgue@cityofnewport.com	401-845-5601 401-846-0947
	kgarcia@cityofnewport.com	
	lsitrin@CityofNewport.com	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence RI 02903	lwold@riag.ri.gov	401-222-2424 401-222-3016
	sscialabba@ripuc.state.ri.us	
	pdodd@ripuc.state.ri.us	
	RDIMeglio@riag.ri.gov	
Harold Smith Raftelis Financial Consulting, PA 511 East Blvd. Charlotte NC 28203	Hsmith@raftelis.com	704-373-1199 704-373-1113
	Hhoover@raftelis.com	
Gerald Petros, Esq. Hinckley, Allen & Snyder 1500 Fleet Center Providence RI 02903	gpetros@haslaw.com	401-274-2000
	bcanning@haslaw.com	
William McGlinn Portsmouth Water & Fire District 1944 East Main Rd. PO Box 99 Portsmouth RI 02871	wmcglinn@portsmouthwater.org	401-683-2090 ext. 224

Audrey VanDyke, Esq. Naval Facilities Engineering Command Litigation Command 1314 Harwood St., SE Washington Navy Yard, DC 20374-5018	Audrey.VanDyke@navy.mil	202-685-1931 202-433-2591
Kay Davoodi Naval Facilities Engineering Command Director, Utility Rates and Studies Office 1322 Patterson Avenue SE Washington Navy Yard, DC 20374-5065	Khojasteh.davoodi@navy.mil	202-685-3319 202-433-7159
Christopher Woodcock Woodcock & Associates, Inc. 18 Increase Ward Drive Northborough MA 01532	Woodcock@w-a.com	508-393-3337 508-393-9078
Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	lmassaro@puc.state.ri.us	401-941-4500 401-941-8827
	PatriciaL@gw.doa.state.ri.us	
	anault@puc.state.ri.us	
	Tcatlin@exeterassociates.com	



A large, stylized handwritten signature in black ink, appearing to be 'BTJ', is written over a horizontal line.