

CITY OF NEWPORT - WATER DEPARTMENT
Docket No. 3818
Responses of
Portsmouth Water & Fire District
To Newport Water Department Data Request Set 3

NWD 3-1. In Newport's first set of data requests to PWFD, Newport made the following request (No. 8):

“In Mr. Woodcock’s testimony (Page 9, Lines 2-6 and Page 11, Line 8), he indicates that Newport has a history of using funds from the Capital Spending restricted account to help make repayments to the City. Please have Mr. Woodcock state each and every fact upon which he bases this allegation. Please identify each and every instance by date and amount that Newport Water used funds from the capital restricted account to help make payment to the City of Newport.”

Mr. Woodcock responded as follows:

“Please refer to the settlement agreement and the Commission’s report and order in Docket No. 3578.”

Thus, Newport asks that Mr. Woodcock cite the exact page, the exact line number and the exact language in both the settlement agreement *and* the Commission’s report and order in Docket No. 3578 that support his allegations on Page 9, lines 2-6 that Newport Water has a history of using funds from the Capital Spending restricted account to help make repayments to the City of Newport, *and* his statement on Page 11 line 8 that Newport Water has used “capital/debt funds...to pay back the City of Newport.”

Response:

In making this statement, Mr. Woodcock had incorrectly believed that Newport’s capital spending and debt service accounts were combined. Mr. Woodcock’s references to “Capital Spending” accounts thus included both the debt service and capital restricted accounts. Mr. Woodcock’s incorrect recollection that the accounts were combined was based on past requests for consolidation and a supplemental motion that had been filed by Newport in Docket 3578¹. In its Report and Order (No. 18362) in Docket 3578 (please refer to the Commission website’s docket page for Docket 3578 - <http://www.ripuc.org/eventsactions/docket/3578page.html> to see this Order) the Commission specifically denied Newport’s request to combine the accounts.

¹ Mr. Woodcock does not have a complete record of all the older dockets. However, based on language in the Commission’s Report and Order he believes this Miscellaneous Motion by Newport was dated March 1, 2005.

Mr. Woodcock's testimony as cited in the data request was:

- (1) "With Newport Water's history of not selling bonds as they project and taking restricted capital funds to help make repayments to the City, I am reluctant to recommend any extra funding for future debt service" (page 9 of Mr. Woodcock's direct testimony) and
- (2) "As discussed earlier, there is a real concern about capital plans that have historically lagged, proposed bonds that were not sold, and capital/debt funds that were used to pay back the City of Newport." (page 11 of Mr. Woodcock's direct testimony).

In response to this specific request:

First and foremost, backing Mr. Woodcock's assertions is Newport Water request in Docket 3578 to use \$250,000 per year from its restricted debt service account to repay the City of Newport the \$2.5 million. This is referenced in numerous places in the Commission's Report and Order in that docket (pages 14, 57, and 65, for example) and the testimony of various witnesses. On page 65 of the Report and Order it states : "No later than July 22, 2004, Newport Water shall set up a new separate interest bearing restricted account entitled "Repayment to City" into which the Water Department shall deposit \$250,000 annually from rates. At the time the account is set up, the Company shall transfer \$1.5 million from the Debt Service Account to the Repayment to City Account." This transfer of \$1.5 million from the Debt Service Account to the Repayment to the City Account is what Mr. Woodcock's testimony was referring to.

The reference to the Settlement agreement is to item 17 (no line numbers).

Prepared by: C. Woodcock

NWD 3-2. In Newport's first set of data requests to PWFD, Newport made the following request (No. 13):

"In Mr. Woodcock's testimony (Page 16, Lines 6-9), he indicates that he called the Newport City Clerk's Office seeking various documents. Please have Mr. Woodcock set forth all facts supporting this assertion, including the following:

- a) The date and time Mr. Woodcock called the City Clerk's Office;
- b) The exact documents he indicated he was seeking;
- c) The name of the person Mr. Woodcock spoke with;
- d) Any and all documents which evidence, support or document this telephone call."

Mr. Woodcock responded as follows:

"Mr. Woodcock spoke to the City Clerk's office during the last docket when the issue of the allocation of this office to the Water Department came up. Please see the record of that docket for such information."

As Mr. Woodcock knows the "record" of Docket 3675 contains a number of documents. Further, Newport's review of that Docket does not reveal the specific information sought in subsections (a) through (d) requested in NWD 1-13. Therefore, Newport requests that either Mr. Woodcock produce the specific documents from Docket 3675 that contain the information sought in subsections (a) through (d) in NWD 1-13 or that Mr. Woodcock provide the answers to subsection (a) through (d) requested in NWD 1-13 as Mr. McGlenn did in his answer to NWD 1-14.

Response:

The only information Mr. Woodcock has on this matter is his pre-filed surrebuttal testimony in Docket 3675 (page 5) which stated:

In preparing the response to Newport's data request I telephoned the City Clerk's Office in Newport and asked for several documents (a copy of the water rates, a copy of the recent rate filing with the PUC, and a copy of the recent engineering contract with Maguire). In each case I was politely referred to the Water Department to get this information. In light of this response to my request for official records and documents I am comfortable that the 1% or \$4,590 allocation for the Clerk's Office is sufficient. Newport's proposed allocation of \$36,858 to the Water Fund is excessive and not supported.

Mr. Woodcock was unable to find any additional information in the documents he has on this docket. Mr. Woodcock believes there may have been some questions asked during live testimony on this matter, however, he does not have transcripts of those proceedings.

Prepared by: C. Woodcock

NWD 3-3. With respect to Mr. Driscoll's answers to NWD 1-16, 1-17, 1-18 and 1-19, please identify, with specificity, the following:

- (a) Each and every monthly accrual report Newport has allegedly refused to provide.
- (b) Each and every Commission Order (identified by page and line number) that Newport has violated by allegedly refusing to provide the accrual reports identified in subsection (a).
- (c) The date of each and every request Portsmouth made to Newport for the monthly accrual reports that Newport allegedly refused to provide.
- (d) Each and every piece of documentation Portsmouth sent to Newport requesting the monthly accrual reports that Newport allegedly refused to provide.

Response:

- a. Newport has yet to produce any monthly accrual reports as requested by Portsmouth. This would include the time period between December 2005 through May 2007.
- b. None.
- c. Portsmouth requested monthly accrual reports at the October 26, 2005 settlement conference for Docket No. 3625.
- d. This was memorialized in the written settlement agreement dated November 4, 2005.

Prepared by:

P. Driscoll

CERTIFICATION

I hereby certify that I sent by electronic mail a copy of the within Responses to Newport's Third Set of Data Requests to all parties set forth on the attached Service List on June 25, 2007.

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

Updated 2/22/07

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