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June 20, 2008

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

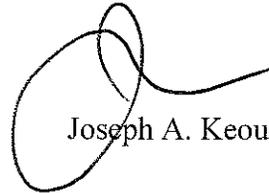
**RE: Pawtucket Water Supply Board – Docket No. 3945**

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of the Pawtucket Water Supply Board's Response to the Division of Public Utilities and Carrier's Third Set of Data Requests.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK:prc  
Enclosures

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2008 JUN 23 AM 8:54  
DIVISION OF PUBLIC UTILITIES

**PAWTUCKET WATER SUPPLY BOARD**  
**Docket No. 3945**  
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**DIV 3-1:** Please identify all grants received by the PWSB in each of the past three years. For each grant, please identify the source of the grant, the amount of the grant, the date received, and the disposition of the proceeds.

**RESPONSE:** The PWSB has received grants from the U.S. EPA for the Vulnerability Assessment Study and the Central Falls Water Distribution System. The grant revenue consists of the following:

1. \$520,400 in FY2007 to be used toward the purchase of the Central Falls Water Distribution System. See Mr. Benson's direct testimony beginning on page 5 line 31.
2. \$21,874 in FY2005 was the last receipt from the \$102,050 Vulnerability Assessment Grant.

**Prepared by:** R. Benson

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2007 JUN 30 AM 8:17

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**DIV 3-2:** Regarding the response to DIV 1-2, with the exception of Case 3593, were all of these cases litigated?

**RESPONSE:** Yes, all of these cases were litigated in one fashion or another. Some were resolved by settlement and others by hearing. This information should be available to the Division, but a review of the PWSB's records indicates, subject to confirmation by the Division, that Dockets 3452, 3497 and 3674 were decided by the Commission after full hearings. The remaining Dockets were resolved by settlement. However, Dockets 1989 and 2158 are respectively eighteen and fifteen years old, and at the present time, the PWSB cannot locate the Orders from these Dockets. However, this information should be available to Division through the Clerk for the Public Utilities Commission.

Prepared by: James DeCelles/Joseph A. Keough Jr.

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**DIV 3-3:** Regarding the response to DIV 1-16, does this response show customers at the end of each fiscal year or average customers during each fiscal year?

**RESPONSE:** This schedule shows the number of customers at the end of each fiscal year.

**Prepared by:** R. Benson

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**DIV 3-4:** Regarding the response to DIV 1-26, for each vehicle shown, please identify a) the vehicle replaced, b) the age of the vehicle replaced, c) whether the vehicle replaced was leased or owned, d) the amount of any proceeds received for the vehicle that was replaced, and e) disposition of any proceeds relating to the vehicle that was replaced

**RESPONSE:** See the attached schedule Div 3-4. The PWSB owns all its vehicles. All vehicles acquired by lease/purchase financing agreements are purchased at the end of the lease under a bargain purchase option.

Prepared by: R. Benson

Capital Leases - Schedule of Vehicles & Equipment

Vehicle Replaced

Model Year	Make	Model	Quantity	Quote	Extended Price	Model Year	Make	Model	Disposition	Sale Proceeds	Disposition of Sale Proceeds
<b><u>FY08 Lease/Purchase Agreement dated 12/30/2007</u></b>											
2008	FORD	F150 4X4 Truck w/Crew Cab	1	25,985.00	25,985.00			Meter readers' use of personal vehicle		NONE	NA
2008	FORD	F150 4X4 Pickup Truck	1	19,621.00	19,621.00	1991	FORD	Explorer 4x4	to be scrapped	NONE	NA
2008	FORD	F150 4X4 Pickup Truck	1	19,621.00	19,621.00	1988	Chevrolet	1500 2WD Pickup Truck	Scrapped	NONE	NA
2008	FORD	F150 4X4 Pickup Truck	1	19,621.00	19,621.00	1987	DODGE	D150 Pickup Truck	to be scrapped	NONE	NA
2008	FORD	Escape FWD Hybrid SUV	1	26,675.00	26,675.00			Meter readers' use of personal vehicle		NONE	NA
2008	FORD	Escape FWD Hybrid SUV	1	26,675.00	26,675.00			Meter readers' use of personal vehicle		NONE	NA
2008	FORD	Escape FWD Hybrid SUV	1	26,675.00	26,675.00	2000	FORD	Ford Ranger 4x4 Pickup	to be scrapped	NONE	NA
2008	FORD	E250 Econoline Cargo Van	1	17,036.00	17,036.00	1994	FORD	E250 Econoline Cargo Van	to be sold	NONE	NA
2008	STERLING	L8500 Dump Truck	1	97,687.00	97,687.00			New T&D service crew			
2008	FORD	F550 Crew Truck	1	103,036.00	103,036.00			New T&D service crew			
2008	FORD	F550 Dump Truck	1	46,950.00	46,950.00	1996	GMC	HD3500 Dump Truck	Kept as spare & for winter sanding		
2008	Caterpillar	Model 430E-IT Backhoe/Loader	1	92,423.00	92,423.00			New T&D service crew			
2008	EH Wachs	Valve Maintenance Trailer System including the TM-7 Automated Valve Exerciser	1	46,995.00	46,995.00			New valve maintenance equipment			
				<b>Total Equipment Purchase</b>	<b>569,000.00</b>						
				<b>Less: Down payment</b>	<b>(150,728.00)</b>						
				<b>Total Borrowing from Capital Lease</b>	<b>418,272.00</b>						
<b><u>Ford Motor Credit - Lease 6162004 dated 12/19/2003</u></b>											
2004	FORD	Ranger 4X4 Pickup Truck			20,309.00			New pickup truck to Engineering Dept fleet			
<b><u>Ford Motor Credit - Lease 6162005 dated 1/28/2004</u></b>											
2004	FORD	F-350 4X4 w/Crew Cab and TM-7 Valve Exerciser			57,937.00			New valve maintenance crew truck			
<b><u>Ford Motor Credit - Lease 6162006 dated 2/16/2004</u></b>											
2004	FORD	F550 4X4 w/Crew Cab and Service Body			85,082.00	1991	Ford	F350 Crew cab	Auctioned		included in FY04 900 misc income

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**DIV 3-5:** Has the Board developed a collections plan for the new Collections Assistant to increase the percentage of collections? If so, please provide a copy of the plan. If no such plan has been developed, what are the Board's expectations with regard to increased collections assuming that the Collections Assistant is hired?

**RESPONSE:** Yes, the PWSB has developed a collections plan which includes the hiring of a new Collections Assistant and coordinating with the City of Pawtucket to conduct annual water lien sales in conjunction with the City's tax lien sales. The increase in the value and number of delinquent accounts has prompted us to increase our collection efforts and we cannot accomplish our goal with only one position dedicated to collections.

Presently, there is only one position (Customer Service Representative) in the Customer Service Department that is dedicated solely to the duties of collecting accounts. When this employee is absent due to illness, medical leave or scheduled vacations, it is difficult to conduct collection activities for our delinquent accounts.

Before the PWSB began coordinating with the City of Pawtucket to conduct water/tax lien sales, the collection duties of the Customer Service Representative consisted of both Office tasks and Field Tasks:

Office Tasks:

1. Identifying delinquent accounts,
2. Preparing and mailing past due notices,

Field Tasks:

1. Physically tagging the premises of the past due accounts prior to terminating water service, and
2. Physically shutting off the water service at the premises for those customers that have not paid their delinquent account balance.
3. Restore water service to all accounts that have paid in full or arranged payment plans.

Now that the PWSB is coordinating with the City of Pawtucket to conduct annual water/tax lien sales, the Customer Service Representative's office tasks have increased. These tasks now include the following:

Water Lien Sale Office Procedures:

1. Identify delinquent accounts to be sold at an annual water lien sale.  
(performed in November thru January)

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2. Contact the City of Pawtucket Tax Collections Office and compare delinquency lists. (performed in January)
3. Prepare and mail collection letters in accordance with statutory notification deadlines to those delinquent accounts that have been identified to be sold at the water lien sale. (done in January)
4. Provide the attorney with all necessary information for all delinquent accounts to be scheduled for the water lien sale. (performed from February through the tax lien sale date in May)
5. Remove all accounts from the scheduled water lien sale that respond with full payment or arrange payment plans. Also, notify the attorney of all accounts that have paid in full or arranged payment plans. (performed from February through the tax lien sale date in May)
6. Prepare the file documentation for each property to be sold at the water lien sale. (performed in May)
7. Monitor those accounts that have arranged payment plans and any accounts that failed to meet their payment plan will be scheduled for the November water lien continuation sale. (performed from February through October for the potential continuation sale)

With only one staff position responsible for all of these collection tasks – both in the office and in the field – the PWSB is limited in the number of accounts we can schedule for collection activities each month. Furthermore, within the accounts we can target, approximately 80% do not respond to collection activities until their property has been tagged for service termination.

As a result, the Customer Service Representative is required to spend a great deal of time on field tasks, which cut down on the time this person can spend on office tasks. The field tasks for each delinquent account are time consuming since the PWSB staff is required to physically complete each step at the actual location. In fact, during step five (physically shutting off water) it is the PWSB's policy to send two people to the property. Usually, this entails the Customer Service Representative taking a Customer Agent away from their job and into the field. This further hampers the Customer Service Department's effectiveness.

The addition of a Collections Assistant will enable the PWSB to conduct collection activities more efficiently and will allow us to increase the number of accounts we can schedule for collection activities. The Collections Assistant's primary responsibility will be to perform the field tasks identified herein above. This will allow the Customer Service Representative to concentrate on the office tasks identified above, which include tasks associated with water lien sales. The Collections Assistant will also be trained to perform

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all the tasks presently assigned to the Customer Service Representative. This will allow the Collections Assistant to help with office tasks and to cover for the Customer Service Representative when that person is absent.

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**DIV 3-6:** For each of the three categories of Contractual Services shown on CPNW Schedule 1.0, page 1, please a) identify all services included in the category, b) identify the provider or providers of the services, and c) state how the cost of the services were determined (bid, negotiation, allocation from the city, etc.)

**RESPONSE:** The contractual services – legal account

By charter, the City Solicitor serves as legal advisor to the PWSB and is empowered to appoint additional counsel. The rates are negotiated by the City. This account consists of legal services performed by the following attorneys:

**Joseph A. Keough, Jr** – He serves as general counsel and is responsible for all regular legal issues and PUC representation. It should be noted that the costs identified in CPNW 1.0 do not include costs related to PUC rate filings.

**Robert Brooks from Adler, Pollock & Sheehan** is hired by the City to handle all legal services related to labor issues.

**The firm of Armstrong, Gibbons & Gnys** was engaged to handle all real estate and closing issues related to the Central Falls Water System purchase.

**The firm of Partridge, Hahn & Snow** provides legal services related to the Annual Continuing Disclosure required by the RI Clean Water Finance Bonds.

Contractual services – management fees

This account consists of an allocation of management services provided to the PWSB by the City. It is billed annually at the end of the fiscal year. See the response to DIV 2-10.

Contractual services – other

This account consists of consulting and engineering services performed by the following firms:

**CDM Engineering** is providing temporary staffing to the position of Assistant Chief Engineer. This position was held open while the Assistant Chief Engineer served as the Acting Chief Engineer until his appointment to the position of Chief Engineer in March 2008.

**PARE Engineering** was hired to prepare the Water Supply Management Plan required by the State of RI. These services were determined through the RFP process.

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**Woodcock & Associates** provides consulting services related to water rate and RI Clean Water Finance Bond issues. Their services are billed at their standard rates. It should be noted that the costs identified in CPNW 1.0 do not include costs related to PUC rate filings.

**Earth Tech** provided engineering services related to the development of the Stage 2 Disinfection By-Products Sampling Plan.

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**DIV 3-7:** Provide the contract or agreement between the City and the Board relating to the management fees shown on CPNW Schedule 1.0, page 1.

**RESPONSE:** There is no written contract or agreement between the City and the Board.

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**CERTIFICATION**

I hereby certify that I sent by electronic mail a copy of the within to all parties set forth on the attached Service List on June 19, 2008, and that I mailed one original, and nine copies via first class mail to Luly Massaro, Clerk, Rhode Island Public Utilities Commission.

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/s/ Joseph A. Keough, Jr.  
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