

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-1: Please provide schedules similar to RFC 2 and 3 showing actual expenses for the fiscal years 2005, 2006, 2007 and 2008.

Response: Schedules are attached.

Prepared by: R. Esten

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item

| Operating Expenses | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|-------------------------------------|--|---------------------|---------------------|---------------------|---------------------|
| <u>Budget Line Item</u> | | | | | |
| 50 520 | Accrued Benefits Buyout | \$ - | \$ - | \$ 57,438 | \$ 104,103 |
| 50 005 | Permanent/Part Time | \$ - | \$ 5,200 | \$ 5,200 | \$ 5,200 |
| 50 001 | Salaries & Wages | \$ 1,741,742 | \$ 1,840,325 | \$ 2,151,704 | \$ 1,930,192 |
| 50 002 | Overtime | \$ 173,256 | \$ 159,496 | \$ 163,816 | \$ 177,664 |
| 50 003 | Holiday Pay | \$ 28,308 | \$ 28,653 | \$ 28,503 | \$ 31,925 |
| 50 004 | Temp Salaries | \$ 14,270 | \$ 45,591 | \$ 14,080 | \$ 26,465 |
| 50 044 | Standby Salaries | \$ 5,760 | \$ 9,360 | \$ 9,400 | \$ 12,400 |
| 50 056 | Injury Pay | \$ (1,896) | \$ 408 | \$ 1,187 | \$ 1,283 |
| 50 100 | Employee Benefits | \$ 704,697 | \$ 799,701 | \$ 929,899 | \$ 898,703 |
| 50 103 | Retiree Insurance Coverage | \$ 161,942 | \$ 186,892 | \$ 203,119 | \$ 234,929 |
| 50 105 | Workers Compensation Insurance | \$ 28,174 | \$ 58,301 | \$ 59,586 | \$ 87,455 |
| 50 205 | Copy & Binding | \$ 436 | \$ 340 | \$ 231 | \$ 626 |
| 50 207 | Advertisement | \$ 455 | \$ 10 | \$ 1,822 | \$ 1,110 |
| 50 210 | Dues & Subscriptions | \$ 1,732 | \$ 1,870 | \$ 1,635 | \$ 1,610 |
| 50 212 | Conferences and Training | \$ 9,714 | \$ 8,613 | \$ 5,384 | \$ 4,830 |
| 50 214 | Tuition Reimbursement | \$ - | \$ - | \$ - | \$ 540 |
| 50 220 | Consultant Fees | \$ 315,109 | \$ 139,043 | \$ 221,392 | \$ 104,887 |
| 50 225 | Contract Services (Support Services) | \$ 16,524 | \$ 24,983 | \$ 21,048 | \$ 20,168 |
| 50 230 | E Main Rd reconstruction Escrow | \$ - | \$ 39,851 | \$ (39,851) | \$ - |
| 50 238 | Postage & Delivery | \$ 22,838 | \$ 22,902 | \$ 21,073 | \$ 28,294 |
| 50 239 | Fire & Liability Insurance | \$ 83,932 | \$ 85,547 | \$ 88,228 | \$ 99,221 |
| 50 251 | Telephone & Communication | \$ 9,037 | \$ 10,297 | \$ 4,841 | \$ 4,389 |
| 50 305 | Water | \$ 148,538 | \$ 114,606 | \$ 125,459 | \$ 224,363 |
| 50 306 | Contribution to Electricity Restricted Account | \$ 361,595 | \$ 379,219 | \$ 323,569 | \$ 402,663 |
| 50 307 | Natural Gas | \$ 69,424 | \$ 69,334 | \$ 58,403 | \$ 53,681 |
| 50 260 | Heavy Equipment Rental | \$ 1,108 | \$ 17,387 | \$ 3,431 | \$ 1,367 |
| 50 308 | Property Taxes | \$ 395,030 | \$ 237,026 | \$ 171,803 | \$ 175,827 |
| 50 266 | Legal & Administrative | \$ 112,700 | \$ 243,429 | \$ 285,005 | \$ 219,177 |
| 50 267 | Data Processing | \$ 81,100 | \$ 162,771 | \$ 189,994 | \$ 156,368 |
| 50 268 | Mileage Reimbursement | \$ 146 | \$ 154 | \$ 334 | \$ 953 |
| 50 271 | Gas/Vehicle Maintenance | \$ 87,739 | \$ 100,437 | \$ 167,801 | \$ 181,369 |
| 50 275 | Repair & Maint - Equipment | \$ 100,500 | \$ 160,230 | \$ 115,872 | \$ 101,462 |
| 50 277 | Reservoir Maintenance | \$ 20,845 | \$ 13,075 | \$ 12,626 | \$ 16,591 |
| 50 280 | Regulatory Expense | \$ 101,196 | \$ 5,122 | \$ 59,860 | \$ 7,414 |
| 50 281 | Regulatory Assessment | \$ 61,052 | \$ 69,587 | \$ 67,508 | \$ 74,686 |
| 50 276 | Repairs/Main Maintenance | \$ 188,314 | \$ 75,353 | \$ 56,372 | \$ 58,239 |
| 50 296 | Service Maintenance | \$ 10,396 | \$ 23,623 | \$ 23,540 | \$ 17,490 |
| 50 299 | Meter Maintenance | \$ 8,922 | \$ 2,313 | \$ 7,712 | \$ 9,483 |
| 50 311 | Operating Supplies | \$ 43,153 | \$ 51,341 | \$ 60,603 | \$ 54,653 |
| 50 320 | Uniforms & Protective Gear | \$ 3,545 | \$ 1,235 | \$ 3,347 | \$ 2,998 |
| 50 335 | Contribution to Chemical Restricted Account | \$ 283,536 | \$ 360,318 | \$ 383,325 | \$ 490,165 |
| 50 339 | Laboratory Supplies | \$ 9,219 | \$ 11,018 | \$ 15,113 | \$ 14,032 |
| 50 361 | Office Supplies | \$ 19,242 | \$ 12,291 | \$ 11,502 | \$ 14,119 |
| 50 380 | Customer Service Supplies | \$ 697 | \$ 173 | \$ - | \$ 5,250 |
| 50 505 | Self Insurance | \$ - | \$ 404 | \$ - | \$ - |
| 50 515 | Unemployment Claims | \$ - | \$ 822 | \$ 11,414 | \$ - |
| 50 999 | Allowance for doubtful Accounts | \$ - | \$ - | \$ - | \$ - |
| 50 175 | Annual Leave Buy-back | \$ 19,280 | \$ 22,137 | \$ 24,708 | \$ 18,174 |
| Total Operating Requirements | | \$ 5,443,308 | \$ 5,600,788 | \$ 6,129,032 | \$ 6,076,518 |

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item

| Contribution to Capital Restricted Accounts | | | | | | | | | |
|---|---------------------------|----|-----------|----|-----------|----|-----------|----|-----------|
| DSA | Debt Service Account | \$ | 1,448,437 | \$ | 1,431,277 | \$ | 1,378,764 | \$ | 980,000 |
| RCA | Repayment to City Account | \$ | 249,996 | \$ | 270,829 | \$ | 249,996 | \$ | 250,000 |
| CRA | Capital Spending Account | \$ | 1,090,344 | \$ | 1,269,580 | \$ | 1,267,092 | \$ | 1,297,182 |
| | | | | | | | | | |
| Total Capital and Debt Service Expenses | | \$ | 2,788,777 | \$ | 2,971,686 | \$ | 2,895,852 | \$ | 2,527,182 |
| | | | | | | | | | |
| Subtotal Expenses | | \$ | 8,232,085 | \$ | 8,572,474 | \$ | 9,024,884 | \$ | 8,603,700 |
| | | | | | | | | | |
| Less: Revenue Offsets | | \$ | (252,796) | \$ | (252,476) | \$ | (512,826) | \$ | (540,376) |
| | | | | | | | | | |
| NET Actual Expenses | | \$ | 7,979,289 | \$ | 8,319,998 | \$ | 8,512,058 | \$ | 8,063,324 |

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item
Actual Expenses by Division

Account Detail

Administration

Account No. 15-500-2200

Personnel

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--------|--------------------------------|----------------|----------------|----------------|----------------|
| 50 001 | Salaries & Wages | \$ 110,364 | \$ 162,035 | \$ 207,769 | \$ 236,016 |
| 50 044 | Standby Salaries | \$ 5,760 | \$ 9,360 | \$ 9,400 | \$ 12,400 |
| 50 520 | Accrued Benefits Buyout | | \$ - | \$ 57,438 | \$ 104,103 |
| 50 100 | Employee Benefits | \$ 41,300 | \$ 56,755 | \$ 78,774 | \$ 85,618 |
| 50 103 | Retiree Insurance Coverage | \$ 161,942 | \$ 186,892 | \$ 203,119 | \$ 234,929 |
| 50 105 | Workers Compensation Insurance | \$ 28,174 | \$ 58,301 | \$ 59,586 | \$ 87,455 |
| | Subtotal | \$ 347,539 | \$ 473,343 | \$ 616,086 | \$ 760,521 |

Other Operating

| | | | | | |
|--------|--|--------------|------------|--------------|------------|
| 50 207 | Advertisement | \$ 455 | \$ 10 | \$ 1,822 | \$ 1,110 |
| 50 210 | Dues & Subscriptions | \$ 1,732 | \$ 1,870 | \$ 1,635 | \$ 1,610 |
| 50 212 | Conferences and Training | \$ 1,580 | \$ 1,976 | \$ 1,324 | \$ 331 |
| 50 214 | Tuition Reimbursement | \$ - | \$ - | \$ - | \$ 540 |
| 50 220 | Consultant Fees | \$ 277,911 | \$ 139,043 | \$ 221,392 | \$ 104,887 |
| 50 230 | E Main Rd reconstruction Escrow | \$ - | \$ 39,851 | \$ (39,851) | |
| 50 238 | Postage & Delivery | \$ 914 | \$ 794 | \$ 2,054 | \$ 642 |
| 50 239 | Fire & Liability Insurance | \$ 71,031 | \$ 72,461 | \$ 75,498 | \$ 84,691 |
| 50 251 | Telephone & Communication | \$ 9,037 | \$ 10,297 | \$ 4,841 | \$ 4,389 |
| 50 305 | Water | \$ 754 | \$ 794 | \$ 862 | \$ 981 |
| 50 306 | Contribution to Electricity Restricted Account | \$ 6,017 | \$ 5,701 | \$ 6,705 | \$ 6,115 |
| 50 307 | Natural Gas | \$ 11,612 | \$ 8,484 | \$ 7,496 | \$ 7,504 |
| 50 308 | Property Taxes | \$ 395,030 | \$ 237,026 | \$ 171,803 | \$ 175,827 |
| 50 266 | Legal & Administrative | \$ 112,700 | \$ 243,429 | \$ 285,005 | \$ 219,177 |
| 50 267 | Data Processing | \$ 81,100 | \$ 162,771 | \$ 189,994 | \$ 156,368 |
| 50 268 | Mileage Reimbursement | \$ 146 | \$ 154 | \$ 334 | \$ 953 |
| 50 271 | Gas/Vehicle Maintenance | \$ 4,142 | \$ 2,989 | \$ 14,116 | \$ 7,549 |
| 50 275 | Repair & Maint - Equipment | \$ 1,149 | \$ 1,643 | \$ 1,192 | \$ 1,656 |
| 50 280 | Regulatory Expense | \$ 101,196 | \$ 5,122 | \$ 59,860 | \$ 7,414 |
| 50 281 | Regulatory Assessment | \$ 37,775 | \$ 41,162 | \$ 38,310 | \$ 47,400 |
| 50 361 | Office Supplies | \$ 19,242 | \$ 12,291 | \$ 11,502 | \$ 14,119 |
| 50 505 | Self Insurance | \$ - | \$ 404 | \$ - | \$ - |
| 50 515 | Unemployment Claims | \$ - | \$ 822 | \$ 11,414 | \$ - |
| 50 999 | Allowance for doubtful Accounts | \$ - | \$ - | \$ - | |
| 50 175 | Annual Leave Buy-back | \$ - | \$ - | \$ 2,344 | \$ 2,106 |
| | Subtotal | \$ 1,133,523 | \$ 989,094 | \$ 1,069,649 | \$ 845,369 |

| | | | | | |
|----------|---|---------------------|---------------------|---------------------|---------------------|
| O | Total Administration Operating Requirement | \$ 1,481,062 | \$ 1,462,437 | \$ 1,685,736 | \$ 1,605,890 |
|----------|---|---------------------|---------------------|---------------------|---------------------|

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item
Actual Expenses by Division

Customer Service

Account No. 15-500-2209

Personnel

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--------|-------------------|----------------|----------------|----------------|----------------|
| 50 001 | Salaries & Wages | \$ 211,104 | \$ 226,027 | \$ 307,855 | \$ 253,759 |
| 50 002 | Overtime | \$ 20,767 | \$ 5,877 | \$ 1,348 | \$ 4,076 |
| 50 004 | Temp Salaries | \$ 12,470 | \$ 28,526 | \$ - | \$ 2,208 |
| 50 003 | Holiday Pay | \$ - | \$ 231 | \$ 1,446 | \$ - |
| 50 056 | Injury Pay | \$ 456 | \$ 9 | \$ 1,187 | \$ 602 |
| 50 100 | Employee Benefits | \$ 92,608 | \$ 95,413 | \$ 120,630 | \$ 113,678 |
| | Subtotal | \$ 337,405 | \$ 356,083 | \$ 432,466 | \$ 374,323 |

Other Operating

| | | | | | |
|--------|--------------------------------------|-----------|------------|------------|------------|
| 50 205 | Copy & Binding | \$ 436 | \$ 340 | \$ 231 | \$ 626 |
| 50 212 | Conferences and Training | \$ - | \$ 1,066 | \$ - | \$ 1,045 |
| 50 225 | Contract Services (Support Services) | \$ 13,077 | \$ 13,529 | \$ 13,770 | \$ 14,743 |
| 50 238 | Postage & Delivery | \$ 21,924 | \$ 22,108 | \$ 19,019 | \$ 27,652 |
| 50 271 | Gasoline & Vehicle Maintenance | \$ 10,617 | \$ 12,348 | \$ 29,303 | \$ 25,254 |
| 50 275 | Repair & Maint - Equipment | \$ 7,041 | \$ 41,930 | \$ 35,706 | \$ 38,763 |
| 50 299 | Meter Maintenance | \$ 8,922 | \$ 2,313 | \$ 7,712 | \$ 9,483 |
| 50 311 | Operating Supplies | \$ 2,448 | \$ 7,780 | \$ 9,932 | \$ 2,383 |
| 50 320 | Uniforms & Protective Gear | \$ 595 | \$ 88 | \$ 873 | \$ 584 |
| 50 380 | Customer Service Supplies | \$ 697 | \$ 173 | \$ - | \$ 5,250 |
| 50 175 | Annual Leave Buy-back | \$ 4,621 | \$ 3,655 | \$ 5,952 | \$ 2,144 |
| | Subtotal | \$ 70,377 | \$ 105,330 | \$ 122,499 | \$ 127,927 |

O Total Customer Accounts Operating Expense \$ 407,782 \$ 461,413 \$ 554,965 \$ 502,250

Actual Expenses by Division

Source of Supply - Island

Account No. 15-500-2212

Personnel

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--------|--------------------------|----------------|----------------|----------------|----------------|
| 50 001 | Salaries & Wages | \$ 204,667 | \$ 211,946 | \$ 242,296 | \$ 216,370 |
| 50 002 | Overtime | \$ 20,826 | \$ 26,330 | \$ 24,012 | \$ 28,055 |
| 50 004 | Temporary/Seasonal Wages | \$ - | \$ 2,563 | \$ 14,080 | \$ 11,537 |
| 50 056 | Injury Pay | \$ 193 | \$ 82 | \$ - | \$ 681 |
| 50 100 | Employee Benefits | \$ 77,700 | \$ 80,125 | \$ 98,747 | \$ 93,011 |
| 50 175 | Annual Leave Buyback | \$ 2,879 | \$ 5,320 | \$ 5,515 | \$ 3,871 |
| | Subtotal | \$ 306,265 | \$ 326,366 | \$ 384,650 | \$ 353,525 |

Other Operating

| | | | | | |
|--------|--|------------|-----------|------------|------------|
| 50 306 | Contribution to Electricity Restricted Account | \$ 9,309 | \$ 27,189 | \$ 16,237 | \$ 25,233 |
| 50 220 | Consultant Fees | \$ 37,198 | | \$ - | |
| 50 271 | Gas/Vehicle Maintenance | \$ 25,576 | \$ 25,939 | \$ 34,310 | \$ 43,446 |
| 50 275 | Repair & Maint - Equipment | \$ 2,690 | \$ 1,428 | \$ 4,527 | \$ 2,830 |
| 50 277 | Reservoir Maintenance | \$ 18,805 | \$ 12,448 | \$ 12,626 | \$ 14,085 |
| 50 311 | Operating Supplies | \$ 890 | \$ 1,283 | \$ 2,859 | \$ 3,300 |
| 50 320 | Uniforms & Protective Gear | \$ 718 | \$ 193 | \$ 424 | \$ 659 |
| 50 335 | Contribution to Chemical Restricted Account | \$ 21,959 | \$ 21,920 | \$ 70,661 | \$ 41,720 |
| | Subtotal | \$ 117,146 | \$ 90,400 | \$ 141,644 | \$ 131,273 |

O Total Supply-Island Operating Expenses \$ 423,411 \$ 416,766 \$ 526,293 \$ 484,798

Newport Water Division
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Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item

Actual Expenses by Division

Source of Supply - Mainland
Account No. 15-500-2213

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|--|----------------|----------------|----------------|----------------|
| <u>Personnel</u> | | | | | |
| 50 002 | Overtime | \$ - | \$ 3,946 | \$ 91 | \$ 3,758 |
| 50 005 | Permanent/Part Time | \$ - | \$ 5,200 | \$ 5,200 | \$ 5,200 |
| 50 004 | Temporary/Seasonal Wages | \$ 1,800 | \$ 7,550 | \$ - | \$ 12,720 |
| 50 100 | Employee Benefits | \$ 286 | \$ 1,482 | \$ 1,096 | \$ 1,603 |
| | Subtotal | \$ 2,086 | \$ 18,178 | \$ 6,387 | \$ 23,281 |
| <u>Other Operating</u> | | | | | |
| 50 306 | Contribution to Electricity Restricted Account | \$ 13,548 | \$ 55,938 | \$ 15,690 | \$ 68,896 |
| 50 275 | Repair & Maint - Equip | \$ 38 | \$ 610 | \$ 728 | \$ 10,554 |
| 50 277 | Reservoir Maintenance | \$ 2,040 | \$ 627 | \$ - | \$ 2,506 |
| 50 311 | Operating Supplies | \$ - | \$ 299 | \$ - | \$ 488 |
| | Subtotal | \$ 15,626 | \$ 57,474 | \$ 16,418 | \$ 82,444 |

O Total Source of Supply - Mainland Operating Expenses \$ 17,712 \$ 75,652 \$ 22,805 \$ 105,725

Actual Expenses by Division

Treatment - Newport Plant
Account No. 15-500-2222

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|--|----------------|----------------|----------------|----------------|
| <u>Personnel</u> | | | | | |
| 50 001 | Salaries & Wages | \$ 372,293 | \$ 362,106 | \$ 449,696 | \$ 381,325 |
| 50 002 | Overtime | \$ 42,728 | \$ 44,385 | \$ 66,290 | \$ 65,941 |
| 50 003 | Holiday Pay | \$ 14,599 | \$ 14,725 | \$ 14,946 | \$ 16,438 |
| 50 100 | Employee Benefits | \$ 160,303 | \$ 178,871 | \$ 209,031 | \$ 174,497 |
| 50 175 | Annual Leave Buy Back | \$ 4,411 | \$ 4,539 | \$ 3,532 | \$ 4,829 |
| | Subtotal | \$ 594,335 | \$ 604,626 | \$ 743,495 | \$ 643,030 |
| <u>Other Operating</u> | | | | | |
| 50 212 | Conferences & Training | \$ 2,338 | \$ 1,605 | \$ 2,035 | \$ 1,660 |
| 50 239 | Fire & Liability Insurance | \$ 5,213 | \$ 5,244 | \$ 5,101 | \$ 5,823 |
| 50 306 | Contribution to Electricity Restricted Account | \$ 213,758 | \$ 148,289 | \$ 154,595 | \$ 173,534 |
| 50 307 | Natural Gas | \$ 29,042 | \$ 28,131 | \$ 22,264 | \$ 21,750 |
| 50 260 | Heavy Equipment Rental | \$ 502 | \$ 703 | \$ 599 | \$ 479 |
| 50 305 | Sewer Charge | \$ 147,784 | \$ 113,812 | \$ 124,597 | \$ 169,535 |
| 50 271 | Gasoline & Vehicle Maintenance | \$ 402 | \$ 752 | \$ 5,155 | \$ 7,149 |
| 50 275 | Repair & Maint-Equipment | \$ 28,230 | \$ 25,227 | \$ 18,257 | \$ 25,852 |
| 50 311 | Operating Supplies | \$ 18,193 | \$ 14,263 | \$ 23,075 | \$ 26,578 |
| 50 320 | Uniforms & Protective Gear | \$ 78 | \$ - | \$ 341 | \$ - |
| 50 335 | Contribution to Chemical Restricted Account | \$ 162,315 | \$ 189,527 | \$ 192,162 | \$ 293,925 |
| | Subtotal | \$ 607,856 | \$ 527,553 | \$ 548,181 | \$ 726,285 |

O Treatment - Newport Plant Operating Requirements \$ 1,202,190 \$ 1,132,179 \$ 1,291,675 \$ 1,369,315

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item

Actual Expenses by Division

Treatment - Lawton Valley
Account No. 15-500-2223

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|--|----------------|----------------|----------------|----------------|
| <u>Personnel</u> | | | | | |
| 50 001 | Salaries & Wages | \$ 348,402 | \$ 376,034 | \$ 438,804 | \$ 409,527 |
| 50 002 | Overtime | \$ 29,862 | \$ 28,081 | \$ 28,799 | \$ 42,307 |
| 50 003 | Holiday Pay | \$ 12,480 | \$ 13,574 | \$ 12,111 | \$ 15,487 |
| 50 100 | Employee Benefits | \$ 136,672 | \$ 177,925 | \$ 198,299 | \$ 203,222 |
| 50 175 | Annual Leave Buy Back | \$ 2,628 | \$ 2,610 | \$ 3,495 | \$ 3,094 |
| | Subtotal | \$ 530,044 | \$ 598,224 | \$ 681,507 | \$ 673,637 |
| <u>Other Operating</u> | | | | | |
| 50 212 | Conferences & Training | \$ 2,740 | \$ 1,700 | \$ 1,000 | \$ 1,475 |
| 50 239 | Fire & Liability Insurance | \$ 5,608 | \$ 5,721 | \$ 5,565 | \$ 6,352 |
| 50 306 | Contribution to Electricity Restricted Account | \$ 105,974 | \$ 120,516 | \$ 107,175 | \$ 113,966 |
| 50 307 | Natural Gas | \$ 28,771 | \$ 32,719 | \$ 28,643 | \$ 24,427 |
| 50 260 | Heavy Equipment Rental | \$ - | \$ 20 | \$ 309 | \$ 213 |
| 50 305 | Sewer Charge | \$ - | \$ - | \$ - | \$ 53,847 |
| 50 271 | Gas/Vehicle Maintenance | \$ 781 | \$ 808 | \$ 4,778 | \$ 7,407 |
| 50 275 | Repair & Maintenance | \$ 33,375 | \$ 52,405 | \$ 21,197 | \$ 6,977 |
| 50 311 | Operating Supplies | \$ 12,086 | \$ 13,387 | \$ 19,945 | \$ 15,436 |
| 50 320 | Uniforms & Protective Gear | \$ 741 | \$ 338 | \$ 25 | \$ 614 |
| 50 335 | Contribution to Chemical Restricted Account | \$ 99,262 | \$ 148,871 | \$ 120,503 | \$ 154,520 |
| | Subtotal | \$ 289,337 | \$ 376,485 | \$ 309,140 | \$ 385,234 |

O Treatment - Lawton Valley Operating Expense \$ 819,382 \$ 974,709 \$ 990,647 \$ 1,058,871

Actual Expenses by Division

Water Laboratory
Account No. 15-500-2235

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|------------------------|---------------------------------|----------------|----------------|----------------|----------------|
| <u>Personnel</u> | | | | | |
| 50 001 | Salaries & Wages | \$ 102,673 | \$ 102,979 | \$ 102,596 | \$ 102,596 |
| 50 100 | Employee Benefits | \$ 39,014 | \$ 44,757 | \$ 49,269 | \$ 51,488 |
| 50 175 | Annual Leave Buy Back | \$ - | \$ 1,268 | \$ - | \$ - |
| | Subtotal | \$ 141,686 | \$ 149,004 | \$ 151,865 | \$ 154,084 |
| <u>Other Operating</u> | | | | | |
| 50 275 | Repair & Maint - Equipment | \$ 1,132 | \$ - | \$ - | \$ 961 |
| 50 281 | Water Lab Regulatory Assessment | \$ 23,277 | \$ 28,425 | \$ 29,198 | \$ 27,286 |
| 50 339 | Laboratory Supplies | \$ 9,219 | \$ 11,018 | \$ 15,113 | \$ 14,032 |
| | Subtotal | \$ 33,629 | \$ 39,443 | \$ 44,311 | \$ 42,279 |

O Total Water Laboratory Operating Expenses \$ 175,315 \$ 188,447 \$ 196,177 \$ 196,363

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 1
Actual Expenses By Line Item
Actual Expenses by Division

Transmission & Distribution Maintenance

Account No. 15-500-2241

Personnel

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--------|-----------------------|------------|------------|------------|------------|
| 50 001 | Salaries & Wages | \$ 392,241 | \$ 399,198 | \$ 402,689 | \$ 330,599 |
| 50 002 | Overtime | \$ 59,073 | \$ 50,877 | \$ 43,276 | \$ 33,527 |
| 50 003 | Holiday Pay | \$ 1,229 | \$ 123 | \$ - | \$ - |
| 50 004 | Temp Wages | \$ - | \$ 6,952 | \$ - | \$ - |
| 50 056 | Injury Pay | \$ (2,545) | \$ 317 | \$ - | \$ - |
| 50 100 | Employee Benefits | \$ 156,813 | \$ 164,373 | \$ 174,054 | \$ 175,586 |
| 50 175 | Annual Leave Buy Back | \$ 4,740 | \$ 4,745 | \$ 3,869 | \$ 2,130 |
| | Subtotal | \$ 611,552 | \$ 626,585 | \$ 623,888 | \$ 541,842 |

Other Operating

| | | | | | |
|--------|--|------------|------------|------------|------------|
| 50 212 | Conferences & Training | \$ 3,056 | \$ 2,266 | \$ 1,025 | \$ 319 |
| 50 225 | Contract Services | \$ 3,447 | \$ 11,454 | \$ 7,277 | \$ 5,425 |
| 50 239 | Fire & Liability Insurance | \$ 2,080 | \$ 2,121 | \$ 2,064 | \$ 2,355 |
| 50 306 | Contribution to Electricity Restricted Account | \$ 12,988 | \$ 21,586 | \$ 23,166 | \$ 14,919 |
| 50 260 | Heavy Equipment Rental | \$ 606 | \$ 16,664 | \$ 2,523 | \$ 675 |
| 50 271 | Gas/Vehicle Maintenance | \$ 46,220 | \$ 57,601 | \$ 80,139 | \$ 90,564 |
| 50 275 | Repair & Maint - Equipment | \$ 25,590 | \$ 27,958 | \$ 30,660 | \$ 2,559 |
| 50 276 | Repairs/Main Maintenance | \$ 188,314 | \$ 75,353 | \$ 56,372 | \$ 58,239 |
| 50 296 | Service Maintenance | \$ 10,396 | \$ 23,623 | \$ 23,540 | \$ 17,490 |
| 50 311 | Operating Supplies | \$ 9,537 | \$ 14,329 | \$ 4,791 | \$ 6,468 |
| 50 320 | Uniforms & Protective Gear | \$ 1,415 | \$ 616 | \$ 1,684 | \$ 1,141 |
| | Subtotal | \$ 303,648 | \$ 253,571 | \$ 233,242 | \$ 200,154 |

Transmission & Distribution Operating
Expenses

\$ 915,200 \$ 880,156 \$ 857,129 \$ 741,996

Actual Expenses by Division

Fire Protection

Account No. 15-500-2245

Personnel

| | | FY 2005 | FY 2006 | FY 2007 | FY 2008 |
|--------|-------------------|---------|---------|---------|---------|
| 50 001 | Salaries & Wages | \$ - | \$ - | \$ - | \$ - |
| 50 002 | Overtime | \$ - | \$ - | \$ - | \$ - |
| 50 100 | Employee Benefits | \$ - | \$ - | \$ - | \$ - |
| | Subtotal | \$ - | \$ - | \$ - | \$ - |

Other Operating

| | | | | | |
|--------|-------------------------------|----------|----------|----------|-----------|
| 50 275 | Repair & Maintenance - Equip. | \$ 1,253 | \$ 9,029 | \$ 3,605 | \$ 11,310 |
| | Subtotal | \$ 1,253 | \$ 9,029 | \$ 3,605 | \$ 11,310 |

Fire Protection Operating Expenses

\$ 1,253 \$ 9,029 \$ 3,605 \$ 11,310

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-2: Please provide a breakdown of A/C 50220 - Consultant Fees for FY 2006, FY 2007 and FY 2008, separately identifying rate case and non-rate case amounts.

Response: The Breakdown of A/C 50220 – Consultant Fees for FY 2006-FY 2008 is as follows:

| | | | |
|---------------|-------------|-------------|-------------|
| Fiscal Year | <u>2006</u> | <u>2007</u> | <u>2008</u> |
| Rate Case | \$107,924 | \$213,230 | \$ 67,140 |
| Non Rate Case | \$ 31,119 | \$ 8,162 | \$ 37,747 |
| Total | \$139,043 | \$221,392 | \$104,887 |

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-3: Please explain the basis for the normalization adjustments to employee benefits for Customer Service, Source of Supply–Island, Treatment–Newport Plant and Distribution to reflect family medical and dental coverage for employees who opted to take single coverage.

Response: There are several normalization adjustments that were made for specific situations as follows:

Customer Service: The Sr. Maintenance Mechanic retired in July 2007 and the position was vacant for fifty weeks of the year. This was normalized to a full year at family coverage. A Water Meter Repairman/Reader position was normalized from individual to family coverage based on a marriage early in FY 2009.

Source of Supply – Island: The Maintenance Mechanic was out for 10 weeks on workers compensation and this was normalized to full year family coverage. The basis of normalizing other changes from individual coverage to family coverage was to account for changes in employees' coverage selections and also coverage selections that can result from employee turnover.

Treatment Plant – Newport: Two water plant operator positions were filled by new employees during the year and were not eligible for medical coverage during their six month probationary period in accordance with the AFSCME contract. These were both normalized to family coverage after the employees became eligible. The basis of normalizing other changes from individual coverage to family coverage was to account for changes in employees' coverage selections and also coverage selections that can result from employee turnover.

Distribution: The Sr. Maintenance Mechanic position was vacant for the entire year and was normalized to family coverage. A Skilled Laborer Equipment Operator position was filled during the year by a new employee who was not eligible for medical coverage for the first six months in accordance with the AFSCME contract. This was normalized to individual coverage based upon coverage once the employee became eligible.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-4: Please provide a listing of each employee position included in Newport Water's request and identify whether the position is filled and, if so, whether the employee has opted for family, single or no medical and dental coverage.

Response: As of December 31, 2008 the status of the positions is as follows:

| <u>Position</u> | <u>Filled/Vacant</u> | <u>Insurance Coverage</u> |
|----------------------------------|----------------------|---------------------------|
| Director of Utilities | Filled | No Coverage ¹ |
| Administrative Secretary | Filled | Family |
| Dept Director – Finance | Filled | Family |
| Dept Director – Engineering | Filled | Family |
| Financial Analyst | Filled | Individual |
| Meter Repairman/Reader | Filled | Individual |
| Meter Repairman/Reader | Filled | Individual |
| Principal Account Clerk | Filled | Family |
| Meter Repairman/Reader | Filled | Family |
| Maintenance Mechanic | Filled | Family |
| Sr. Maintenance Mechanic | Vacant | |
| Water Meter Foreman | Filled | Family |
| Supervisor Water Dist/Collection | Filled | Family |
| Maintenance Mechanic | Filled | Family |
| Skilled Laborer Equip. Oper. | Filled | Individual |
| Skilled Laborer Equip. Oper. | Filled | Family |
| Skilled Laborer Equip. Oper. | Filled | Family |
| Laborer | Filled | Individual |
| Water Quality/Production Supv. | Filled | Family |
| Assistant WQP Supervisor | Vacant | |
| Water Plant Operator – 3 | Filled | No Coverage ² |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Foreman | Filled | Family |
| Water Plant Operator – 3 | Filled | Individual |
| Water Plant Operator – 2 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Foreman | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 3 | Filled | Family |

¹ This employee opted out of coverage.

² This employee opted out of coverage.

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

| | | |
|------------------------------|--------|------------|
| Water Plant Operator – 3 | Filled | Family |
| Water Plant Operator – 2 | Filled | Individual |
| Water Plant Operator – 3 | Filled | Family |
| Laboratory Supervisor | Filled | Family |
| Microbiologist | Filled | Family |
| Maintenance Mechanic | Filled | Family |
| Heavy Equipment Operator | Filled | Family |
| Maintenance Mechanic | Filled | Family |
| Sr. Maintenance Mechanic | Vacant | |
| Parts/Inv Control Technician | Filled | Family |
| Skilled Laborer Equip Oper | Filled | Family |
| Engineering Technician | Filled | Individual |
| Skilled Laborer Equip Oper | Filled | Family |
| Skilled Laborer Equip Oper | Filled | Individual |

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-5: For those positions listed in the prior request that are not filled, please provide the current status of efforts to fill the position and the projected date of hire of a new employee.

Response: The status of efforts to fill the positions that were listed as vacant in question 4 is as follows:

Senior Maintenance Mechanic Customer Service— A promotion has been made to fill this vacancy effective January 19, 2009. This position is being transferred to Source of Supply where it had originated. The position in Source of Supply was moved to Customer Service in 1999 for the employee in the position at the time as a Suitable Alternative Employment (SAE) Position in accordance with the Collective Bargaining Agreement due to a disability. The position became vacant due to the retirement of the employee with the SAE.

Assistant WQP Supervisor – This position is contingent on funding in the rate case and approval by City and the Bargaining Unit. This is proposed to be a new non-union position and would require a Class 4 Operator License. This would give Newport Water two positions that require Class 4 Operator Licenses (the other being the WQP Supervisor). This is important because we need to make sure that a Class 4 Operator is available at all time. Thus, one of the stipulations of this new job would be that the WQP Supervisor and the Assistant cannot be on vacation at the same time. If this position is approved, the two Water Foreman positions at Treatment Plant – Newport and Lawton Valley would then become Water Plant Operator positions and a Water Plant Operator position would be eliminated.

Senior Maintenance Person Distribution— position has been advertised internally and is expected to be filled by end of January.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-6: Please identify the total number of budgeted positions and the number of vacancies at the end of each quarter of FY 2006, FY 2007, FY 2008 and FY 2009 to date.

Response:

| | | Budgeted | Open |
|-------------|---------|-----------------|-------------|
| FY06 | 1st qtr | 47 | 5 |
| | 2nd qtr | 48 | 3 |
| | 3rd qtr | 48 | 2 |
| | 4th qtr | 48 | 1 |
| FY07 | 1st qtr | 48 | 2 |
| | 2nd qtr | 48 | 2 |
| | 3rd qtr | 48 | 2 |
| | 4th qtr | 48 | 4 |
| FY08 | 1st qtr | 48 | 2 |
| | 2nd qtr | 48 | 2 |
| | 3rd qtr | 48 | 4 |
| | 4th qtr | 48 | 3 |
| FY09 | 1st qtr | 48 | 3 |
| | 2nd qtr | 48 | 3 |

Prepared by: K Garcia

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-7: Please identify the percentage of medical and dental premiums that Newport requires its employees to pay.

Response: Managerial employees are subject to an employee contribution based on 2% of their annual base salary up to a maximum of 10% of the annual premium. AFSCME employees hired on or after July 1, 2006 are subject to a contribution of 3.5% of base salary plus longevity. AFSCME employees hired prior to July 1, 2006 are subject to a contribution of 2% of base salary for family coverage and 1% for individual coverage. NEA employees have no contribution at this time. However, the NEA contract is currently in negotiation and is expected to be settled prior to the end of FY 2009. It is anticipated that an employee co-pay will be included in the new contract.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-8: Please identify what steps the City of Newport has taken over the last several years to control the increase in medical and dental insurance premiums.

Response: The City of Newport has taken the following steps to reduce and or control medical and dental insurance premiums:

- a) The City of Newport is one of the nine founding members of the Governmental Health Group of Rhode Island (GHGRI) which was formed to provide joint negotiation and purchase of health coverage for participating governmental entities. The group has successfully negotiated contracts with Blue Cross Blue Shield of Rhode Island (BCBS) for significantly less than each individual organization could on their own. The size of GHGRI has grown so that there are now 28 municipalities and school departments lending even more clout for negotiation.

The City of Newport became fully self-insured at that time. The City has always been 100% experience rated, and by virtue of becoming self-insured, has been able to eliminate the additional cost related to contract ratings.

- b) The City of Newport has negotiated and continues to negotiate changes to health plans, deductibles and cost-sharing with its labor unions. We have changed to lower cost plans with higher prescription deductibles and higher co-pays for most of our employees. We have recently negotiated or arbitrated premium sharing (cost sharing) with most of our employees. We have eliminated Plan 65 in our AFSCME contract. It is a priority of the City Council to reduce current and future health care costs.
- c) The City participates in the BCBS Wellness Programs. This includes monthly visits from BCBS representatives to meet with employees and their families, as well as various good health programs. Examples include fitness programs, nutrition programs and stress reduction programs.

Prepared by: L. Sitrin

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-9: Please explain what steps the City of Newport and/or the Water Division take to encourage employees whose spouses have medical and dental coverage to opt out of taking coverage under the City's plans.

Response: The City of Newport offers \$1,000 annually to any employee who is eligible for family insurance, but does not take it.

Prepared by: L. Sitrin

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-10: Please provide supporting documentation for the City's test year cost of maintaining its vehicle fleet and the portion of those costs allocated to the Water Division and included in Customer Services, Source of Supply-Island, Lawton Valley, Station One, Distribution and Administration.

Response: Copies of the monthly journal entries showing costs to be allocated and the allocation to different departments are attached. Please note that the period of July to September 2007 is set forth on one worksheet, and it does not have the detail for the gallons of fuel. As such, there are three separate spreadsheets entitled "City of Newport Fuel Charges By Division/Department" for these months that provide the detail for the gallons of fuel used. The months of October through June are set forth on individual worksheets, which all have detail for fuel usage.

Also, each of the monthly worksheets sets forth the Water Department Allocations from "First Vehicle," which is the private vendor that takes care of all The City of Newport vehicles. The monthly worksheets also contain the Water Department Allocations for the Equipment Operations employee who is responsible for overseeing and managing the First Vehicle account.

Prepared by: R. Esten

City of Newport
Fuel & Vehicle Charges
By Division/Department
July to September 2007

| Account | July | Aug | Sept | Total Fuel | First Vehicle | | EO | Insurance | Total Cost |
|-----------------|-----------|-----------|-----------|------------|---------------|-------------------|------------|-----------|------------|
| | | | | | Charges | Salaries/Benefits | | | |
| 04-040-5119-271 | 58.78 | 0.00 | 62.88 | 121.66 | 0.00 | 0.00 | 0.00 | 0.00 | 121.66 |
| 08-710-5101-271 | 159.03 | 59.30 | 80.23 | 298.56 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,762.53 |
| 09-120-8820-271 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 07-110-6130-271 | 0.00 | 66.27 | 0.00 | 66.27 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,530.24 |
| 11-020-8200-271 | 142.44 | 133.63 | 60.35 | 336.42 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,800.39 |
| 11-070-8377-271 | 496.75 | 374.96 | 280.42 | 1,152.13 | 1,525.34 | 119.02 | 819.61 | 0.00 | 3,616.10 |
| 11-200-1100-271 | 85.56 | 83.06 | 176.82 | 345.44 | 3,050.67 | 238.05 | 1,639.21 | 0.00 | 5,273.38 |
| 11-200-1111-271 | 7,801.09 | 7,037.48 | 6,636.37 | 21,474.94 | 45,760.12 | 3,570.69 | 24,588.21 | 0.00 | 95,393.97 |
| 11-200-1130-271 | 2,260.03 | 2,309.49 | 2,000.70 | 6,570.22 | 18,304.05 | 1,428.28 | 9,835.29 | 0.00 | 36,137.83 |
| 11-300-1300-271 | 3,358.10 | 3,686.00 | 3,164.92 | 10,209.02 | 18,304.05 | 0.00 | 9,835.29 | 0.00 | 38,348.35 |
| 11-400-1400-271 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11-400-3101-271 | 0.00 | 0.00 | 59.08 | 59.08 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,523.05 |
| 11-400-6110-271 | 1,974.63 | 1,866.63 | 1,846.68 | 5,687.94 | 27,456.07 | 2,142.41 | 14,752.93 | 0.00 | 50,039.36 |
| 11-400-6115-271 | 579.70 | 536.50 | 425.59 | 1,541.79 | 3,050.67 | 238.05 | 1,639.21 | 0.00 | 6,469.73 |
| 11-400-6120-271 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11-410-3320-271 | 307.58 | 201.83 | 106.49 | 615.90 | 3,050.67 | 238.05 | 1,639.21 | 0.00 | 5,543.84 |
| 11-410-3350-271 | 67.78 | 71.29 | 114.36 | 253.43 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,717.40 |
| 11-400-1450-271 | 32.71 | 75.21 | 35.45 | 143.37 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,607.34 |
| 11-600-3120-271 | 224.68 | 209.93 | 203.19 | 637.80 | 4,576.01 | 357.07 | 2,458.82 | 0.00 | 8,029.70 |
| 11-700-3102-271 | 121.11 | 33.35 | 0.00 | 154.46 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,618.43 |
| 11-700-5104-271 | 2,594.00 | 2,431.68 | 1,664.64 | 6,690.32 | 16,778.71 | 1,309.25 | 9,015.68 | 0.00 | 33,793.96 |
| 11-700-5109-271 | 20.93 | 68.75 | 31.37 | 121.05 | 3,050.67 | 238.05 | 1,639.21 | 0.00 | 5,048.99 |
| 15-500-2200-271 | 205.01 | 210.15 | 175.76 | 590.92 | 3,050.67 | 238.05 | 1,639.21 | 0.00 | 5,518.86 |
| 15-500-2209-271 | 517.85 | 465.65 | 357.43 | 1,340.93 | 4,576.01 | 357.07 | 2,458.82 | 0.00 | 8,732.83 |
| 15-500-2212-271 | 616.66 | 454.27 | 416.20 | 1,487.13 | 6,101.35 | 476.09 | 3,278.43 | 0.00 | 11,343.00 |
| 15-500-2222-271 | 34.13 | 60.82 | 56.13 | 151.08 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,615.05 |
| 15-500-2223-271 | 43.61 | 29.43 | 31.65 | 104.69 | 1,525.34 | 119.02 | 819.61 | 0.00 | 2,568.66 |
| 15-500-2241-271 | 1,758.11 | 1,769.17 | 1,352.02 | 4,879.30 | 15,253.37 | 1,190.23 | 8,196.07 | 0.00 | 29,518.98 |
| 09-1430 | 2,606.26 | 1,844.36 | 8,428.99 | 12,879.61 | 0.00 | 0.00 | 0.00 | 0.00 | 12,879.61 |
| 09-1431 | 270.42 | 209.28 | 78.07 | 557.77 | 0.00 | 0.00 | 0.00 | 0.00 | 557.77 |
| 09-1461 | 49.77 | 43.60 | 41.57 | 134.94 | 0.00 | 0.00 | 0.00 | 0.00 | 134.94 |
| | 26,386.72 | 24,332.09 | 27,887.36 | 78,606.17 | 187,616.50 | 13,211.55 | 100,811.68 | 0.00 | 380,245.90 |

Water charges are 15-500-XXXX-271

City of Newport
 Fuel Charges
 By Division/Department
 July 2007 GAS

| Account | UNL PUMP 1 | UNL PUMP3 | TOTAL GAL UNLEADED | COST UNLEADED | DIESEL PUMP2 | DIESEL PUMP4 | TOTAL GAL DIESEL | COST DIESEL | COST ALL FUEL |
|-----------------|---------------|--------------|-----------------------|------------------|-----------------|-----------------|---------------------|----------------|------------------|
| 04-040-5119-271 | | 24.80 | 24.80 | 58.78 | - | | - | 0.00 | 58.78 |
| 08-710-5101-271 | 38.40 | 10.00 | 48.40 | 114.71 | 19.70 | | 19.70 | 44.33 | 159.03 |
| 09-120-8820-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 07-110-6130-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-020-8200-271 | 49.10 | 11.00 | 60.10 | 142.44 | | | - | 0.00 | 142.44 |
| 11-070-8377-271 | 128.90 | 80.70 | 209.60 | 496.75 | | | - | 0.00 | 496.75 |
| 11-200-1100-271 | 26.10 | 10.00 | 36.10 | 85.56 | | | - | 0.00 | 85.56 |
| 11-200-1111-271 | 1,267.20 | 2,024.40 | 3,291.60 | 7,801.09 | | | - | 0.00 | 7,801.09 |
| 11-200-1130-271 | 358.00 | 595.60 | 953.60 | 2,260.03 | | | - | 0.00 | 2,260.03 |
| 11-300-1300-271 | 67.00 | 268.40 | 335.40 | 794.90 | 217.60 | 921.60 | 1,139.20 | 2,563.20 | 3,358.10 |
| 11-400-1400-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-400-3101-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-400-6110-271 | 95.00 | 323.40 | 418.40 | 991.61 | 63.10 | 373.80 | 436.90 | 983.03 | 1,974.63 |
| 11-400-6115-271 | 149.60 | 95.00 | 244.60 | 579.70 | | | - | 0.00 | 579.70 |
| 11-400-6120-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-410-3320-271 | | | - | 0.00 | 69.90 | 66.80 | 136.70 | 307.58 | 307.58 |
| 11-410-3350-271 | 5.00 | 23.60 | 28.60 | 67.78 | | | - | 0.00 | 67.78 |
| 11-400-1450-271 | 13.80 | | 13.80 | 32.71 | | | - | 0.00 | 32.71 |
| 11-600-3120-271 | 50.20 | 44.60 | 94.80 | 224.68 | | | - | 0.00 | 224.68 |
| 11-700-3102-271 | 16.40 | 34.70 | 51.10 | 121.11 | | | - | 0.00 | 121.11 |
| 11-700-5104-271 | 196.50 | 453.90 | 650.40 | 1,541.45 | 164.30 | 303.50 | 467.80 | 1,052.55 | 2,594.00 |
| 11-700-5109-271 | | | - | 0.00 | | 9.30 | 9.30 | 20.93 | 20.93 |
| 15-500-2200-271 | 49.40 | 37.10 | 86.50 | 205.01 | | | - | 0.00 | 205.01 |
| 15-500-2209-271 | 106.60 | 111.90 | 218.50 | 517.85 | | | - | 0.00 | 517.85 |
| 15-500-2212-271 | 111.80 | 39.50 | 151.30 | 358.58 | 87.80 | 26.90 | 114.70 | 258.08 | 616.66 |
| 15-500-2222-271 | | 14.40 | 14.40 | 34.13 | | | - | 0.00 | 34.13 |
| 15-500-2223-271 | | 18.40 | 18.40 | 43.61 | | | - | 0.00 | 43.61 |
| 15-500-2241-271 | 194.90 | 367.30 | 562.20 | 1,332.41 | 103.00 | 86.20 | 189.20 | 425.70 | 1,758.11 |
| 09-1430 | 6.30 | 204.40 | 210.70 | 499.36 | 305.30 | 631.10 | 936.40 | 2,106.90 | 2,606.26 |
| 09-1431 | 99.80 | 14.30 | 114.10 | 270.42 | | | - | 0.00 | 270.42 |
| 09-1461 | | 21.00 | 21.00 | 49.77 | | | - | 0.00 | 49.77 |
| | | | - | 0.00 | | | - | 0.00 | 0.00 |
| | 3,030.00 | 4,828.40 | 7,858.40 | 18,624.41 | 1,030.70 | 2,419.20 | 3,449.90 | 7,762.28 | 26,386.68 |

Water charges are 15-500-XXXX-271

City of Newport
 Fuel Charges
 By Division/Department
 August 2007 GAS

| Account | UNL PUMP 1 | UNL PUMP3 | TOTAL GAL UNLEADED | COST UNLEADED | DIESEL PUMP2 | DIESEL PUMP4 | TOTAL GAL DIESEL | COST DIESEL | COST ALL FUEL |
|-----------------|---------------|--------------|-----------------------|------------------|-----------------|-----------------|---------------------|----------------|------------------|
| 04-040-5119-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 08-710-5101-271 | 18.30 | 8.90 | 27.20 | 59.30 | | | - | 0.00 | 59.30 |
| 09-120-8820-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 07-110-6130-271 | | 30.40 | 30.40 | 66.27 | | | - | 0.00 | 66.27 |
| 11-020-8200-271 | 41.90 | 19.40 | 61.30 | 133.63 | | | - | 0.00 | 133.63 |
| 11-070-8377-271 | 167.30 | 4.70 | 172.00 | 374.96 | | | - | 0.00 | 374.96 |
| 11-200-1100-271 | 13.70 | 24.40 | 38.10 | 83.06 | | | - | 0.00 | 83.06 |
| 11-200-1111-271 | 1,359.30 | 1,868.90 | 3,228.20 | 7,037.48 | | | - | 0.00 | 7,037.48 |
| 11-200-1130-271 | 633.40 | 426.00 | 1,059.40 | 2,309.49 | | | - | 0.00 | 2,309.49 |
| 11-300-1300-271 | 73.90 | 233.90 | 307.80 | 671.00 | 246.20 | 1,093.80 | 1,340.00 | 3,015.00 | 3,686.00 |
| 11-400-1400-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-400-3101-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-400-6110-271 | 91.80 | 335.30 | 427.10 | 931.08 | 107.40 | 308.40 | 415.80 | 935.55 | 1,866.63 |
| 11-400-6115-271 | 195.70 | 50.40 | 246.10 | 536.50 | | | - | 0.00 | 536.50 |
| 11-400-6120-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-410-3320-271 | | | - | 0.00 | 67.50 | 22.20 | 89.70 | 201.83 | 201.83 |
| 11-410-3350-271 | 3.60 | 29.10 | 32.70 | 71.29 | | | - | 0.00 | 71.29 |
| 11-400-1450-271 | 18.00 | 16.50 | 34.50 | 75.21 | | | - | 0.00 | 75.21 |
| 11-600-3120-271 | 71.30 | 25.00 | 96.30 | 209.93 | | | - | 0.00 | 209.93 |
| 11-700-3102-271 | | 15.30 | 15.30 | 33.35 | | | - | 0.00 | 33.35 |
| 11-700-5104-271 | 92.90 | 593.40 | 686.30 | 1,496.13 | 167.70 | 248.10 | 415.80 | 935.55 | 2,431.68 |
| 11-700-5109-271 | 17.50 | - | 17.50 | 38.15 | | 13.60 | 13.60 | 30.60 | 68.75 |
| 15-500-2200-271 | 60.40 | 36.00 | 96.40 | 210.15 | | | - | 0.00 | 210.15 |
| 15-500-2209-271 | 158.00 | 55.60 | 213.60 | 465.65 | | | - | 0.00 | 465.65 |
| 15-500-2212-271 | 63.30 | 113.60 | 176.90 | 385.64 | 16.20 | 14.30 | 30.50 | 68.63 | 454.27 |
| 15-500-2222-271 | | 27.90 | 27.90 | 60.82 | | | - | 0.00 | 60.82 |
| 15-500-2223-271 | | 13.50 | 13.50 | 29.43 | | | - | 0.00 | 29.43 |
| 15-500-2241-271 | 142.40 | 445.90 | 588.30 | 1,282.49 | 138.90 | 77.40 | 216.30 | 486.68 | 1,769.17 |
| 09-1430 | 29.60 | 233.50 | 263.10 | 573.56 | 291.30 | 273.50 | 564.80 | 1,270.80 | 1,844.36 |
| 09-1431 | 64.90 | 31.10 | 96.00 | 209.28 | | | - | 0.00 | 209.28 |
| 09-1461 | | 20.00 | 20.00 | 43.60 | | | - | 0.00 | 43.60 |
| | | | - | 0.00 | | | - | 0.00 | 0.00 |
| | 3,317.20 | 4,658.70 | 7,975.90 | 17,387.46 | 1,035.20 | 2,051.30 | 3,086.50 | 6,944.63 | 24,332.09 |

Water Charges are 15-500-XXXX-271

City of Newport
 Fuel Charges
 By Division/Department
 September 2007 GAS

| Account | UNL PUMP 1 | UNL PUMP3 | TOTAL GAL UNLEADED | COST UNLEADED | DIESEL PUMP2 | DIESEL PUMP4 | TOTAL GAL DIESEL | COST DIESEL | COST ALL FUEL |
|-----------------|---------------|--------------|-----------------------|------------------|-----------------|-----------------|---------------------|----------------|------------------|
| 04-040-5119-271 | | 29.80 | 29.80 | 62.88 | | | - | 0.00 | 62.88 |
| 08-710-5101-271 | 12.30 | | 12.30 | 25.95 | 8.80 | 14.90 | 23.70 | 54.27 | 80.23 |
| 09-120-8820-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 07-110-6130-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-020-8200-271 | | 28.60 | 28.60 | 60.35 | | | - | 0.00 | 60.35 |
| 11-070-8377-271 | 77.50 | 55.40 | 132.90 | 280.42 | | | - | 0.00 | 280.42 |
| 11-200-1100-271 | 62.40 | 21.40 | 83.80 | 176.82 | | | - | 0.00 | 176.82 |
| 11-200-1111-271 | 1,546.10 | 1,599.10 | 3,145.20 | 6,636.37 | | | - | 0.00 | 6,636.37 |
| 11-200-1130-271 | 433.30 | 514.90 | 948.20 | 2,000.70 | | | - | 0.00 | 2,000.70 |
| 11-300-1300-271 | 18.10 | 216.50 | 234.60 | 495.01 | 334.90 | 831.00 | 1,165.90 | 2,669.91 | 3,164.92 |
| 11-400-1400-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-400-3101-271 | - | 28.00 | 28.00 | 59.08 | | | - | 0.00 | 59.08 |
| 11-400-6110-271 | 80.20 | 329.30 | 409.50 | 864.05 | 126.30 | 302.80 | 429.10 | 982.64 | 1,846.68 |
| 11-400-6115-271 | 174.80 | 26.90 | 201.70 | 425.59 | | | - | 0.00 | 425.59 |
| 11-400-6120-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-410-3320-271 | | | - | 0.00 | 28.50 | 18.00 | 46.50 | 106.49 | 106.49 |
| 11-410-3350-271 | | 54.20 | 54.20 | 114.36 | | | - | 0.00 | 114.36 |
| 11-400-1450-271 | - | 16.80 | 16.80 | 35.45 | | | - | 0.00 | 35.45 |
| 11-600-3120-271 | 74.10 | 22.20 | 96.30 | 203.19 | | | - | 0.00 | 203.19 |
| 11-700-3102-271 | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 11-700-5104-271 | 141.60 | 406.50 | 548.10 | 1,156.49 | 136.70 | 85.20 | 221.90 | 508.15 | 1,664.64 |
| 11-700-5109-271 | | | - | 0.00 | | 13.70 | 13.70 | 31.37 | 31.37 |
| 15-500-2200-271 | 63.60 | 19.70 | 83.30 | 175.76 | | | - | 0.00 | 175.76 |
| 15-500-2209-271 | 106.50 | 62.90 | 169.40 | 357.43 | | | - | 0.00 | 357.43 |
| 15-500-2212-271 | 64.60 | 100.20 | 164.80 | 347.73 | 26.60 | 3.30 | 29.90 | 68.47 | 416.20 |
| 15-500-2222-271 | | 26.60 | 26.60 | 56.13 | | | - | 0.00 | 56.13 |
| 15-500-2223-271 | | 15.00 | 15.00 | 31.65 | | | - | 0.00 | 31.65 |
| 15-500-2241-271 | 59.60 | 411.10 | 470.70 | 993.18 | 70.50 | 86.20 | 156.70 | 358.84 | 1,352.02 |
| 09-1430 | 199.90 | 305.40 | 505.30 | 1,066.18 | 1,147.00 | 2,068.20 | 3,215.20 | 7,362.81 | 8,428.99 |
| 09-1431 | 13.80 | 23.20 | 37.00 | 78.07 | | | - | 0.00 | 78.07 |
| 09-1461 | | 19.70 | 19.70 | 41.57 | | | - | 0.00 | 41.57 |
| | | | - | 0.00 | | | - | 0.00 | 0.00 |
| | 3,128.40 | 4,333.40 | 7,461.80 | 15,744.40 | 1,879.30 | 3,423.30 | 5,302.60 | 12,142.95 | 27,887.35 |

Water charges are 15-500-XXXX-271

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-11: With regard to the normalization adjustment to Source of Supply-Mainland overtime:

- a. Please identify the number of overtime hours utilized in each of the fiscal years 2004 through 2008.
- b. Please explain why no normalization adjustment was made to reduce temporary salaries given that "additional temporary employees were utilized for the work" that typically would be performed using overtime hours.

Response:

a. Overtime hours are as follows:

| | |
|---------|-----------|
| FY 2004 | 0 hours |
| FY 2005 | 0 hours |
| FY 2006 | 136 hours |
| FY 2007 | 0 hours |
| FY 2008 | 128 hours |

b. The question posed is somewhat unclear. Newport did not normalize because even though additional temporary employees were utilized to reduce work that would typically be performed using overtime hours, Newport always utilizes and continues to utilize a combination of temporary employees and full time Newport Water employees on overtime to run the Sakonnet raw water pump station. This strategy has lowered the overall cost of operating the pump station in comparison to only utilizing NWD employees in overtime situations. Temporary employees are utilized for manning the Sakonnet raw water pump station which is required to be manned 24 hours per day, when in operation.

On a yearly basis, the operation of this pump station is highly dependent on availability and quality of water at our island reservoirs. While Newport has been able to reduce costs by utilizing temporary employees, the use of full time employees on overtime hours will still be necessary. Accordingly, Newport's rate year request reflects an overall decrease in overtime expense from the level allowed in Docket 3818. The rate year request for temporary employees reflects an overall increase from the level allowed in Docket 3818 to account for the increase in hourly wages for temporary employees to \$12 per hour. Newport is increasing this rate so it can keep the qualified temporary employees it now uses. If Newport were to lose these temporary employees, it is likely that we would have to pay a higher rate for temporary employees. In the event Newport could not find suitable temporary employees, overtime costs would increase. Newport Water has been successful in hiring competent temporary employees, which in turn lowers the need for overtime for NWD direct employees.

Prepared by: K. Mason

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-12: Please provide the actual number of overtime hours in each of the fiscal years 2004 through 2008 for the following:

- a. Station One
- b. Lawton Valley
- c. Distribution
- d. Customer Service

Response:

| FY | 2222 Station One OT Hrs | 2223 Lawton Valley OT Hrs | 2241 Distribution OT Hrs | 2209 Customer Service OT Hrs |
|----------------|--|--|---|---|
| FY 2004 | 2100 | 875 | 2055 | 582 |
| FY 2005 | 1757 | 1266 | 2323 | 782 |
| FY 2006 | 1628 | 1166 | 2002 | 253 |
| FY 2007 | 2188 | 1001 | 1669 | 45 |
| FY 2008 | 2474 | 1587 | 1259 | 121 |

Prepared by: K Garcia

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-13: Please provide detailed work papers and supporting documentation showing the derivation of the claimed FY 2010 salaries and wages for each operating division (e.g., Administration, Customer Service, etc.). Include an electronic copy in Excel format with all formulas intact.

Response: Attached hereto is an Excel spreadsheet as requested. In addition, we have provided:

1. The Executive, Administrative and Professional Employees FY 2008-2009 Salary Schedule – Salaries were increased for a COLA increase of 3.0% for Supervisory employees which was the same percentage used in FY 2009. Step changes were also made where employees would be eligible to increase to the next higher step in their Salary Grade. The step changes were prorated based upon the anniversary date.
2. AFSCME (Council 94) Municipal Employees FY 2008-2009 Salary Schedule - A 3.5% COLA increase for AFSCME employees was applied to salaries based on the FY 2009 increase. The AFSCME contract expires on June 30, 2009, so Newport used the same 3.5% increase for the rate year. In addition, the salaries of employees eligible for step changes were increased as of their anniversary date.
3. AFSCME Contract (Pages 21 and 22) – These pages detail Longevity Payments for AFSCME employees, which were included in the salary calculations.
4. N.E.A. Supervisory Employees FY 2008-2009 Salary Schedule - The NEA contract negotiations have been ongoing for the contract year beginning July 1, 2004. The pay for NEA employees in FY 2009 is based upon an assumed contract settlement of 3.5% increases for FY 2005 through FY 2009 and a 3.0% increase COLA is assumed for FY 2010.

.Prepared by: R. Esten

| New Title | | | | | | | | | |
|--|--|-----------------|--------------------------|-------------|---------|------------------|---------------|-------------|---|
| 2200 Director of Utilities 60% | | Filled/Vacant | Budget/Actual | FY 2009 Pay | COLA | Longevity change | step/grade ch | FY 2010 Pay | |
| Admin Secretary 60% | | Filled | Actual | \$57,376 | \$1,721 | | \$1,201 | \$60,298 | |
| Dep.Dir., Util/AssocDirFin-Util 60% | | Filled | Budget | \$27,656 | \$830 | | \$0 | \$28,486 | |
| Dep.Dir., Util Engineer 60% | | Filled | Actual | \$49,393 | \$1,482 | | \$1,990 | \$52,865 | |
| Financial Analyst | | Filled | Actual | \$53,683 | \$1,610 | | \$0 | \$55,293 | |
| | | Filled | Actual | \$64,339 | \$1,930 | | \$1,325 | \$67,594 | |
| 2209 Water Meter Repair | | | | | | | | | |
| Water Meter Repair | | Filled | Actual | \$38,398 | \$1,344 | | \$1,192 | \$40,934 | |
| Water Meter Repair | | Filled | Actual | \$44,059 | \$1,542 | | \$0 | \$45,601 | |
| Water Meter Repair | | Filled | Actual | \$40,498 | \$1,417 | | \$903 | \$42,818 | |
| Pricipal Water Account Clerk | | Filled | Actual | \$47,817 | \$1,674 | | \$0 | \$49,491 | |
| Maintenance Mechanic | | Filled | Actual | \$47,114 | \$1,649 | \$118 | \$0 | \$48,881 | |
| Senior Maintenance Person | | Vacant | Budget | \$42,642 | \$1,492 | | \$2,688 | \$46,822 | |
| Water Meter Foreman | | Filled | Actual | \$48,301 | \$1,691 | | \$1,501 | \$51,493 | |
| 2212 Supervisor of Water Distribution/Collection 50% | | | | | | | | | |
| Maintenance Mechanic | | Filled | Budget | \$38,374 | \$1,151 | | \$0 | \$39,525 | |
| Skilled Laborer Equip Operator | | Filled | Actual | \$47,706 | \$1,670 | \$119 | \$1,628 | \$51,123 | |
| Skilled Laborer Equip Operator | | Filled | Actual | \$40,284 | \$1,410 | | \$1,251 | \$42,945 | |
| Skilled Laborer Equip Operator | | Filled | Actual | \$41,699 | \$1,459 | \$104 | \$1,401 | \$44,663 | |
| Skilled Laborer Equip Operator | | Filled | Actual | \$45,292 | \$1,585 | | \$1,208 | \$48,085 | |
| Water Laborer | | Filled | Actual | \$35,496 | \$1,242 | | \$1,102 | \$37,840 | |
| 2222 Water Quality Production Supervisor 50% | | | | | | | | | |
| Assistant Water Quality Production Supervisor 50% | | Filled | Actual | \$33,931 | \$1,018 | | \$196 | \$35,145 | |
| Water Plant Operator Grade 2 | | Vacant | new position 2010 | | \$0 | | \$24,874 | \$24,874 | |
| Water Plant Operator Grade 2 | | Vacant | position eliminated 2010 | \$34,647 | | | | \$0 | Position eliminated |
| Water Plant Operator Grade 2 | | Filled | Actual | \$34,829 | \$1,219 | | \$2,570 | \$38,618 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$43,630 | \$1,527 | | \$1,256 | \$46,413 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$48,300 | \$1,691 | | \$1,526 | \$51,517 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$38,278 | \$1,340 | | \$1,759 | \$41,377 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$48,006 | \$1,680 | \$120 | \$1,661 | \$51,467 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$42,708 | \$1,495 | | \$1,325 | \$45,528 | |
| Water Plant Operator Grade 3 | | Filled | Actual | \$48,902 | \$1,712 | | \$1,588 | \$52,202 | |
| Water Treatment Plant Foreman (change to operator FY 2010) | | Filled (acting) | Actual | \$54,227 | \$1,898 | | (\$1,667) | \$54,458 | Changes to Operator Position in FY 2010 |

| New Title | Filled/Vacant | Budget/Actual | FY 2009 Pay | COLA | Longevity change | step/grade ch | FY 2010 Pay |
|--|---------------|-------------------|-------------|---------|------------------|---------------|-------------|
| 2223 Water Quality Production Supervisor 50% | Filled | Actual | \$33,931 | \$1,018 | | \$196 | \$35,145 |
| Assistant Water Quality Production Supervisor 50% | Vacant | new position 2010 | | | | \$24,874 | \$24,874 |
| Water Plant Operator Grade 2 | Filled | Actual | \$35,701 | \$1,250 | | \$1,667 | \$38,618 |
| Water Plant Operator Grade 3 | Filled | Actual | \$48,995 | \$1,715 | | \$1,596 | \$52,306 |
| Water Plant Operator Grade 3 | Filled | Actual | \$47,162 | \$1,651 | \$118 | \$1,737 | \$50,668 |
| Water Plant Operator Grade 3 | Filled | Actual | \$41,967 | \$1,469 | | \$2,144 | \$45,580 |
| Water Plant Operator Grade 3 | Filled | Actual | \$48,345 | \$1,692 | \$121 | \$1,591 | \$51,749 |
| Water Plant Operator Grade 3 | Filled | Actual | \$41,853 | \$1,465 | | \$1,299 | \$44,617 |
| Water Plant Operator Grade 3 | Filled | Actual | \$48,869 | \$1,710 | | \$1,584 | \$52,163 |
| Water Plant Operator Grade 3 | Filled | Actual | \$48,021 | \$1,681 | \$120 | \$1,654 | \$51,476 |
| Water Treatment Plant Foreman (change to operator FY 2010) | Filled | Actual | \$52,628 | \$1,842 | \$132 | \$601 | \$55,203 |
| Changes to Operator Position in FY 2010 | | | | | | | |
| 2235 Laboratory Supervisor | Filled | Budget | \$65,605 | \$1,968 | | \$0 | \$67,573 |
| Microbiologist | Filled | Budget | \$58,322 | \$1,750 | | \$0 | \$60,072 |
| 2241 Supervisor of Water Distribution/Collection 50% | Filled | Budget | \$38,374 | \$1,151 | | \$0 | \$39,525 |
| Heavy Equipment Operator - Utilities | Filled | Actual | \$43,456 | \$1,521 | \$109 | \$1,481 | \$46,567 |
| Maintenance Mechanic | Filled | Actual | \$47,951 | \$1,678 | \$120 | \$2,769 | \$52,518 |
| Maintenance Mechanic | Filled | Actual | \$50,837 | \$1,779 | | \$0 | \$52,616 |
| Senior Maintenance Person | Vacant | Budget | \$42,642 | \$1,492 | | \$1,325 | \$45,459 |
| Parts & Inventory Control Technician | Filled | Actual | \$38,873 | \$1,361 | | \$1,207 | \$41,441 |
| Engineering Technician | Filled | Actual | \$53,445 | \$1,871 | \$134 | \$413 | \$55,863 |
| Skilled Laborer Equip Operator | Filled | Actual | \$44,705 | \$1,565 | \$112 | \$1,524 | \$47,906 |
| Skilled Laborer Equip Operator | Filled | Actual | \$38,845 | \$1,360 | | \$1,206 | \$41,411 |
| Skilled Laborer Equip Operator | Filled | Actual | \$37,934 | \$1,328 | | \$1,178 | \$40,440 |

**NEWPORT WATER DIVISION
DOCKET 4025
DIVISION 1-13**

2008-2009 Budget

City of Newport, Rhode Island

EXECUTIVE, ADMINISTRATIVE AND PROFESSIONAL EMPLOYEES

FY 2008-2009 Salary Schedule

Effective July 1, 2008

3.0% COLA Implemented 07/01/08

| | A | B | C | D | E | F | G | H | I | J | K | L |
|------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| S 1 | 34,175 | 35,542 | 36,965 | 38,444 | 39,981 | 41,581 | 43,242 | 44,975 | 45,874 | 46,792 | 47,728 | 48,682 |
| S 2 | 36,911 | 38,387 | 39,923 | 41,519 | 43,180 | 44,907 | 46,703 | 48,573 | 49,544 | 50,535 | 51,546 | 52,577 |
| S 3 | 39,864 | 41,457 | 43,116 | 44,841 | 46,635 | 48,501 | 50,441 | 52,457 | 53,506 | 54,577 | 55,668 | 56,781 |
| S 4 | 43,053 | 44,775 | 46,567 | 48,428 | 50,365 | 52,381 | 54,475 | 56,655 | 57,788 | 58,944 | 60,123 | 61,325 |
| S 5 | 46,496 | 48,356 | 50,289 | 52,301 | 54,395 | 56,569 | 58,833 | 61,186 | 62,410 | 63,658 | 64,931 | 66,230 |
| S 6 | 50,216 | 52,225 | 54,315 | 56,486 | 58,746 | 61,096 | 63,539 | 66,081 | 67,403 | 68,751 | 70,126 | 71,529 |
| S 7 | 54,234 | 56,403 | 58,659 | 61,006 | 63,446 | 65,985 | 68,623 | 71,367 | 72,794 | 74,250 | 75,735 | 77,250 |
| S 8 | 58,573 | 60,915 | 63,351 | 65,886 | 68,522 | 71,262 | 74,113 | 77,079 | 78,620 | 80,193 | 81,796 | 83,432 |
| S 9 | 63,259 | 65,789 | 68,419 | 71,157 | 74,002 | 76,964 | 80,042 | 83,244 | 84,909 | 86,607 | 88,340 | 90,106 |
| S 10 | 68,319 | 71,052 | 73,894 | 76,851 | 79,924 | 83,120 | 86,446 | 89,903 | 91,701 | 93,535 | 95,406 | 97,314 |
| S 11 | 72,714 | 75,626 | 78,649 | 81,795 | 85,065 | 88,469 | 92,008 | 95,689 | 97,603 | 99,555 | 101,546 | 103,577 |
| S 12 | 78,533 | 81,674 | 84,940 | 88,339 | 91,871 | 95,547 | 99,367 | 103,344 | 105,411 | 107,519 | 109,670 | 111,863 |
| S 13 | 84,816 | 88,207 | 91,736 | 95,405 | 99,223 | 103,191 | 107,319 | 111,612 | 113,844 | 116,121 | 118,444 | 120,812 |
| S 14 | 91,601 | 95,264 | 99,076 | 103,038 | 107,158 | 111,447 | 115,903 | 120,540 | 122,951 | 125,410 | 127,918 | 130,476 |
| S 15 | 98,927 | 102,885 | 106,999 | 111,280 | 115,733 | 120,362 | 125,176 | 130,182 | 132,786 | 135,442 | 138,150 | 140,913 |

Employees assigned to Grades S1 through S5 may receive, based upon merit, annual step increases.

Employees assigned to Grades S6 through S15, Steps A to H, may receive step increases, based upon merit, every two years.

After attaining Step H, employees may receive step increases, based upon merit, every three years until attaining maximum remuneration at Step L.

At such time as each employee reaches the maximum level of compensation for his/her position, and on an exceptional basis, the City Manager may reward to a few individuals up to an additional 4% lump sum performance bonus. However, at the end of the fiscal year, the employee's compensation would automatically revert back to the top compensation step for the position.

Under the plan, no employee may earn an above-schedule bonus for more than two consecutive years.

**NEWPORT WATER DIVISION
DOCKET 4025
DIVISION 1-13**

2008-2009 Budget

City of Newport, Rhode Island

COUNCIL 94 MUNICIPAL EMPLOYEES

FY 2008-2009 Salary Schedule

a 3.5% COLA, per contract, has been implemented effective 07/01/08.

AFSCME CLERICAL POSITIONS

| GRADE | A | B | C | D | E | F | G |
|-------|--------|--------|--------|--------|--------|--------|--------|
| UC 1 | 31,050 | 31,982 | 32,941 | 33,929 | 34,947 | 35,995 | 37,076 |
| UC 2 | 33,638 | 34,647 | 35,686 | 36,757 | 37,859 | 38,995 | 40,165 |
| UC 3 | 36,225 | 37,312 | 38,432 | 39,584 | 40,772 | 41,995 | 43,255 |
| UC 4 | 38,813 | 39,977 | 41,176 | 42,411 | 43,684 | 44,995 | 46,344 |

AFSCME TRADE POSITIONS

| GRADE | A | B | C | D | E | F | G |
|-------|--------|--------|--------|--------|--------|--------|--------|
| UT 1 | 31,050 | 31,982 | 32,941 | 33,929 | 34,947 | 35,995 | 37,076 |
| UT 2 | 33,638 | 34,647 | 35,686 | 36,757 | 37,859 | 38,995 | 40,165 |
| UT 3 | 36,225 | 37,312 | 38,432 | 39,584 | 40,772 | 41,995 | 43,255 |
| UT 4 | 38,813 | 39,977 | 41,176 | 42,411 | 43,684 | 44,995 | 46,344 |
| UT 5 | 41,400 | 42,642 | 43,921 | 45,239 | 46,596 | 47,994 | 49,434 |
| UT 6 | 43,988 | 45,307 | 46,666 | 48,066 | 49,508 | 50,993 | 52,028 |
| UT 7 | 48,645 | 50,104 | 51,607 | 53,156 | 54,750 | 56,393 | 58,084 |

NEWPORT WATER DIVISION
DOCKET 4025
DIVISION 1-13

2-26-07

The results of the study shall be implemented as follows:

1. Employees shall be placed in the grade/step for their classification which the study recommends but not below their current respective grade/step as of July 2006.

2. In no event shall an employee's salary be reduced as a result of the study. An employee in a classification for which the study recommends a salary range lower than the current salary range, shall have the new salary range but will retain his/her personal salary rate if it is above the range and this personal rate will be subject to any across-the-board increase negotiated between the parties.

3. The date of implementation of the results of the study will be retroactive to July 1, 2006.

ARTICLE 9

LONGEVITY

9.1 a) Each permanent member of the bargaining unit covered by this agreement shall be entitled to longevity payments after he or she has completed three (3) years of service. Payments for longevity shall be considered a part of salary for retirement, pension, and all other legal purposes under this agreement.

b) Effective July 1, 2006, the new longevity schedule shall be as follows:

| Years of Service Completed | Longevity Increment | Years of Service Completed | Longevity Increment |
|-------------------------------|------------------------|-------------------------------|------------------------|
| 3 | .75% | 14 | 3.75% |
| 4 | 1.00% | 15 | 4.00% |
| 5 | 1.25% | 16 | 4.25% |
| 6 | 1.50% | 17 | 4.50% |
| 7 | 1.75% | 18 | 4.75% |
| 8 | 2.00% | 19 | 5.00% |
| 9 | 2.25% | 20 | 5.25% |
| 10 | 2.50% | *21 | 5.50% |
| 11 | 3.00% | *22 | 5.75% |
| 12 | 3.25% | **23 | 6.00% |
| 13 | 3.50% | **24 | 6.25% |
| | | **25 | 6.50% |

*Effective 7/1/96

**Effective 7/1/97

**NEWPORT WATER DIVISION
DOCKET 4025
DIVISION 1-13**

2-26-07

c) Employees hired after July 1, 1998 shall not receive the above provisions until after ten (10) years of service. Thereafter, they will receive longevity as provided above (i.e., eleven years - 3.00%, etc.).

ARTICLE 10

PENSION

10.1 a) The City agrees to continue coverage under the Rhode Island State and Municipal Retirement Act.

b) The amount of service retirement allowance is two (2%) per cent of "average salary" per year of credited service.

c) All members of the bargaining unit shall have four (4%) per cent withheld from their paychecks as their contribution to the Municipal Employees' Retirement System of the State of Rhode Island.

d) Effective July 1, 1991, the City of Newport shall accept the provisions of Rhode Island General Laws 45-21-52, Plan B, such that retirees as of December 31, 1991, shall receive a 3% cost-of-living adjustment on January 1, 1992, and that all future retirees shall receive such subsequent increases in like fashion.

ARTICLE 11

HOLIDAYS

11.1 a) All employees covered by this agreement shall be entitled to twelve (12) paid holidays. The holidays are as follows:

1. New Years Day (January 1st)
2. Martin Luther King Day (Third Monday of January)
3. Washington's Birthday (Third Monday of February)
4. Rhode Island Independence Day
5. Memorial Day (Last Monday of May)
6. Independence Day (July 4th)
7. V.J. Day (Second Monday of August)
8. Labor Day (First Monday of September)
9. Columbus Day (Second Monday of October)
10. Armistice Day (November 11th)
11. Thanksgiving Day (Fourth Thursday of November)
12. Christmas Day (December 25th)

**NEWPORT WATER DIVISION
DOCKET 4025
DIVISION 1-13**

2008-2009 Budget

City of Newport, Rhode Island

SUPERVISORY EMPLOYEES - N.E.A.

Salary Schedule
Fiscal Year 2008 - 2009

Negotiations with the Union for the contract year beginning July 1, 2004 are ongoing. Therefore, there has been no change made to the wage table for Fiscal Year 2008-2009

| GRADE | A | B | C | D | E | F | G | H | I | J | K |
|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | 27,568 | 28,395 | 29,246 | 30,123 | 31,028 | 31,958 | 32,917 | 33,903 | 34,921 | 35,970 | 37,048 |
| 2 | 28,670 | 29,530 | 30,416 | 31,328 | 32,268 | 33,237 | 34,234 | 35,260 | 36,318 | 37,408 | 38,529 |
| 3 | 29,817 | 30,712 | 31,632 | 32,581 | 33,559 | 34,566 | 35,603 | 36,671 | 37,771 | 38,904 | 40,071 |
| 4 | 31,009 | 31,939 | 32,897 | 33,885 | 34,901 | 35,948 | 37,026 | 38,138 | 39,282 | 40,461 | 41,674 |
| 5 | 32,250 | 33,216 | 34,214 | 35,240 | 36,297 | 37,387 | 38,508 | 39,663 | 40,853 | 42,079 | 43,341 |
| 6 | 33,539 | 34,546 | 35,582 | 36,650 | 37,750 | 38,881 | 40,047 | 41,249 | 42,488 | 43,762 | 45,075 |
| 7 | 34,881 | 35,927 | 37,005 | 38,116 | 39,258 | 40,437 | 41,671 | 42,900 | 44,186 | 45,512 | 46,877 |
| 8 | 36,277 | 37,364 | 38,486 | 39,641 | 40,829 | 42,055 | 43,317 | 44,615 | 45,954 | 47,333 | 48,753 |
| 9 | 37,728 | 38,860 | 40,026 | 41,226 | 42,463 | 43,737 | 45,049 | 46,399 | 47,792 | 49,226 | 50,703 |
| 10 | 39,237 | 40,413 | 41,625 | 42,875 | 44,161 | 45,486 | 46,851 | 48,257 | 49,704 | 51,195 | 52,731 |
| 11 | 40,807 | 42,030 | 43,291 | 44,590 | 45,928 | 47,306 | 48,725 | 50,186 | 51,692 | 53,244 | 54,840 |
| 12 | 42,439 | 43,711 | 45,023 | 46,374 | 47,764 | 49,198 | 50,674 | 52,194 | 53,760 | 55,373 | 57,034 |
| 13 | 44,136 | 45,460 | 46,824 | 48,229 | 49,677 | 51,165 | 52,700 | 54,281 | 55,909 | 57,587 | 59,315 |
| 14 | 45,902 | 47,278 | 48,696 | 50,158 | 51,662 | 53,212 | 54,808 | 56,453 | 58,147 | 59,890 | 61,688 |
| 15 | 47,737 | 49,169 | 50,645 | 52,164 | 53,729 | 55,341 | 57,001 | 58,711 | 60,472 | 62,287 | 64,155 |
| 18 | 63,094 | 64,846 | 66,597 | 68,349 | 70,101 | 71,853 | 73,604 | 75,356 | 77,108 | 78,859 | 80,611 |

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-14: To the extent not explicitly reflected in the response to the prior request, please identify the FY 2009 salary for each filled position and the budgeted salary for each vacant position. (Please note which are actual and which are budgeted.)

Response: This information is included in response to question 13.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-15: Please provide detailed workpapers and supporting documentation showing the derivation of the claimed FY 2010 employee benefits costs for each operating division. Please include an electronic copy in Excel format with all formulas intact.

Response: The requested worksheet is attached and an electronic copy of the worksheet will be provided.

Prepared by: R. Esten

| 2200 New Title | Filled/Vacant | Budget/Actual | FY 2009 | | | | FY 2010 | | | | FY 2011 | | | | estimated total FY 2010 | estimated total FY 2011 | | | | |
|--------------------------------|---------------|---------------|----------|------------------------|----------|---------|---------|----------|---------|--------|----------------|----------|------------------------|----------|-------------------------|-------------------------|----------|---------|---------|----------|
| | | | total | health care cost share | fica | taxable | FICA | Pension | Medical | Dental | Life Insurance | total | health care cost share | fica | | | taxable | FICA | Pension | Medical |
| Skilled Laborer Equip Operator | Filled | Actual | \$44,705 | (\$447) | \$44,258 | \$3,386 | \$6,518 | \$6,172 | \$346 | \$274 | \$16,695 | \$47,794 | (\$478) | \$47,316 | \$3,620 | \$7,169 | \$6,536 | \$359 | \$274 | \$17,956 |
| | Filled | Actual | \$38,845 | (\$777) | \$38,068 | \$2,912 | \$5,664 | \$14,906 | \$1,086 | \$274 | \$24,842 | \$41,411 | (\$828) | \$40,582 | \$3,105 | \$6,212 | \$15,785 | \$1,129 | \$274 | \$26,505 |
| | Filled | Actual | \$37,934 | (\$1,328) | \$36,607 | \$2,800 | \$5,531 | \$6,172 | \$346 | \$274 | \$15,123 | \$40,440 | (\$1,415) | \$39,025 | \$2,985 | \$6,066 | \$6,536 | \$359 | \$274 | \$16,221 |
| Skilled Laborer Equip Operator | Filled | Actual | \$44,705 | (\$447) | \$44,258 | \$3,386 | \$6,518 | \$6,172 | \$346 | \$274 | \$16,695 | \$47,794 | (\$478) | \$47,316 | \$3,620 | \$7,169 | \$6,536 | \$359 | \$274 | \$17,956 |
| | Filled | Actual | \$38,845 | (\$777) | \$38,068 | \$2,912 | \$5,664 | \$14,906 | \$1,086 | \$274 | \$24,842 | \$41,411 | (\$828) | \$40,582 | \$3,105 | \$6,212 | \$15,785 | \$1,129 | \$274 | \$26,505 |
| | Filled | Actual | \$37,934 | (\$1,328) | \$36,607 | \$2,800 | \$5,531 | \$6,172 | \$346 | \$274 | \$15,123 | \$40,440 | (\$1,415) | \$39,025 | \$2,985 | \$6,066 | \$6,536 | \$359 | \$274 | \$16,221 |

Newport Water Division
Docket 4025
Division 1-15
Medical Insurance Calculation

Medical Insurance Cost
bi weekly

| | FY 2006 | FY 2007 | FY 2008 | FY 2009 | |
|------------------|----------|----------|----------|----------|----------------------------|
| Salaried | | 111.11% | 99.36% | 115.82% | 108.76% |
| Medical - Family | \$486.25 | \$540.27 | \$536.83 | \$621.75 | \$676.24 |
| | | | | | average inc bi weekly p |
| AFSCME | | 102.28% | 99.36% | 116.01% | 105.89% |
| Medical - Family | \$486.25 | \$497.35 | \$494.19 | \$573.30 | \$607.05 |
| | | | | | average inc bi weekly p |

crease
remium

crease
remium

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-16: To the extent not explicitly reflected in the response to the previous request, please identify the actual FY 2009 insurance premiums and other costs for each employee position.

Response: This is included in response to question 15.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-17: With regard to the proposed increase in Customer Service overtime in the rate year, please explain in detail why Saturday overtime will be required for the Radio Read project. Is this increase temporary? If no, explain why not.

Response: Newport Water plans to perform meter replacements on Saturdays due to the difficulty in scheduling during normal weekday working hours, especially for residential customers. In order for this project to be successful, Newport Water must offer this option to its customers.

While the Saturday overtime will be temporary, is anticipated to be required for entire proposed rate year and one additional year thereafter. Newport Water will also be performing the demand study during this timeframe, which will also require weekend work. It is proposed this additional work be performed at the same time as the Radio Read project.

Prepared by: K. Mason

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-18: Please state whether Newport Water expects to achieve any cost savings (for example, for meter readers) as the result of the Radio Read program.

- a) If yes, provide details regarding the expected savings and when they are expected to be realized. Include all supporting documentation.
- b) If not, please explain in detail why no savings will be realized.
- c) If no operating cost savings will be realized, please explain why it was prudent to make the significant investment in Radio Read meters.

Response:

a. Newport Water expects to realize a number of benefits by utilizing Radio Read meters. However, it is difficult to assign a specific dollar figure to the anticipated benefits and savings.

First, Newport Water will be able to assure accurate readings and essentially eliminate the need for estimated water readings. This will benefit our customers. In addition, actual readings will allow Newport Water to better account for water usage and will allow us to more easily calculate unaccounted for water.

Second, The installation of the Radio Read Meters, and the ability to read meters quickly, will allow Newport to improve leak detection by allowing us to read specific areas on a daily basis when there is a suspected problem.

Finally, remote radio reads will allow us to consolidate all residential account billing to one quarterly cycle from the current four quarterly cycles. Eventually, we hope to move to bi-monthly or monthly billing. We anticipate that this more frequent billing will have two benefits. First, it will provide customers with smaller bills that they can more accurately budget for, and which will be more affordable and predictable. It is our hope that these smaller more affordable bills will be paid through normal collection efforts, thus improving cash flow. Second, by reading and billing more frequently, Newport Water can better understand and report water demand/sales for different periods of the year.

In addition, Newport will realize cost savings as the implementation of a Radio Read system will allow us to avoid hiring new personnel. While Newport Water does not intend to eliminate positions in the Customer Service Section as a result of the conversion to a Radio Read meter system, we will be able to use current staff for other purposes. When the conversion to the Radio Read system is complete, Customer Service Staff will be able to concentrate on other projects such as the development, implementation, and maintenance of a formal back flow prevention program. This program is now required by the Rhode Island Department of Health. If we were not able to use our existing personnel for this program, we would have to hire an employee, or employees, for this program

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

because the person(s) who fills this position has to be certified as an inspector and tester by the AWWA. Without Radio Read meters, our current personnel would have to continue focusing on meter reading rather the implementation of this program.

b. N/A.

c. Newport believes that the investment in this technology, which is becoming the industry standard, benefits our customers and aids in running the utility more efficiently.

Prepared by: J. Forgue

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-19: Please explain why the rate year overtime wage rates for the various departments reflect increases in excess of the 3.0 percent per year COLA increase identified by Ms. Forgue. Please provide supporting documentation for the claimed overtime wage rates.

Response: Overtime wage rates for various departments reflect increases in excess of the 3.0 percent per year COLA increases due to three reasons.

First, under the AFSCME contract, there are several steps to each pay grade and employees will periodically increase their steps until they reach the maximum in the pay grade. These increases are reflected in the overtime pay rates.

Second, a job classification study was performed and many of the jobs had pay increases as a result of this study. The pay changes as a result of this study went into effect for FY 2009.

Third, we are proposing an increase in the temporary pay rate for Source of Supply Mainland from \$10.00 per hour to \$12.00 per hour. This results in an increase in the overtime rate from \$12.00 per hour to \$18.00 per hour. Please note that this assumes that overtime will be performed by the temporary employees. If the overtime work is performed by full time employees, the actual costs could be higher.

It should also be noted that each employee is paid overtime based on their individual hourly rate. However, the overtime rates used in this Docket are the average departmental overtime rates (a calculation of which is attached) since we don't know which employees will be working overtime at any point in time.

Prepared by: R. Esten

Newport Water Division
Rate Filing Docket 4025
Response to Division Data Request Set 1 Question 19
Backup to overtime wage rates

Customer Service

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|---------------------------|--------------------|--------------------|----------------------|
| Meter Repairman/Reader | \$40,934 | \$19.68 | \$29.52 |
| Meter Repairman/Reader | \$45,601 | \$21.92 | \$32.89 |
| Prin. Account Clerk | \$49,491 | \$23.79 | \$35.69 |
| Meter Repairman/Reader | \$42,818 | \$20.59 | \$30.88 |
| Maintenance Mechanic | \$48,879 | \$23.50 | \$35.25 |
| SAE - Sr. Maint. Mechanic | \$46,822 | \$22.51 | \$33.77 |
| average | | | \$33.00 |

Source of Supply - Island

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|----------------------------|--------------------|--------------------|----------------------|
| Maintenance Mechanic | \$51,003 | \$24.52 | \$36.78 |
| Skilled Laborer Equip Oper | \$42,945 | \$20.65 | \$30.97 |
| Skilled Laborer Equip Oper | \$44,560 | \$21.42 | \$32.13 |
| Skilled Laborer Equip Oper | \$48,085 | \$23.12 | \$34.68 |
| Laborer | \$37,840 | \$18.19 | \$27.29 |
| average | | | \$32.37 |

Source of Supply - Mainland

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|-----------------|--------------------|--------------------|----------------------|
| Temporary Help | | .12 | 18 |

Treatment Plant - Newport

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|----------------------------|--------------------|--------------------|----------------------|
| Water Plant Operator - 3 | \$46,413 | \$22.31 | \$33.47 |
| Water Plant Operator - 3 | \$51,516 | \$24.77 | \$37.15 |
| Water Plant Operator - 2/3 | \$41,377 | \$19.89 | \$29.84 |
| Water Plant Operator - 3 | \$51,347 | \$24.69 | \$37.03 |
| Water Plant Operator - 3 | \$54,458 | \$26.18 | \$39.27 |
| Water Plant Operator - 3 | \$45,528 | \$21.89 | \$32.83 |

| | | | |
|----------------------------|----------|---------|---------|
| Water Plant Operator - 1/2 | \$38,618 | \$18.57 | \$27.85 |
| Water Plant Operator - 3 | \$52,201 | \$25.10 | \$37.64 |
| average | | | \$34.39 |

Treatment Plant - Lawton Valley

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|--|---------------------------|---------------------------|-----------------------------|
| Water Plant Operator - 3 | \$52,306 | \$25.15 | \$37.72 |
| Water Plant Operator - 3 | \$50,550 | \$24.30 | \$36.45 |
| Water Plant Foreman Oper redlined FY 2 | \$53,208 | \$25.58 | \$38.37 |
| Water Plant Operator - 3 | \$45,580 | \$21.91 | \$32.87 |
| Water Plant Operator - 3 | \$51,628 | \$24.82 | \$37.23 |
| Water Plant Operator - 3 | \$44,617 | \$21.45 | \$32.18 |
| Water Plant Operator - 3 | \$52,163 | \$25.08 | \$37.62 |
| Water Plant Operator - 1/2 | \$38,618 | \$18.57 | \$27.85 |
| Water Plant Operator - 3 | \$51,356 | \$24.69 | \$37.04 |
| average | | | \$35.26 |

Distribution

| <u>Position</u> | <u>FY 2010 pay</u> | <u>hourly rate</u> | <u>overtime rate</u> |
|--|---------------------------|---------------------------|-----------------------------|
| Maintenance Mechanic | \$52,398 | \$25.19 | \$37.79 |
| Heavy Equip Operator | \$46,457 | \$22.33 | \$33.50 |
| Maintenance Mechanic | \$52,616 | \$25.30 | \$37.94 |
| Senior Maint Mechanic (currently vacant) | \$45,459 | \$21.86 | \$32.78 |
| Parts/Invent. Control Tech | \$41,441 | \$19.92 | \$29.89 |
| Skilled Laborer Equip Oper | \$47,794 | \$22.98 | \$34.47 |
| Engineering Technician | \$55,729 | \$26.79 | \$40.19 |
| Skilled Laborer Equip Oper | \$41,411 | \$19.91 | \$29.86 |
| Skilled Laborer Equip Oper | \$40,440 | \$19.44 | \$29.16 |
| average | | | \$33.95 |

hourly rate is 2010 pay divided by 2080 hours
overtime rate is hourly rate times 1.5

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-20: Please provide supporting documentation for the claimed increase in fire and liability insurance premiums.

Response: The insurance premiums are based upon information provided by RI Interlocal Risk Management Trust and First American Property & Casualty Insurance as follows:

| <u>Type</u> | <u>Rate</u> | <u>Insured Value</u> | <u>Cost</u> |
|---|-----------------|----------------------|-------------|
| Property Insurance | \$ 1.04/\$1,000 | \$25,896,568 | \$ 26,932 |
| Liability Insurance | \$11.34/\$1,000 | \$6,810,942 | \$ 77,236 |
| Total RI Interlocal Risk Management Trust | | | \$104,168 |
| Flood Insurance | | | \$ 6,303 |
| Subtotal | | | \$110,471 |
| Inflation adjustment 3.7% | | | \$ 4,229 |
| Total | | | \$114,700 |

The Property & Liability rates were provided by RI Interlocal Risk Management Trust for FY 2009 along with the Insured Value for the Property Insurance (see attached). The RI Interlocal Risk Management Trust Liability Insurance is based on net operating expense. The net operating expense from FY 2008 was used to calculate the Liability Insurance premium. Flood Insurance is provided by First American Property & Casualty Insurance; the cost used is the FY 2009 premium. A 3.7% cost increase on the total premiums was added to reflect possible premium increases between FY 2009 and FY 2010.

Prepared by: R. Esten

DOCKET 4025

DIVISION 1-20

Esten, Richard

From: Colleen Bodziony [cbodziony@ritrust.com]
Sent: Wednesday, July 30, 2008 11:45 AM
To: Esten, Richard
Subject: Waterworks workers' compensation payroll rate

Hi Richard,

Per our conversation, the Policy Year 2008-2009 workers' compensation payroll rate for waterworks employees is \$4.87 per \$100 of total payroll. At this time, we do not anticipate a rate increase for Policy Year 2009-2010; however, please note that we have not yet started our underwriting process for PY 09-10. See Policy Year 2008-2009 workers' compensation rate below:

| | | |
|------|------------|-----------|
| 7520 | Waterworks | 0.0487060 |
|------|------------|-----------|

With regard to Property/Liability coverage, for Policy Year 2008-2009, the City of Newport's rates are as follows:

Property \$1.04 per \$1,000 of total insured value (water department's total insured value is \$25,896,568)
Liability \$11.34 per \$1,000 of Net Operating Expenditures (City's Net Operating Expenditure for PY 08-09 is \$24,364,760)
Auto \$987.39 per auto

Please let me know if you have any questions or concerns.

Colleen M. Bodziony

Membership Services Manager
Rhode Island Interlocal Risk Management Trust
501 Wampanoag Trail, Suite 301
East Providence, RI 02915
Phone: 401-438-6511 ext. 512
Fax: 401-438-6990
Email: cbodziony@ritrust.com
www.ritrust.com

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STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-21: Please provide supporting documentation for the claimed electricity supply cost of \$0.094 per KWH. To the extent that this is not the final contract, please update when final bids become available.

Response: Attached, please find the supporting documentation for the claimed \$0.094 per KWH base rate cost of electricity. (See Addendum B, p. 8)

Prepared by: K. Mason

**BUSINESS ELECTRICITY AUTHORIZATION
RHODE ISLAND COMMERCIAL SALES**

| | | | |
|---|------------------------------------|---|-----------------|
| SERVICE INFORMATION | | | |
| Service Type: <input type="checkbox"/> New Service <input checked="" type="checkbox"/> Switching Service Provider <input type="checkbox"/> Renewal | | | |
| Business Name ("Customer"): <u>Town of Newport</u> | | LDU Account No: _____ | |
| Service Address: _____ | | <input checked="" type="checkbox"/> See Attached Addendum A For Multiple Account Nos. | |
| City: _____ | | State: _____ | Zip Code: _____ |
| Billing Mailing Address: | | | |
| Street: _____ | City: _____ | State: _____ | Zip Code: _____ |
| Contact Name: <u>Laura Sitrin</u> | Primary Phone: <u>401-789-1044</u> | Fax: _____ | |
| Tax ID#: _____ | Secondary Phone: _____ | Email: <u>lsitrin@cityofnewport.com</u> | |
| Duns #: _____ | | | |
| <p>Tax Exemption: If a non-renewing customer, a completed tax exemption certificate must accompany this Agreement. If no certificate is attached, Gexa Energy will assume that sales to Customer are subject to Taxes and will process Customer's account accordingly.</p> | | | |

Initial Term of service: 36 Months

Start Month/Year: January 2009

Agreement: This Business Electricity Authorization and all addenda attached hereto (the "BEA"), together with the Electric Supply Terms of Service ("TOS") attached hereto as Exhibit A and incorporated herein by reference will form the Electricity Sales Agreement (the "Agreement") between Gexa Energy Rhode Island, LLC ("Gexa Energy") and Customer. Any capitalized terms not defined in this BEA shall have the meanings set forth in the TOS. Any inconsistency between the BEA and the TOS shall be governed by the BEA.

Term: This Agreement shall become effective when the BEA is signed by both Parties (the "Effective Date") and shall continue for the Initial Term (as defined in the TOS). After the Initial Term expires, this Agreement shall continue on a month-to-month basis at the Holdover Price unless and until either Party terminates this Agreement, as provided in the TOS, and the LDU successfully switches Customer's Account(s) to another competitive electricity supplier or to the LDU's generation service.

Termination: If Customer terminates this Agreement before the end of the Initial Term, Customer will be assessed the Early Termination Fee or pay Gexa Energy's damages, as provided in the TOS.

Price: The unit price for electric service offered to Customer by Gexa Energy during the Initial Term (the "Price") is set forth in Addendum B. The total monthly charge for electric service (the "Gexa Energy Electricity Charge") is the sum of (i) the product of Customer's monthly Energy Usage during a Billing Cycle and the Price or Holdover Price, whichever is applicable, (ii) the Monthly Base Charge, (iii) Pass-Through Charges, if applicable, and (iv) Taxes. The Gexa Energy Electricity Charge does not include Delivery Charges.

Billing and Payment: Customer will be billed monthly for the Gexa Energy Electricity Charge. If Customer's bill is not paid when due, Customer will be charged the Late Fee and other charges, as provided in the TOS.

Switching Fee: Gexa Energy does not charge a fee to switch to its service.

Authorization and Acknowledgement: Customer hereby authorizes Gexa Energy, for the duration of this Agreement, to become its electricity supplier and to act as its limited agent to perform the necessary tasks to establish electricity service with Gexa Energy. By signing this BEA (facsimile signature accepted as if it were an original), Customer hereby agrees, as of the Effective Date, that Customer has read the Agreement and agrees to the terms and conditions set forth herein. The undersigned below warrants and represents that he/she is legally authorized to enter into this Agreement on behalf of Customer. **This Agreement is not valid or binding unless and until signed by both Parties.**

| | |
|---|--------------------------------------|
| Customer - Authorized Signature: <u>[Signature]</u> | Gexa Energy Rhode Island, LLC: _____ |
| Printed Name: <u>Edward F. Lavoie</u> | Effective Date: _____ |
| Title: <u>City Manager</u> | Sales Representative/Code: _____ |
| Date: _____ | |

**BUSINESS ELECTRICITY AUTHORIZATION
RHODE ISLAND COMMERCIAL SALES**

| | | | |
|---|------------------------------------|---|-----------------|
| SERVICE INFORMATION | | | |
| Service Type: <input type="checkbox"/> New Service <input checked="" type="checkbox"/> Switching Service Provider <input type="checkbox"/> Renewal | | | |
| Business Name ("Customer"): <u>Town of Newport</u> | | LDU Account No: _____ | |
| Service Address: _____ | | <input checked="" type="checkbox"/> See Attached Addendum A For Multiple Account Nos. | |
| City: _____ | | State: _____ Zip Code: _____ | |
| Billing Mailing Address: | | | |
| Street: <u>See attached Addendum A</u> | City: _____ | State: _____ | Zip Code: _____ |
| Contact Name: <u>Laura Sitrin</u> | Primary Phone: <u>401-789-1044</u> | Fax: _____ | |
| Tax ID#: _____ | Secondary Phone: _____ | Email: <u>lsitrin@cityofnewport.com</u> | |
| Duns #: _____ | | | |
| Tax Exemption: If a non-renewing customer, a completed tax exemption certificate must accompany this Agreement. If no certificate is attached, Gexa Energy will assume that sales to Customer are subject to Taxes and will process Customer's account accordingly. | | | |

Initial Term of service: 36 Months

Start Month/Year: December 2008

Agreement: This Business Electricity Authorization and all addenda attached hereto (the "BEA"), together with the Electric Supply Terms of Service ("TOS") attached hereto as Exhibit A and incorporated herein by reference will form the Electricity Sales Agreement (the "Agreement") between Gexa Energy Rhode Island, LLC ("Gexa Energy") and Customer. Any capitalized terms not defined in this BEA shall have the meanings set forth in the TOS. Any inconsistency between the BEA and the TOS shall be governed by the BEA.

Term: This Agreement shall become effective when the BEA is signed by both Parties (the "Effective Date") and shall continue for the Initial Term (as defined in the TOS). After the Initial Term expires, this Agreement shall continue on a month-to-month basis at the Holdover Price unless and until either Party terminates this Agreement, as provided in the TOS, and the LDU successfully switches Customer's Account(s) to another competitive electricity supplier or to the LDU's generation service.

Termination: If Customer terminates this Agreement before the end of the Initial Term, Customer will be assessed the Early Termination Fee or pay Gexa Energy's damages, as provided in the TOS.

Price: The unit price for electric service offered to Customer by Gexa Energy during the Initial Term (the "Price") is set forth in Addendum B. The total monthly charge for electric service (the "Gexa Energy Electricity Charge") is the sum of (i) the product of Customer's monthly Energy Usage during a Billing Cycle and the Price or Holdover Price, whichever is applicable, (ii) the Monthly Base Charge, (iii) Pass-Through Charges, if applicable, and (iv) Taxes. The Gexa Energy Electricity Charge does not include Delivery Charges.

Billing and Payment: Customer will be billed monthly for the Gexa Energy Electricity Charge. If Customer's bill is not paid when due, Customer will be charged the Late Fee and other charges, as provided in the TOS.

Switching Fee: Gexa Energy does not charge a fee to switch to its service.

Authorization and Acknowledgement: Customer hereby authorizes Gexa Energy, for the duration of this Agreement, to become its electricity supplier and to act as its limited agent to perform the necessary tasks to establish electricity service with Gexa Energy. By signing this BEA (facsimile signature accepted as if it were an original), Customer hereby agrees, as of the Effective Date, that Customer has read the Agreement and agrees to the terms and conditions set forth herein. The undersigned below warrants and represents that he/she is legally authorized to enter into this Agreement on behalf of Customer. **This Agreement is not valid or binding unless and until signed by both Parties.**

| | |
|---|--------------------------------------|
| Customer Authorized Signature: <u>[Signature]</u> | Gexa Energy Rhode Island, LLC: _____ |
| Printed Name: <u>Edward F. Lavallee</u> | Effective Date: _____ |
| Title: <u>City Manager</u> | Sales Representative/Code: _____ |
| Date: _____ | |

**BUSINESS ELECTRICITY AUTHORIZATION
RHODE ISLAND COMMERCIAL SALES**

Addendum A

CUSTOMER NAME: TOWN OF NEWPORT


ACCOUNTS INCLUDED IN AGREEMENT:

| LDU Account No | Service Street Address, City, State, Zip | Billing Street Address, City, State, Zip |
|----------------|--|--|
| 313153007 | CITY OF NEWPORT FOREST AVE MIDDLETOWN RI 02842 | 43 BROADWAY NEWPORT RI 02840 |
| 2790483002 | CITY OF NEWPORT 600 PARADISE MIDDLETOWN RI 02842 | 43 BROADWAY NEWPORT RI 02840 |
| 4058638005 | CITY OF NEWPORT BLISS RD MIDDLETOWN RI 02842 | 43 BROADWAY NEWPORT RI 02840 |
| 93946000 | CITY OF NEWPORT LONG-WHRF NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 94634009 | CITY OF NEWPORT WELLINGTON AVE NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 94653004 | CITY OF NEWPORT CARROLL AVE NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 95509005 | CITY OF NEWPORT TOURO-KAY NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 95696003 | CITY OF NEWPORT 70 HALSEY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 234582006 | CITY OF NEWPORT 80 HALSEY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 272341009 | CITY OF NEWPORT CONNELL HWY NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 2583565004 | CITY OF NEWPORT MARY NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 2584132009 | CITY OF NEWPORT KING NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 2584393002 | CITY OF NEWPORT WELLINGTON NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |

| | | |
|------------|--|-------------------------------------|
| 2732083002 | CITY OF NEWPORT 43 BROADWAY NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 2750703007 | CITY OF NEWPORT HILLSIDE NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 2827272008 | CITY OF NEWPORT RUGGLES AVE NEWPORT RI 02840 | 43 B ROADWAY NEWPORT RI 02840 |
| 3778388009 | CITY OF NEWPORT MARLBOROUGH ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 3831135000 | CITY OF NEWPORT MARY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 3831703008 | CITY OF NEWPORT NARRAGANSETT AV NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 3848482005 | CITY OF NEWPORT WASHINGTON SQ NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 3927286005 | CITY OF NEWPORT 175 MEMORIAL BLV NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 4057778000 | CITY OF NEWPORT ELLERY RD NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5077967004 | CITY OF NEWPORT EQUALITY-PARK PL NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 5078575000 | CITY OF NEWPORT ALPOND DR NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5078581008 | CITY OF NEWPORT HAZARD RD NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5173599002 | CITY OF NEWPORT ELLERY RD NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5173603001 | CITY OF NEWPORT 175 MEMORIAL BL NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5243073006 | CITY OF NEWPORT MAPLE AVE NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 5303545007 | CITY OF NEWPORT ST-LIGHTING NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 6272091000 | CITY OF NEWPORT 21 MARLBOROUGH ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 6326839003 | CITY OF NEWPORT 119 TOURO ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 6420679005 | CITY OF NEWPORT 100 BLISS-MINE RD NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |

| | | |
|------------|--|-------------------------------------|
| 6420683009 | CITY OF NEWPORT 175 MEMORIAL BLVD NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 6549776003 | CITY OF NEWPORT ST-LIGHTING NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 7518965008 | CITY OF NEWPORT 25 WASHINGTON ST NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 7518966005 | CITY OF NEWPORT 100 LONG-WHRF NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 7572122007 | CITY OF NEWPORT LONG-WHRF NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 7572771000 | CITY OF NEWPORT BANCROFT AV NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 7589385005 | CITY OF NEWPORT RUGGLES AV NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 7666971005 | CITY OF NEWPORT 175 MEMORIAL BL NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8767010004 | CITY OF NEWPORT AT-GOAT IS NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 8802405007 | NEWPORT PUBLIC 300 SPRING ST NEWPORT RI 02840 | 300 SPRING ST NEWPORT RI 02840 |
| 8820371004 | CITY OF NEWPORT FREEBODY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8820374005 | CITY OF NEWPORT MIDDLETON AVE NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8820446006 | CITY OF NEWPORT 35 GOLDEN-HILL ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8820583004 | CITY OF NEWPORT MURRAY PL NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 8820734001 | CITY OF NEWPORT OLD-FORT RD NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8821495003 | CITY OF NEWPORT HALSEY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 8821822000 | CITY OF NEWPORT ANN ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 352134000 | CITY OF NEWPORT UNION ST PORTSMOUTH RI 02871 | 43 BROADWAY NEWPORT RI 02840 |
| 4106253001 | CITY OF NEWPORT 2154 MAIN RD PORTSMOUTH RI 02871 | 43 BROADWAY NEWPORT RI 02840 |

| | | |
|------------|--|--|
| 5351904003 | CITY OF NEWPORT ON-LAWTON-VAL PORTSMOUTH RI 02871 | 43 BROADWAY NEWPORT RI 02840 |
| 7628540006 | CITY OF NEWPORT MAIN RD PORTSMOUTH RI 02871 | 43 BROADWAY NEWPORT RI 02840 |
| 196586008 | NEWPORT WATER WORKS 145 POND-BRIDGE RD TIVERTON RI 02878 | 43 BROADWAY NEWPORT RI 02840 |
| 5173171004 | CITY OF NEWPORT POND-BRIDGE RD TIVERTON RI 02878 | 43 BROADWAY NEWPORT RI 02840 |
| 1282387009 | CITY OF NEWPORT 116 BROADWAY NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 1337507008 | CITY OF NEWPORT MARY ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 1337869003 | CITY OF NEWPORT CODDINGTON-WHRF NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 1338177004 | CITY OF NEWPORT MH46 RUGGLES AVE NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 1338414002 | CITY OF NEWPORT TOURO PARK NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 1488193005 | CITY OF NEWPORT DYERS-GATE NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 1506991001 | CITY OF NEWPORT 250 CONNELL HWY NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 9057501004 | CITY OF NEWPORT TRAFFIC LGTS NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |

Customer Initials: 

Date: _____

Gexa Energy Initials: _____

Date: _____

**BUSINESS ELECTRICITY AUTHORIZATION
RHODE ISLAND COMMERCIAL SALES**

Addendum A

CUSTOMER NAME: CITY OF NEWPORT

ACCOUNTS INCLUDED IN AGREEMENT:

| LDU Account No | Service Street Address, City, State, Zip | Billing Street Address, City, State, Zip |
|-----------------------|--|---|
| 8802407001 | CITY OF NEWPORT LEES-WHRF NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 3813376003 | CITY OF NEWPORT 50 WELLINGTON AV NEWPORT RI 02840 | 250 CONNELL HWY NEWPORT RI 02840 |
| 6307945004 | CITY OF NEWPORT DEBLOIS ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 5060542006 | CITY OF NEWPORT 35 GOLDEN-HILL ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |
| 5060547001 | CITY OF NEWPORT WEBSTER ST NEWPORT RI 02840 | 43 BROADWAY NEWPORT RI 02840 |

Customer Initials: 

Date: _____

Gexa Energy Initials: _____

Date: _____

**BUSINESS ELECTRICITY AUTHORIZATION
RHODE ISLAND COMMERCIAL SALES
Fixed Price Product**

Addendum B

CUSTOMER NAME: City of Newport

PRICING DETAILS:

Price:

- \$0.094632 per kWh, which amount shall be increased by the charge per kWh for the purchase of additional renewable energy credits selected by Customer, if any, as described below.
- Price is fixed for the duration of the Initial Term.
- Price excludes Taxes and any Pass-Through Charges checked below, which will vary monthly based on charges by ISO-NE.

| Component | Included in Price | Pass-Through Charges Excluded From Price |
|-----------------------------|--------------------------|---|
| energy | <u>X</u> | |
| Capacity | <u>X</u> | |
| ancillary services | <u>X</u> | |
| renewable resources | <u>See options below</u> | |
| Congestion Costs | <u>X</u> | |
| Rmr (Reliability Must Run) | <u>X</u> | |
| locational forward reserves | <u>X</u> | |

Monthly Base Charge: \$0.00 per meter per month

Renewable Energy Credits:

Please check only one of the alternatives below, and, if applicable, the percentage of Customer's usage:

- ☒ 1) Customer does not elect to purchase renewable energy credits in addition to Gexa Energy's obligation to meet the State of Rhode Island Public Utilities Commission's Rules and Regulations Governing the Implementation of a Renewable Energy Standard promulgated pursuant to Title 39 Chapter 26 of the General Laws of Rhode Island (the "Rhode Island Renewable Energy Standard"), with no additional charges; or
- ☐ 2) In addition to Gexa Energy's obligation to meet the requirements of the Rhode Island Renewable Energy Standard, Customer elects to purchase renewable credits representing electricity obtained from New Renewable Energy Resources (as defined in Section 3.23 of the Rhode Island Renewable Energy Standard) in the following amounts (as a percentage of Customer's anticipated usage, as reasonably determined by Gexa Energy), and agrees to the following charges:
- ☐ 5% of Customer's usage, for an additional charge of \$0.0021/kWh for all of Customer's usage, or
 - ☐ 10% of Customer's usage, for an additional charge of \$0.0042/kWh for all of Customer's usage, or
 - ☐ 15% of Customer's usage, for an additional charge of \$0.0063/kWh for all of Customer's usage, or
 - ☐ 20% of Customer's usage, for an additional charge of \$0.0084/kWh for all of Customer's usage, or
 - ☐ 25% of Customer's usage, for an additional charge of \$0.0105/kWh for all of Customer's usage, or
 - ☐ 30% of Customer's usage, for an additional charge of \$0.0126/kWh for all of Customer's usage, or
 - ☐ 40% of Customer's usage, for an additional charge of \$0.0168/kWh for all of Customer's usage, or
 - ☐ 50% of Customer's usage, for an additional charge of \$0.0210/kWh for all of Customer's usage, or

- ☐ 60% of Customer's usage, for an additional charge of \$0.0252/kWh for all of Customer's usage, or
- ☐ 70% of Customer's usage, for an additional charge of \$0.02940/kWh for all of Customer's usage, or
- ☐ 80% of Customer's usage, for an additional charge of \$0.03360/kWh for all of Customer's usage, or
- ☐ 90% of Customer's usage, for an additional charge of \$0.03780/kWh for all of Customer's usage, or
- ☐ 100% of Customer's usage, for an additional charge of \$0.0420/kWh for all of Customer's usage; or

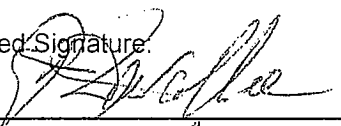
☐ 3) In addition to Gexa Energy's obligation to meet the requirements of the Rhode Island Renewable Energy Standard, Customer elects to purchase national voluntary renewable credits representing electricity obtained from renewable energy resources in the United States in the following amounts (as a percentage of Customer's anticipated usage, as reasonably determined by Gexa Energy), and agrees to the following charges:

- ☐ 5% of Customer's usage, for an additional charge of \$0.00025/kWh for all of Customer's usage, or
- ☐ 10% of Customer's usage, for an additional charge of \$0.00050/kWh for all of Customer's usage, or
- ☐ 15% of Customer's usage, for an additional charge of \$0.00075/kWh for all of Customer's usage, or
- ☐ 20% of Customer's usage, for an additional charge of \$0.0010/kWh for all of Customer's usage, or
- ☐ 25% of Customer's usage, for an additional charge of \$0.00125/kWh for all of Customer's usage, or
- ☐ 30% of Customer's usage, for an additional charge of \$0.00150/kWh for all of Customer's usage, or
- ☐ 40% of Customer's usage, for an additional charge of \$0.0020/kWh for all of Customer's usage, or
- ☐ 50% of Customer's usage, for an additional charge of \$0.0025/kWh for all of Customer's usage, or
- ☐ 60% of Customer's usage, for an additional charge of \$0.0030/kWh for all of Customer's usage, or
- ☐ 70% of Customer's usage, for an additional charge of \$0.0035/kWh for all of Customer's usage, or
- ☐ 80% of Customer's usage, for an additional charge of \$0.0040/kWh for all of Customer's usage, or
- ☐ 90% of Customer's usage, for an additional charge of \$0.00450/kWh for all of Customer's usage, or
- ☐ 100% of Customer's usage, for an additional charge of \$0.0050/kWh for all of Customer's usage; or

☐ 4) In addition to Gexa Energy's obligation to meet the requirements of the Rhode Island Renewable Energy Standard, Customer elects to purchase renewable credits representing electricity obtained from hydro electric facilities in Maine in the following amounts (as a percentage of Customer's anticipated usage, as reasonably determined by Gexa Energy), and agrees to the following charges:

- ☐ 5% of Customer's usage, for an additional charge of \$0.00015/kWh for all of Customer's usage, or
- ☐ 10% of Customer's usage, for an additional charge of \$0.00030/kWh for all of Customer's usage, or
- ☐ 15% of Customer's usage, for an additional charge of \$0.00045/kWh for all of Customer's usage, or
- ☐ 20% of Customer's usage, for an additional charge of \$0.00060/kWh for all of Customer's usage, or
- ☐ 25% of Customer's usage, for an additional charge of \$0.00075/kWh for all of Customer's usage, or
- ☐ 30% of Customer's usage, for an additional charge of \$0.00090/kWh for all of Customer's usage, or
- ☐ 40% of Customer's usage, for an additional charge of \$0.00120/kWh for all of Customer's usage, or
- ☐ 50% of Customer's usage, for an additional charge of \$0.00150/kWh for all of Customer's usage, or

- ☐ 60% of Customer's usage, for an additional charge of \$0.00180/kWh for all of Customer's usage,
or
☐ 70% of Customer's usage, for an additional charge of \$0.0021/kWh for all of Customer's usage, or
☐ 80% of Customer's usage, for an additional charge of \$0.0024/kWh for all of Customer's usage, or
☐ 90% of Customer's usage, for an additional charge of \$0.00270/kWh for all of Customer's usage,
or
☐ 100% of Customer's usage, for an additional charge of \$0.0030/kWh for all of Customer's usage

| | |
|---|---|
| <p>Customer – Authorized Signature: </p> <hr/> <p>Printed Name: <u>Edward F. Lavallee</u></p> <p>Title: <u>City Manager</u></p> <p>Date: _____</p> | <p>For Internal Use ONLY: Gexa Energy Rhode Island, LLC:</p> <hr/> <p>Effective Date: _____</p> <p>Sales Representative/Code: _____</p> |
|---|---|

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-22: Please identify the average prices paid for gasoline and diesel fuel in each month of calendar year 2008.

Response: The average fuel costs paid for each month of calendar year 2008 are as follows:

| <u>Month</u> | <u>Gasoline Price/Gallon</u> | <u>Diesel Price/Gallon</u> |
|--------------|------------------------------|----------------------------|
| January | \$2.40 | \$2.82 |
| February | \$2.40 | \$2.82 |
| March | \$2.50 | \$3.31 |
| April | \$2.72 | \$3.31 |
| May | \$2.96 | \$3.86 |
| June | \$3.09 | \$4.04 |
| July | \$3.48 | \$4.31 |
| August | \$3.31 | \$4.01 |
| September | \$3.06 | \$3.73 |
| October | \$2.53 | \$3.22 |
| November | \$1.74 | \$2.52 |
| December | \$1.55 | \$2.12 |

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-23: Please provide supporting documentation for the claimed increase in the City of Newport Equipment Operations Division parts and labor cost per vehicle for the rate year.

Response: Please see attached budget for Equipment Operations Division for FY 2009 and FY 2010 projection showing increases of 9.5% and 2.9% respectively in total costs less Motor Vehicle Insurance and Motor Fuel

| Year | FY 2008 | FY 2009 | FY 2010 |
|-------------------------|-------------|-------------|-------------|
| Total Budget/Projection | \$1,367,186 | \$1,536,837 | \$1,584,017 |
| Motor Vehicle Insurance | \$103,494 | \$113,843 | \$119,535 |
| Motor Fuel | \$425,000 | \$505,000 | \$520,150 |
| Net | \$838,692 | \$917,994 | \$944,332 |
| % change | | 9.5% | 2.9% |

Prepared by: R. Esten

CITY OF NEWPORT, RHODE ISLAND
2008-2009 ADOPTED BUDGET
EQUIPMENT OPERATIONS

| <u>ACCT NUMBER</u> | <u>ACCOUNT NAME</u> | <u>2007 ACTUAL EXPEND</u> | <u>2008 ADOPTED BUDGET</u> | <u>2008 PROJECTED BUDGET</u> | <u>2009 ADOPTED BUDGET</u> | <u>Dollar Change</u> | <u>Percent Change</u> |
|---------------------------------------|------------------------------|-----------------------------------|------------------------------------|--------------------------------------|------------------------------------|--------------------------|---------------------------|
| 09-120-8820-50001 | Salaries | \$ 66,814 | \$ 50,268 | \$ 48,768 | \$ 56,652 | 6,384 | 12.70% |
| 09-120-8820-50002 | Overtime | 5,779 | 3,750 | 3,750 | 3,000 | (750) | -20.00% |
| 09-120-8820-50004 | Temp/Season | 13,580 | | | | | |
| 09-120-8820-50056 | Injury Pay | 71 | | | | - | |
| Total Salaries | | 86,244 | 54,018 | 52,518 | 59,652 | 5,634 | 10.43% |
| 09-120-8820-50100 | Employee Benefits | 41,166 | 25,759 | 23,000 | 27,891 | 2,132 | 8.28% |
| 09-120-8820-50205 | Copy & Binding | | 650 | | 300 | (350) | -53.85% |
| 09-120-8820-50212 | Conf & Training | 1,225 | 1,200 | 600 | 1,200 | - | 0.00% |
| 09-120-8820-50225 | Contract Services | 335,263 | 510,967 | 690,171 | 714,327 | 203,360 | 39.80% |
| 09-120-8820-50239 | Liability Insurance | 100 | 110 | 103 | 113 | 3 | 3.00% |
| 09-120-8820-50240 | Motor Vehicle Insurance | 97,964 | 107,760 | 103,494 | 113,843 | 6,083 | 5.65% |
| 09-120-8820-50257 | Refuse Disposal | 580 | 500 | 600 | 500 | - | 0.00% |
| Total Purchased Services | | 435,132 | 621,187 | 794,968 | 830,284 | 209,097 | 33.66% |
| 09-120-8820-50305 | Water Charge | 1,454 | 1,800 | 1,800 | 2,010 | 210 | 11.67% |
| 09-120-8820-50306 | Electricity | 6,633 | 10,600 | 7,000 | 10,600 | - | 0.00% |
| 09-120-8820-50307 | Natural Gas | 12,475 | 8,750 | 8,750 | 8,750 | - | 0.00% |
| Total Other Charges | | 20,562 | 21,150 | 17,550 | 21,360 | 210 | 0.99% |
| 09-120-8820-50271 | Gasoline & Vehicle Maint | 1,160 | 4,445 | | | (4,445) | -100.00% |
| Total Internal Services | | 1,160 | 4,445 | - | - | (4,445) | -100.00% |
| 09-120-8820-50260 | Rental - Equip & Facilities | 1,249 | 750 | | 750 | - | 0.00% |
| 09-120-8820-50268 | Mileage Reimbursement | 281 | 500 | | 500 | - | 0.00% |
| 09-120-8820-50275 | Repair & Maint., Equip/Fac | 101,344 | 15,000 | 20,000 | 60,000 | 45,000 | 300.00% |
| 09-120-8820-50301 | Motor Fuel (Gas, Diesel) | 371,572 | 325,000 | 425,000 | 505,000 | 180,000 | 55.38% |
| 09-120-8820-50302 | Lubricants | 3,120 | 750 | | | (750) | -100.00% |
| 09-120-8820-50311 | Operating Supplies | 3,679 | 5,000 | 3,200 | 4,000 | (1,000) | -20.00% |
| 09-120-8820-50320 | Uniforms & Protective Gear | 341 | 500 | 400 | 400 | (100) | -20.00% |
| 09-120-8820-50350 | Equipment Parts | 107 | 950 | 500 | 950 | - | 0.00% |
| 09-120-8820-50351 | M.V. Parts - Inventory | 43,724 | 179,204 | | | (179,204) | -100.00% |
| 09-120-8820-50352 | M.V. Parts - Special Purchas | 31,793 | 10,000 | | 5,000 | (5,000) | -50.00% |
| 09-120-8820-50361 | General Office Supplies | 2,448 | 1,500 | 1,500 | 1,500 | - | 0.00% |
| 09-120-8820-50851 | Trans to Equip/Replace | | 9,000 | 9,000 | | - | 0.00% |
| Total Materials & Supplies | | 559,658 | 548,154 | 459,600 | 578,100 | 29,946 | 5.46% |
| 09-120-8820-50950 | Depreciation Expense | 19,550 | 20,328 | 19,550 | 19,550 | (778) | -3.83% |
| Total Expenditures | | \$ 1,163,472 | \$ 1,295,041 | \$ 1,367,186 | \$ 1,536,837 | \$ 241,796 | 18.67% |

CITY OF NEWPORT, RHODE ISLAND
2008-2009 ADOPTED BUDGET
EQUIPMENT OPERATIONS
ADOPTED AND NEXT TWO YEARS PROJECTED

| <u>ACCT NUMBER</u> | <u>ACCOUNT NAME</u> | <u>2009 ADOPTED BUDGET</u> | <u>2010 PROJECTED BUDGET</u> | <u>2011 PROJECTED BUDGET</u> |
|---------------------------------------|------------------------------|------------------------------------|--------------------------------------|--------------------------------------|
| 09-120-8820-50001 | Salaries | \$ 56,652 | \$ 58,352 | \$ 60,102 |
| 09-120-8820-50002 | Overtime | 3,000 | 3,000 | 3,000 |
| Total Salaries | | 59,652 | 61,352 | 63,102 |
| 09-120-8820-50100 | Employee Benefits | 27,891 | 29,286 | 30,750 |
| 09-120-8820-50205 | Copy & Binding | 300 | 300 | 300 |
| 09-120-8820-50212 | Conf & Training | 1,200 | 1,200 | 1,200 |
| 09-120-8820-50225 | Contract Services | 714,327 | 735,757 | 757,830 |
| 09-120-8820-50239 | Liability Insurance | 113 | 119 | 125 |
| 09-120-8820-50240 | Motor Vehicle Insurance | 113,843 | 119,535 | 125,512 |
| 09-120-8820-50257 | Refuse Disposal | 500 | 600 | 650 |
| Total Purchased Services | | 830,283 | 857,511 | 885,616 |
| 09-120-8820-50305 | Water Charge | 2,010 | 2,171 | 2,344 |
| 09-120-8820-50306 | Electricity | 10,600 | 11,448 | 12,364 |
| 09-120-8820-50307 | Natural Gas | 8,750 | 9,450 | 10,206 |
| Total Other Charges | | 21,360 | 23,069 | 24,914 |
| 09-120-8820-50260 | Rental - Equip & Facilities | 750 | 750 | 750 |
| 09-120-8820-50268 | Mileage Reimbursement | 500 | 500 | 500 |
| 09-120-8820-50275 | Repair & Maint., Equip/Fac | 60,000 | 60,000 | 60,000 |
| 09-120-8820-50371 | Motor Fuel (Gas, Diesel) | 505,000 | 520,150 | 535,755 |
| 09-120-8820-50301 | Lubricants | - | - | - |
| 09-120-8820-50311 | Operating Supplies | 4,000 | 4,000 | 4,000 |
| 09-120-8820-50320 | Uniforms & Protective Gear | 400 | 400 | 400 |
| 09-120-8820-50350 | Equipment Parts | 950 | 950 | 950 |
| 09-120-8820-50351 | M.V. Parts - Inventory | - | - | - |
| 09-120-8820-50352 | M.V. Parts - Special Purchas | 5,000 | 5,000 | 5,000 |
| 09-120-8820-50361 | General Office Supplies | 1,500 | 1,500 | 1,500 |
| 09-120-8820-50851 | Trans to EquipReplace | - | - | - |
| Total Materials & Supplies | | 578,100 | 593,250 | 608,855 |
| 09-120-8820-50950 | Depreciation Expense | 19,550 | 19,550 | 19,550 |
| Total Expenditures | | \$ 1,536,836 | \$ 1,584,017 | \$ 1,632,787 |
| Total Revenues | | \$ 1,536,837 | \$ 1,501,617 | \$ 1,547,915 |

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-24: Please identify the quantities of each chemical utilized in FY 2006, FY 2007, and FY 2008 at Source of Supply-Island, Station 1 and Lawton Valley.

Response: Please see the attached worksheets for chemical usage at Station 1, Lawton Valley, and Source of Supply Island.

Prepared by: K. Mason

City of Newport Water Department Docket No. 4025
Div. 1-24

Chemical Usage Lawton Valley

| | Alum | Chlorine | Sodium Chlorite | Fluoride | Lime |
|--------------|----------------|---------------|-----------------|---------------|----------------|
| FY 06 | | | | | |
| Total | 382,540 | 39,130 | 57,553 | 16,329 | 198,650 |
| FY 07 | | | | | |
| Total | 336,104 | 37,865 | 52,668 | 13,494 | 189,250 |
| FY 08 | | | | | |
| Total | 344,827 | 35,302 | 49,779 | 12,406 | 196,200 |

City of Newport Water Department Docket No. 4025
Div. 1-24

Chemical Usage Source of Supply Island

Copper Sulfate

FY 06

Total 39,400

FY 07

Total 38,500

FY 08

Total 43,000

Note: All chemical usages are indicated in pounds

Chemical Usage Station #1

| | Sodium Chlorite | Alum | Chlorine | Fluoride | Polymer | Lime | Granular Activated Carbon |
|--------------|-----------------|----------------|---------------|---------------|--------------|----------------|---------------------------|
| FY 06 | | | | | | | |
| Total | 70,352 | 311,953 | 47,819 | 16,315 | 1,225 | 181,771 | 36,000 |
| FY 07 | | | | | | | |
| Total | 82,134 | 336,927 | 46,630 | 13,523 | 990 | 181,963 | 36,000 |
| FY 08 | | | | | | | |
| Total | 99,614 | 397,840 | 56,460 | 17,450 | 1,210 | 239,755 | 36,000 |

Note: All chemical usages are indicated in pounds

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-25: Please state whether any recent prices for chemicals have been obtained by Newport Water in light of the severe drop in petroleum products and the economic recession. If yes, please provide. If not, please explain why not.

Response: Contracts for the supply of chemicals are advertised for bids in the spring of each year so they may be in place for the beginning of each fiscal year, starting July 1. The contracts run for a minimum of one year, and then are re-advertised for bids, when the contract is set to expire.

Newport Water will advertise for chemical bids for FY 2010 contracts at the end of April 2009, with bids due on or about May 15, 2009.

Prepared by: K. Mason

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-26: Please identify the actual FY 2009 property tax bills for each taxing jurisdiction.

Response: The FY 2009 property tax bills per municipality is as follows:

Little Compton: \$ 10,874.55

Middletown: \$ 76,286.32

Portsmouth: \$ 109,877.55

Tiverton: \$ 23,378.01

Prepared by: J. Forgue

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-27: Please provide a detailed breakdown of the requested administrative consultant fees for the rate year. (The amounts shown on RFC Schedule B-12³ only total \$230,838 inclusive of \$130,000 for rate case expense.)

Response: A review of page 2 of Schedule B-1, line item "50220 Consultants" reveals that while the total of \$250,000 is correct, the breakdown of individual expenses is incorrect. The correct breakdown is as follows:

| | |
|--|------------------|
| Rate case expense (see item 2.9(m)) amortized over 2 years | \$116,500 |
| Cost of Service Study | \$ 50,000 |
| Update Risk Management & Countermeasures | \$ 10,000 |
| <u>Other fees for bond filings, etc.</u> | <u>\$ 73,500</u> |
| Total | \$250,000 |

The \$50,000 expense is for the ongoing Cost of Service Study. The Risk Management and Countermeasures Plan (required every 5 years) is due to be redone with an anticipated cost of \$10,000. Other legal fees, financial consulting and various small consulting fees are expected to cost a total of \$73,500 due to the increased borrowings projected for FY 2010.

Prepared by: R. Esten

³ It is assumed that this request is referring to Schedule RFC B-1 page 2, and has been answered accordingly.

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-28: Please provide supporting documentation for the claimed \$15,000 for conservation packages.

Response: Newport Water proposes to purchase 1,200 water conservation kits consisting of the following:

- 1 shower head
- 2 bathroom aerators
- 1 kitchen swivel aerator
- 1 toilet tank bank
- 1 toilet water saver (diverter)
- 1 flow meter bag
- leak detection tablets
- teflon tape

These kits are proposed to be purchased from Niagra Conservation as shown on the attached document, at a bulk discount rate of \$12.50 per kit.

Newport Water purchased 400 of these units in FY08 and is distributing to customers experiencing difficulty in making timely payments.

Prepared by: K. Mason

NIAGARA
CONSERVATION
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and do your Green Deeds

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Water EcoKit™

Quantity in Basket: None
Code: XSWWEK07
Price: \$42.19



Quantity: 1

Add To Basket

This water efficiency kit contains:

EARTH™ MASSAGE SHOWERHEAD

(1.5 GPM) Powerful two-setting massage spray showerhead that does not sacrifice performance for efficiency (Item #N2915)

- Flow control technology: greater force at low pressure!
- Rated #1 showerhead by leading industry organization
- Conserves water and saves money while enhancing pressure, performance and appearance!
- 9-jet turbo massage is adjustable: gentle needle spray to forceful jet
- Saves 40% more energy & water
- Non-removable flow compensator
- Non-aerating spray means less temperature loss with maximum energy savings
- Pressure-enhancing Niagara Power
- Consistent flow rate regardless of water pressure
- Self-cleaning and maintenance-free
- Installs easily by hand and without tools
- Corrosion-resistant, high-impact ABS thermoplastic body
- Meets or exceeds ANSI specifications
- California Energy Commission-certified
- 10-year guarantee

TEFLON TAPE

For use with threaded fixture installations. 1/2" x 60" (Item #N4101)

- Teflon tape makes quick work of sealing and lubricating male pipe threads of all sizes.

LEAK DETECTION TABLETS AND TIPS

Two moisture-resistant packets containing FDA-certified, nontoxic dye tablets are used to detect leaks in toilets. Instruction card also includes useful tips to fix leaky faucets. (Item #N3141)

- Detects leaks in large or small toilets – darker color for easier detection
- Easy to follow instructions, printed in both English and Spanish

KITCHEN SWIVEL AERATOR

(1.5 GPM) Dual-spray functionality meets efficiency in this swivel aerator, including wide-spray radius and water-pausing on/off valve, perfect for washing dishes (Item #N3115V-FC)

- Featuring the same technology as our world-class showerheads.
- Swivel spray aerator with pause valve
- Powerful 1.5 GPM flow, controlled by proprietary flow compensator
- Pause action halts flow but keeps temperature consistent

- Control from soft spray to solid stream
- 10-year guarantee
- Up-and-down action to change spray settings
- Rubberized grip for easy adjustment
- Internal design prevents clogging
- Saves 30% more energy & water
- Dual threads make for easy installation
- Meets or exceeds ASME standards
- C.S.A.-certified
- Practical for everyday use and a great water and energy saver
- Attaches to your current faucet to allow swivel and water flow control
- Dual Standard Thread

15/16 x 27 male threads
55/64 x 27 female threads

(2) BATHROOM AERATORS

(1.0 GPM) Half the flow, twice the power. Commercial-grade aerators for the home. (Item #N3210N)

- Highly efficient chrome-plated brass faucet aerator.
- High-pressure needle spray makes cleaning a breeze!
- High-pressure 1.0 GPM flow rate
- Innovative dual-thread system to accommodate both male and female applications
- Saves 55% more water and energy
- Housing constructed of solid brass with highly polished chrome finish
- Includes housing, flow control, stainless steel screen, and all other parts necessary for proper installation and operation
- Internally and externally threaded with 15/16 x 27 threads inside and 55/64 threads inside
- Does not contain any unplated brass components
- Provides an even spray pattern
- Flow control constructed of long-lasting Celcon plastic
- Flow rates at 80 PSI maximum
- Life expectancy of approximately 10 years
- Meets or exceeds ASME standards
- California Energy Commission-certified
- 10-year guarantee

FLOW METER BAG

Kit bag doubles as flow meter bag to identify water wasters throughout the home. (Item #S3151)

- You can see for yourself how many gallons per minute you are saving with your new, energy-efficient showerheads and aerators.

TOILET TANK BANK

Worry-free water savings for the lifetime of the toilet. Displaces 0.8 gallons per flush. (Item #N3137)

- Easy-to-fill, patented air lock and fill valve – no water evaporation
- The Tank Bank is the easiest device to use to save water – fill to top, snap to close and hang in toilet tank
- Every flush saves water with maintenance-free toilet tank displacement bag; up to 0.8 gallons per flush!
- Constructed of non-corrosive materials that resist microbes & fungal growth
- Anti-evaporation snap/airlock means the bag never needs refilling and prevents odors

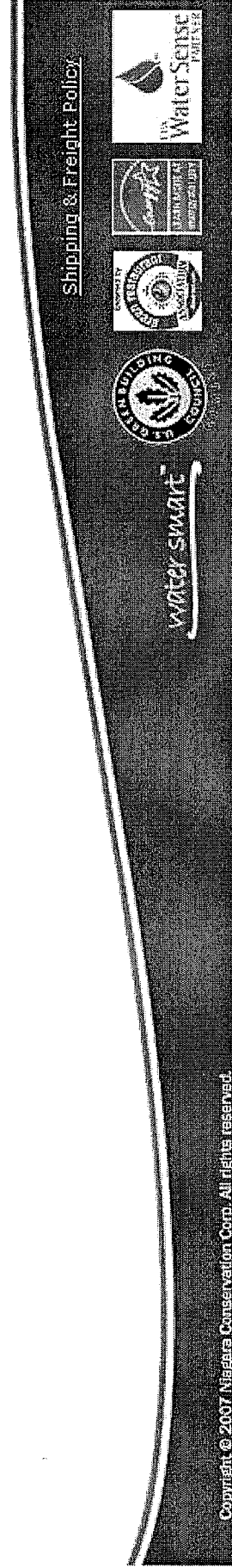
TOILET WATER SAVER

(Fill Cycle Diverter)


A patented fast and easy water saver, this product takes excess water from the bowl and diverts it to the tank to reduce water consumption. (This is NOT a flow-restricting device.) (Item #N3164)

- Inexpensively saves up to 75% of the fill cycle water – up to ½ gallon per flush
- Save up to 2,700 gallons of water per year
- Installs in minutes

No tools needed



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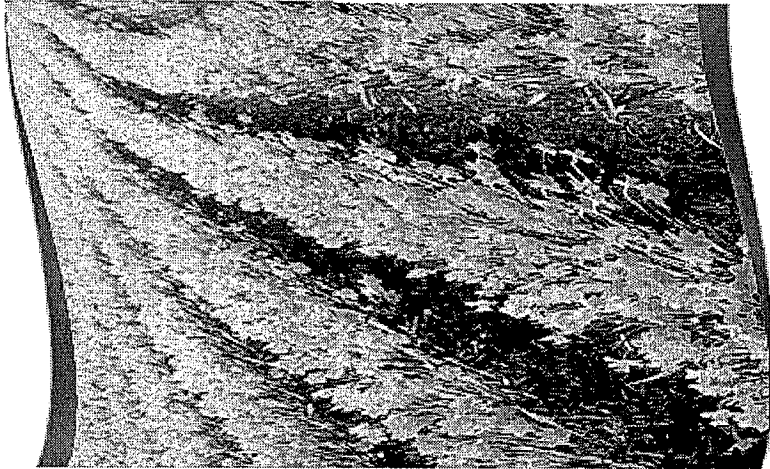


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STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-29: Please provide any studies or analyses prepared to support the changes in the Miscellaneous Charges discussed on page 39 of Ms. Forgue's testimony.

Response: There is no change to the charges for materials consumed, these remain at cost plus 25% (the 25% is to cover the cost of purchasing and inventorying the material).

The labor costs have been previously charged at labor cost plus 50%. The employee benefits costs for Customer Service and Distribution in the rate filing are at 54% of the labor cost. The increase to labor plus 75% will cover the benefits plus the costs such as workmens' compensation and any administrative costs for scheduling the work.

Analyses for Interim Billings, Service Application Fees and Turn on/off charges are attached.

Prepared by: R. Esten

Newport Water Division
Docket 4025
Division Set 1 Question 29
Data response Backup
January 12, 2009

NEWPORT WATER DIVISION
CHARGE CALCULATION
INTERIM BILLING

| FUNCTION | ESTIMATE |
|---|-----------------------|
| 1) Receive call from customer and send request to customer | 5 minutes |
| 2) Request form received from customer WO generated | 5 minutes |
| 3) Employee assigned and performs work travel to & from site | 20 minutes 7 miles |
| take reading | 10 minutes |
| 4) Pending work order created | 5 minutes |
| 5) Prepare bill and send to customer | 5 minutes |

| FUNCTION | LABOR/FUNCTION | AVERAGE RATE/HR | TIME | EXTENSION | TRANSPORT COST MILES @ \$.585/MILE |
|----------|----------------|--------------------|------|-----------|---------------------------------------|
| 1 | Office | \$37.96 | 5 | \$3.16 | |
| 2 | Office | \$38.12 | 5 | \$3.18 | |
| 3 | Field Employee | \$36.19 | 30 | \$18.10 | 7 \$4.10 |
| 4 | Office | \$38.12 | 5 | \$3.18 | |
| 5 | Office | \$36.64 | 5 | \$3.05 | |
| | total | | | \$30.67 | \$4.10 |
| | total | | | \$34.77 | |
| | round up | | | \$35.00 | |

average rate includes benefits

Newport Water Division
Docket 4025
Division Set 1 Question 29
Data response Backup

January 12, 2009 January 12, 2009 January 12, 2009 January 12, 2009 January 12, 2009

NEWPORT WATER DIVISION
CHARGE CALCULATION
RESIDENTIAL SERVICE APPLICATION

| FUNCTION | ESTIMATE |
|--|------------|
| 1) Application Received and logged | 5 minutes |
| 2) Application Reviewed by Dist supervisor | 15 minutes |
| 3) Application reviewed by Meter Foreman | 15 minutes |
| 4) Application reviewed by Deputy Director | 15 minutes |
| 5) Application reviewed by Director | 15 minutes |

| FUNCTION | LABOR/FUNCTION | AVERAGE RATE/HR | TIME | EXTENSION | MILES | TRANSPORT COST @\$0.585/MILE |
|----------|-----------------|-----------------|------|-----------|-------|------------------------------|
| 1 | Eng Tech | \$41.70 | 5 | \$3.48 | | |
| 2 | Dist Supv | \$61.56 | 15 | \$15.39 | | |
| 3 | Meter Foreman | \$38.12 | 15 | \$9.53 | | |
| 4 | Deputy Director | \$64.37 | 15 | \$16.09 | | |
| 5 | Director | \$59.98 | 15 | \$15.00 | | |
| | total | | | \$59.49 | | \$0.00 |
| | total | | | \$59.49 | | |
| | round up | | | \$60.00 | | |

average rate includes benefits

Newport Water Division
Docket 4025
Division Set 1 Question 29
Data response Backup
January 12, 2009

NEWPORT WATER DIVISION
CHARGE CALCULATION
COMMERCIAL SERVICE APPLICATION

| FUNCTION | ESTIMATE |
|--|------------|
| 1) Application Received and logged | 5 minutes |
| 2) Application Reviewed by Dist supervisor | 25 minutes |
| 3) Application reviewed by Meter Foreman | 25 minutes |
| 4) Application reviewed by Deputy Director | 25 minutes |
| 5) Application reviewed by Director | 25 minutes |

| FUNCTION | LABOR/FUNCTION | AVERAGE RATE/HR | TIME | EXTENSION | MILES | TRANSPORT COST @\$.585/MILE |
|----------|-----------------|-----------------|------|-----------|-------|-----------------------------|
| 1 | Eng Tech | \$41.70 | 5 | \$3.48 | | |
| 2 | Dist Supv | \$61.56 | 25 | \$25.65 | | |
| 3 | Meter Foreman | \$38.12 | 25 | \$15.88 | | |
| 4 | Deputy Director | \$64.37 | 25 | \$26.82 | | |
| 5 | Director | \$59.98 | 25 | \$24.99 | | |
| | total | | | \$96.82 | | \$0.00 |
| | total | | | \$96.82 | | |
| | round up | | | \$100.00 | | |

average rate includes benefits

Newport Water Division
Docket 4025
Division Set 1 Question 29
Data response Backup
January 12, 2009

NEWPORT WATER DIVISION
CHARGE CALCULATION
TURN ON/OFF

| FUNCTION | | ESTIMATE |
|----------|---|------------|
| 1) | Request received from customer WO generated | 5 minutes |
| 2) | Employee assigned and performs work travel to & from site | 20 minutes |
| | | 7 miles |
| | turn on/off service | 10 minutes |
| 3) | Pending work order created | 5 minutes |
| 4) | Prepare bill and send to customer | 5 minutes |

| FUNCTION | | AVERAGE RATE/HR | TIME | EXTENSION | MILES | TRANSPORT COST @\$.585/MILE |
|----------|----------------|-----------------|------|-----------|-------|-----------------------------|
| 1 | Office | \$38.12 | 5 | \$3.18 | | |
| 2 | Field Employee | \$36.19 | 30 | \$18.10 | 7 | \$4.10 |
| 3 | Office | \$38.12 | 5 | \$3.18 | | |
| 4 | Office | \$36.64 | 5 | \$3.05 | | |
| total | | | | \$27.51 | | \$4.10 |
| total | | | | \$31.61 | | |
| round up | | | | \$35.00 | | |

average rate includes benefits

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-30: Please identify the impact of the proposed increases in Miscellaneous Charges on rate year revenues. Include workpapers and supporting documentation.

Response: See attached workpapers.

Prepared by: R. Esten

Newport Water Division
Docket 4025
Division Set 1 Question 30
Miscellaneous Charge Comparison
Compare FY 2008 to Projected FY 2010

| Item | 2008 Bills | 2010 | | | 2010 Total | Change |
|--|------------|-----------|-----------|--------------------|------------|-----------|
| | | Billing @ | New Rates | Add Billing Charge | | |
| Meters, Installation & repairs | 144 | \$31,098 | \$32,110 | \$1,908 | \$34,018 | \$2,920 |
| Flow Testing | 15 | \$731 | \$746 | \$199 | \$945 | \$214 |
| Private Hydrant Winterization (eliminated) | 40 | \$2,975 | \$0 | \$0 | \$0 | -\$2,975 |
| Meter Testing | 2 | \$130 | \$130 | \$0 | \$130 | \$0 |
| Pressure Testing | 14 | \$1,346 | \$1,570 | \$186 | \$1,756 | \$410 |
| Sample Testing | 12 | \$685 | \$795 | \$159 | \$954 | \$269 |
| Seasonal Turn off/on | 167 | \$6,960 | \$6,960 | | \$6,960 | \$0 |
| Non Payment Turn on | 28 | \$1,120 | \$1,120 | | \$1,120 | \$0 |
| Temporary Service | 68 | \$30,774 | \$31,374 | \$901 | \$32,275 | \$1,501 |
| Interest | | \$23,511 | \$42,320 | | \$42,320 | \$18,809 |
| Interim Billing Charge | 637 | \$12,722 | \$22,295 | | \$22,295 | \$9,573 |
| Service Application - Residential | 71 | \$0 | \$4,260 | | \$4,260 | \$4,260 |
| Service Application - Commercial | 35 | \$0 | \$3,500 | | \$3,500 | \$3,500 |
| Statement Charges | 26,079 | \$0 | \$65,198 | | \$65,198 | \$65,198 |
| Total | | \$112,052 | \$212,378 | \$3,353 | \$215,731 | \$103,679 |

Note: Billing charges of \$13.25 per bill will be added to sundy invoices in FY 2010 to cover the cost of issuing bills.

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-31: Please explain whether implementation of the Radio Read system was begun in December and when full implementation is expected to be complete.

Response: The conversion to the Radio Read system began December 8, 2008. The conversion has started with the monthly commercial accounts. Conversion of the entire system is estimated to be completed over a two year period.

Prepared by: J. Forgue

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
Division of Public Utilities & Carriers' Data Requests
Set 1

Div. 1-32: Please state whether Newport water intends to consider moving to more frequent than quarterly billing once the Radio Read program is fully implemented and tested. Explain why or why not.

Response: As previously indicated in Docket 3818, Newport Water would like to increase billing frequency at some point in the future from quarterly to bi-monthly or monthly. It should be noted that as part of the ongoing conversion to Radio Read program, Newport Water will be billing all quarterly accounts on the same cycle rather than the current system where there are four cycles of quarterly billings. Newport Water intends to investigate increasing the billing frequency after the conversion to radio read is completed. We believe any increase in the billing frequency will be thoroughly reviewed and included in a future rate case in order to allocate an appropriate billing charge to our customers.

Prepared by: J. Forgue

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4025

City Of Newport - Utilities Division - Water Department

Response to

Division of Public Utilities & Carriers' Data Requests

Set 1

Div. 1-33: Please provide an update on the status of securing the \$6.35 million SRF Loan A. Based on the current status, please provide the estimated debt service schedule showing payment dates and amounts.

Response: As set forth in my direct testimony, Newport encountered difficulties obtaining approvals from RIDEM. As such, the City submitted a request to RICWFA for short term financing in an amount not to exceed \$500,000 to complete the design and prepare the contract documents for construction bidding. The BAN borrowing from the RICWFA in an amount not to exceed \$500,000.00 was closed on December 9, 2008. These funds will be used to complete the design, permitting and prepare the construction drawings and specifications. The recommendation of award of the engineering design contract will be considered by the City Council at its January 28, 2009 meeting. When the contract documents are completed, they will be submitted to the RIDEM in order to receive a Non-DWSRF Certificate of Approval, which is required for the \$6.35 million borrowing from RICWFA. The \$500,000 BAN will be rolled over into this borrowing. The schedule for completing the final design and permitting is estimated at 8 months from when the Notice to Proceed is issued.

Attached is the estimated debt service schedule.

Prepared by: J. Forgue

Rhode Island Clean Water Finance Agency

\$6,350,000.00 City of Newport Conduit Loan

Direct Purchase

Dated October 15, 2009

Debt Service Schedule

Part 1 of 2

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|------------|--------|------------|------------|--------------|
| 10/15/2009 | - | - | - | - | - |
| 03/01/2010 | - | - | 131,938.89 | 131,938.89 | - |
| 06/30/2010 | - | - | - | - | 131,938.89 |
| 09/01/2010 | 180,000.00 | 5.500% | 174,625.00 | 354,625.00 | - |
| 03/01/2011 | - | - | 169,675.00 | 169,675.00 | - |
| 06/30/2011 | - | - | - | - | 524,300.00 |
| 09/01/2011 | 190,000.00 | 5.500% | 169,675.00 | 359,675.00 | - |
| 03/01/2012 | - | - | 164,450.00 | 164,450.00 | - |
| 06/30/2012 | - | - | - | - | 524,125.00 |
| 09/01/2012 | 200,000.00 | 5.500% | 164,450.00 | 364,450.00 | - |
| 03/01/2013 | - | - | 158,950.00 | 158,950.00 | - |
| 06/30/2013 | - | - | - | - | 523,400.00 |
| 09/01/2013 | 210,000.00 | 5.500% | 158,950.00 | 368,950.00 | - |
| 03/01/2014 | - | - | 153,175.00 | 153,175.00 | - |
| 06/30/2014 | - | - | - | - | 522,125.00 |
| 09/01/2014 | 225,000.00 | 5.500% | 153,175.00 | 378,175.00 | - |
| 03/01/2015 | - | - | 146,987.50 | 146,987.50 | - |
| 06/30/2015 | - | - | - | - | 525,162.50 |
| 09/01/2015 | 235,000.00 | 5.500% | 146,987.50 | 381,987.50 | - |
| 03/01/2016 | - | - | 140,525.00 | 140,525.00 | - |
| 06/30/2016 | - | - | - | - | 522,512.50 |
| 09/01/2016 | 250,000.00 | 5.500% | 140,525.00 | 390,525.00 | - |
| 03/01/2017 | - | - | 133,650.00 | 133,650.00 | - |
| 06/30/2017 | - | - | - | - | 524,175.00 |
| 09/01/2017 | 265,000.00 | 5.500% | 133,650.00 | 398,650.00 | - |
| 03/01/2018 | - | - | 126,362.50 | 126,362.50 | - |
| 06/30/2018 | - | - | - | - | 525,012.50 |
| 09/01/2018 | 280,000.00 | 5.500% | 126,362.50 | 406,362.50 | - |
| 03/01/2019 | - | - | 118,662.50 | 118,662.50 | - |
| 06/30/2019 | - | - | - | - | 525,025.00 |
| 09/01/2019 | 295,000.00 | 5.500% | 118,662.50 | 413,662.50 | - |
| 03/01/2020 | - | - | 110,550.00 | 110,550.00 | - |
| 06/30/2020 | - | - | - | - | 524,212.50 |
| 09/01/2020 | 310,000.00 | 5.500% | 110,550.00 | 420,550.00 | - |
| 03/01/2021 | - | - | 102,025.00 | 102,025.00 | - |
| 06/30/2021 | - | - | - | - | 522,575.00 |
| 09/01/2021 | 330,000.00 | 5.500% | 102,025.00 | 432,025.00 | - |
| 03/01/2022 | - | - | 92,950.00 | 92,950.00 | - |
| 06/30/2022 | - | - | - | - | 524,975.00 |
| 09/01/2022 | 345,000.00 | 5.500% | 92,950.00 | 437,950.00 | - |
| 03/01/2023 | - | - | 83,462.50 | 83,462.50 | - |
| 06/30/2023 | - | - | - | - | 521,412.50 |
| 09/01/2023 | 365,000.00 | 5.500% | 83,462.50 | 448,462.50 | - |

Newport Conduit Loan - 20 | SINGLE PURPOSE | 1/13/2009 | 11:47 AM

Rhode Island Clean Water Finance Agency

\$6,350,000.00 City of Newport Conduit Loan

Direct Purchase

Dated October 15, 2009

Debt Service Schedule

Part 2 of 2

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|----------------|--------|----------------|-----------------|--------------|
| 03/01/2024 | - | - | 73,425.00 | 73,425.00 | - |
| 06/30/2024 | - | - | - | - | 521,887.50 |
| 09/01/2024 | 385,000.00 | 5.500% | 73,425.00 | 458,425.00 | - |
| 03/01/2025 | - | - | 62,837.50 | 62,837.50 | - |
| 06/30/2025 | - | - | - | - | 521,262.50 |
| 09/01/2025 | 410,000.00 | 5.500% | 62,837.50 | 472,837.50 | - |
| 03/01/2026 | - | - | 51,562.50 | 51,562.50 | - |
| 06/30/2026 | - | - | - | - | 524,400.00 |
| 09/01/2026 | 430,000.00 | 5.500% | 51,562.50 | 481,562.50 | - |
| 03/01/2027 | - | - | 39,737.50 | 39,737.50 | - |
| 06/30/2027 | - | - | - | - | 521,300.00 |
| 09/01/2027 | 455,000.00 | 5.500% | 39,737.50 | 494,737.50 | - |
| 03/01/2028 | - | - | 27,225.00 | 27,225.00 | - |
| 06/30/2028 | - | - | - | - | 521,962.50 |
| 09/01/2028 | 480,000.00 | 5.500% | 27,225.00 | 507,225.00 | - |
| 03/01/2029 | - | - | 14,025.00 | 14,025.00 | - |
| 06/30/2029 | - | - | - | - | 521,250.00 |
| 09/01/2029 | 510,000.00 | 5.500% | 14,025.00 | 524,025.00 | - |
| 06/30/2030 | - | - | - | - | 524,025.00 |
| Total | \$6,350,000.00 | - | \$4,247,038.89 | \$10,597,038.89 | - |

Yield Statistics

| | |
|-----------------------------------|--------------|
| Bond Year Dollars | \$77,218.89 |
| Average Life | 12.160 Years |
| Average Coupon | 5.5000000% |
| Net Interest Cost (NIC) | 5.5000000% |
| True Interest Cost (TIC) | 5.5008127% |
| Bond Yield for Arbitrage Purposes | - |
| All Inclusive Cost (AIC) | 5.7952084% |

IRS Form 8038

| | |
|---------------------------|--------------|
| Net Interest Cost | 5.5000000% |
| Weighted Average Maturity | 12.160 Years |

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Div. 1-34: Please provide the current expected dates for securing the two 2010 SRF loans and provide the projected debt service schedules showing payment dates and amounts.

Response: It is anticipated that both of these loans will be secured in the first quarter of FY 2010. The Newport City Council has approved both of these loans and Newport has started the application process with the Department of Health and the Rhode Island Clean Water Finance Agency (RICWFA) for the \$7.1 Million 2010 SRF A loan. Debt service schedules with actual payment dates and amounts will not be available until just prior to loan closing.

For the purpose of determining rates, projected debt service on these loans has been determined based on the following assumptions:

- Interest Rate – 5.5%
- Loan Term – 20 years
- Interest only payments on actual loan draws until the projects are complete at which time principal payments begin.

To the extent that more definite information pertaining to debt service on these loans becomes available during the course of the rate filing process, the debt service schedules in the rate model will be updated.

Prepared by: Harold J. Smith

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Div 1-35: Please explain why interest on the 2010 SRF Loan A of \$66,891 has been included in FY 2009 on RFC Schedule 5.

Response: This amount is an estimate of the interest on the \$1,237,000 in Bond Anticipation Notes (BANs) that Newport has issued in anticipation of the \$7.1 Million 2010 SRF Loan A that will be used to fund the preliminary work for the Station 1 treatment plant improvements and the potential new treatment plant at Lawton Valley. Since the time that Newport submitted its rate filing Newport's financial advisor, First Southwest, has provided debt service schedules that indicate that interest due on these BANs will actually be \$3,713 in FY 2009 and \$11,350 in FY 2010.

The rate model schedules will be updated to reflect this new information and provided with rebuttal testimony.

Prepared by: Harold J. Smith

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Div 1-36: Please reconcile the capital outlays for 2009 shown on RFC Schedule 4 with the amount shown as being withdrawn from the Capital Spending Account in 2009 shown on RFC Schedule 11.

Response: It should first be noted that both of these figures are estimates since FY 2009 is not yet complete. The amount shown on Schedule 4 is an estimate of the capital expenses that Newport Water anticipates it will accrue in FY 2009; while the amount shown in Schedule 11 represents the anticipated cash withdrawals from the Capital Restricted Account in FY 2009. These amounts will not be the same since funds are drawn from the account in one fiscal year to pay expenses that accrued in the previous fiscal year. Similarly, expenses accrued near the end of one fiscal year will be paid with withdrawals from the account in the following fiscal year. In short, the difference between the amounts shown in these two schedules is attributable to the fact that Schedule 11 is a cash flow schedule while Schedule 4 is an accrual schedule. For FY 2010 and later these amounts are assumed to be equal since we have know way of knowing what actual cash flows are going to be in those years.

Prepared by: Harold J. Smith

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Div. 1-37: Please identify actual rate funded capital expenditures for the first six months of FY 2009.

Response:

| Project | Vendor | Amount |
|---|--------------------------------|-------------------|
| LV Residual Constructed Wetlands/Flow Diversion | EAST COAST CONSTRUCTION | 59,850.00 |
| LV Residual Constructed Wetlands/Flow Diversion | EAST COAST CONSTRUCTION | 67,925.00 |
| LV Residual Constructed Wetlands/Flow Diversion | MAGUIRE | 6,475.00 |
| LV & Station 1 Chloramine Conversion Design | CAMP DRESSER MCKEE | 17,626.00 |
| LV & Station 1 Chloramine Conversion Design | CAMP DRESSER MCKEE INC | 12,968.10 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON & SAMPSON | 705.04 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON & SAMPSON | 3,162.06 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON & SAMPSON | 2,047.37 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON AND SAMPSON | 501.35 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON AND SAMPSON | 854.05 |
| MIXING SYSTEM 4 M GAL RESERVOIR DESIGN | WESTON AND SAMPSON ENGINEERS | 2,670.62 |
| SAFE YIELD STUDY | WRIGHT PIERCE | 42,681.88 |
| SAFE YIELD STUDY | WRIGHT-PIERCE | 75,498.12 |
| GIS HYDRAULIC MODELING | WRIGHT-PIERCE | 12,360.78 |
| TRENCH RESTORATION | CITY OF NEWPORT- Police Detail | 750.00 |
| TRENCH RESTORATION | CITY OF NEWPORT- Police Detail | 425.00 |
| TRENCH RESTORATION | MELLO CONSTRUCTION | 36,861.42 |
| TRENCH RESTORATION | MELLO CONSTRUCTION | 20,506.18 |
| METER REPLACEMENT | ACTARIS | 22,595.00 |
| | FY 2009 to date | 363,867.97 |

Prepared by: K Garcia

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
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Div. 1-38: Please reconcile the Water Fund budget utilized to allocate City Services on RFC Schedule D with the revenue requirement shown on RFC Schedule 1.

Response: The Water Fund budget (\$19,943,420) utilized to allocate City Services on RFC Schedule D is the total expenditure budget for FY 2009 which includes debt funded capital expenditures. The revenue requirement shown on RFC Schedule 1 (\$12,046,691) is the requested FY 2010 operating budget which does not include debt funded capital expenditures but only the debt service on debt funded capital expenditures. The difference of \$7,896,729 is as follows:

| <u>Line Item</u> | <u>FY 2009</u> | <u>FY 2010</u> |
|------------------------------|-----------------------|-----------------------|
| Total Budget | \$19,943,420 | \$12,046,691 |
| Capital Funded Fixed Assets | (\$ 8,348,339) | |
| Depreciation | (\$ 1,300,000) | |
| Repayment to City of Newport | (\$ 250,000) | |
| Rate Funded Capital | (\$ 627,160) | (\$1,652,019) |
| Revenue Reserve | (\$ 256,059) | (\$ 263,003) |
| Debt Service | (\$ 2,205,357) | (\$ 2,072,985) |
| Revenue Offsets | | \$ 708,065 |
| O&M Spending difference | | (\$ 1,810,244) |
| Total | \$ 6,956,505 | \$ 6,956,505 |

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

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Div. 1-39: Please provide a copy of the City of Newport's FY 2009 Adopted Budget showing departmental and fund detail.

Response: A copy of the City of Newport FY 2009 Adopted Budget is online at www.cityofnewport.com/departments/finance/cafr.cfm. (Note: If any parties require a printed hard copy version, please submit a specific request.)

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
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Div. 1-40: Please provide detailed workpapers and supporting documentation for the FY 2010 offsets to revenue requirements other than WPC and Middletown's share of customer service costs shown on RFC Schedule 6.

Response: There is no change from FY 2008 Test Year to FY 2010 Rate year on the following items:

| | |
|----------------------------|----------|
| Property Rental | \$81,000 |
| Miscellaneous | \$ 7,515 |
| Investment Interest Income | \$39,191 |
| WQP Fees | \$25,676 |

Water Penalties are increased from \$23,511 to \$42,320 based upon the requested increase in the late fee interest from 10% to 18% per annum.

Sundry charge increase from \$43,917 to \$140,016 is detailed in the supporting workpapers for question 30.

Prepared by: R. Esten

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
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Div. 1-41: Please provide the number of residential, commercial and government retail customers as of September 30, 2008 and December 31, 2008.

Response: The Newport Water Division utilizes a live data base and we cannot generate historical data as to the number of accounts for past dates. We periodically run account listings and had run one as of September 3, 2008. This was used as a substitute for the requested date of September 30, 2008.

| <u>Category</u> | <u>9/3/2008</u> | <u>12/31/2008</u> |
|-----------------|-----------------|-------------------|
| Commercial | 1,319 | 1,317 |
| Residential | 13,037 | 13,037 |
| Government | 75 | 74 |

Prepared by: K Garcia

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
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Div. 1-42: Please provide the number of public hydrants by community and private fire connections by size as of September 30, 2008 and December 31, 2008.

Response: The quantity of public hydrants by community is shown below:

| | <u>September 30, 2008</u> | <u>December 31, 2008</u> |
|------------|---------------------------|--------------------------|
| Newport | 583 | 583 |
| Middletown | 408 | 408 |
| Portsmouth | 8 | 8 |

The quantity of private fire connections by size is as follows:

| | <u>September 30, 2008</u> | <u>December 31, 2008</u> |
|----------|---------------------------|--------------------------|
| 2- inch | 1 | 1 |
| 4- inch | 57 | 57 |
| 6 - inch | 249 | 250 |
| 8 - inch | 62 | 62 |
| 12- inch | 2 | 2 |

Prepared by: K. Mason

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

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Div. 1-43: Please provide any updates with regard to the purchase water projections for the Navy as discussed on pages 12-13 of Mr. Smith's testimony.

Response: We have not received any additional information from the Navy or PWFD regarding the Navy's water purchase projections. As such, Newport will be requesting this information through data requests.

Prepared by: Harold J. Smith

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
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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 January 26, 2009, and one original to Luly Massaro, Clerk, Rhode Island Public Utilities Commission.

| Parties/Address | E-mail Distribution | Phone/Fax |
|--|--|------------------------------|
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| 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 |
| Dr. Kay Davoodi, P.E. Utility Rates and Studies Office NAVFACHQ- Building 33 1322 Patterson Ave SE Washington Navy Yard, D.C. 20374-5065 | Khojasteh.davoodi@navy.mil | 202-685-3319 202-433-7159 |
| | | |

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| | | |
|--|--|------------------------------|
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| Christopher Woodcock Woodcock & Associates, Inc. 18 Increase Ward Drive Northborough MA 01532 | Woodcock@w-a.com | 508-393-3337 508-393-9078 |
| Email copy and one original to: 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 |
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/s/ _____
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