

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4025
City Of Newport - Utilities Division - Water Department
Response to
The Rhode Island Public Utilities Commission's
Data Requests
Set 1

Comm. 1-5: Please provide a comparison similar to the first four columns of Mr. Smith's Schedule Ds to show NWD's allocations resulting from the Direct Testimony and Rebuttal Testimony of Ms. Sitrin regarding the Allocation of Legal and Administrative items.

Response: Please see attached.

Supplemental Response: Enclosed please find a revised schedule in response to this Data Request. Newport continues to disagree that any portion of the School and Library Budget should be included in calculating the City Service allocations for the City Manager, City Solicitor, Finance Administration (80%) or MIS (other). However, Newport recognizes Mr. Catlin's and Mr. Woodcock's testimony that it is not appropriate to exclude these budgets altogether. Newport continues to maintain that this involvement is so minimal that it should not be a factor in the calculation of City Services.

Nevertheless, in an effort to bridge the gap between the positions set forth by the Division, PWFD and the Navy, Newport will agree to include a portion of the City's General Fund appropriation to the Schools and Library. Enclosed please find a revised Schedule that reflects Newport's revised position on City Services. The allocations for City Manager, City Solicitor, Finance Administration (80%) and MIS have been revised to account for inclusion of 20% of the City's General Fund appropriation to the Schools and 4% of its appropriation to the Library

Prepared by: Laura Sitrin and Harold Smith

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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 May 20, 2009, and one original to Luly Massaro, Clerk, Rhode Island Public Utilities Commission.

Parties/Address	E-mail Distribution	Phone/Fax
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File an original and nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	lmassaro@puc.state.ri.us	401-780-2107 401-941-1691
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/s/ _____
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**Newport Water Department
RIPUC Docket 4025
Adjustments Made by the Parties**

		<u>Division Adjustments (1)</u>	<u>PWFD Adjustments (1)</u>	<u>Navy Adjustments (2)</u>	<u>Newport Adjustments</u>
Administration	Consulting	(25,000)	(25,000)		
	City Service (Legal / Admin)	(50,891)	(196,120)	(112,682)	(8,000)
	City Service (MIS)	(1,598)	(31,258)	(76,033)	(6,000)
	Motor Vehicle Fuel	(333)	(333)		
		<u>(77,822)</u>	<u>(252,711)</u>	<u>(188,700)</u>	<u>(14,000)</u>
Customer Service	Motor Vehicle Fuel	(1,751)	(1,751)		
		<u>(1,751)</u>	<u>(1,751)</u>	<u>0</u>	<u>0</u>
Source of Supply	Employee Vacancy	(71,125)	(71,125)		
	Motor Vehicle Fuel	(2,251)	(2,251)		
		<u>(73,376)</u>	<u>(73,376)</u>	<u>0</u>	<u>0</u>
Pumping Station 1	Motor Vehicle Fuel	(204)	(204)		
		<u>(204)</u>	<u>(204)</u>	<u>0</u>	<u>0</u>
Pumping LV	Motor Vehicle Fuel	(146)	(146)		
		<u>(146)</u>	<u>(146)</u>	<u>0</u>	<u>0</u>
T&D Maintenance	Employee Vacancy	(71,125)	(71,125)		
	Motor Vehicle Fuel	(7,490)	(7,490)		
		<u>(78,615)</u>	<u>(78,615)</u>	<u>0</u>	<u>0</u>
Operating Revenue Allowance		(6,957)	(253,712)	(134,949)	(420)
Debt Service				35,958	
Capital				(553,199)	
Misc Revenues			(15,882)		
Total Adjustments		<u>(238,871)</u>	<u>(676,397)</u>	<u>(840,890)</u>	<u>(14,420)</u>

(1) Adjustments to Newport Water Rebuttal Position

(2) Adjustments to Newport Water Initial Position as Navy made no adjustments to its Direct in its Surrebuttal

(3) Adjustments to Newport's Rebuttal Position to reflect a revision in calculation of City Services costs

City of Newport, Rhode Island
 FY 2010 Rate Filing Docket # 4025

Revised Rebuttal Position on Legal & Administration and Data Processing

HJS Revised Rebuttal 1

Allocated Item	Original Filing			Rebuttal			Revised Rebuttal				
	Cost To Be Allocated	Water %	Water Fund	Cost To Be Allocated	Water %	Water Fund	Cost To Be Allocated	Water %	Water Fund		
Audit Fees	\$ 84,875	6.18%	5,245	\$ 84,875	6.18%	5,245	\$ 84,875	6.18%	5,245		
OPEB Contribution (1)	\$ 3,500,000	0.00%	-	\$ 3,500,000	0.00%	-	\$ 3,500,000	0.00%	-		
City Council	\$ 76,655	11.40%	8,739	\$ 76,655	5.75%	4,408	\$ 76,655	5.75%	4,408		
Citizen Survey	\$ 16,000	8.30%	1,328	\$ -	8.30%	-	\$ -	8.30%	-		
City Clerk	\$ 319,706	11.40%	36,446	\$ 319,706	5.75%	18,383	\$ 319,706	5.75%	18,383		
City Manager	\$ 418,103	22.55%	94,282	\$ 418,103	14.32%	59,885	\$ 418,103	13.53%	56,549		
Human Resources	\$ 303,388	12.90%	39,137	\$ 303,388	12.90%	39,137	\$ 303,388	12.90%	39,137		
City Solicitor	\$ 289,177	22.55%	65,209	\$ 289,177	14.32%	41,419	\$ 289,177	13.53%	39,111		
Finance Admin 80%	\$ 310,370	22.55%	69,988	\$ 299,170	14.32%	42,850	\$ 299,170	13.53%	40,463		
Finance Admin 5%	\$ 38,796	31.00%	12,027	\$ 18,698	37.00%	6,918	\$ 18,698	37.00%	6,918		
Purchasing	\$ 90,123	17.90%	16,132	\$ 90,123	18.60%	16,763	\$ 90,123	18.60%	16,763		
Assessment	\$ 113,456	10.00%	11,346	\$ 113,456	5.00%	5,673	\$ 113,456	5.00%	5,673		
Collections	\$ 313,663	20.50%	64,301	\$ 313,663	15.26%	47,865	\$ 313,663	15.26%	47,865		
Accounting - 5%	\$ 9,749	100.00%	9,749	\$ 9,749	100.00%	9,749	\$ 9,749	100.00%	9,749		
Accounting	\$ 383,951	16.90%	64,888	\$ 383,951	16.90%	64,888	\$ 383,951	16.90%	64,888		
Public Safety	\$ 28,531,884	0.10%	28,532	\$ 28,531,884	0.10%	28,532	\$ 28,531,884	0.10%	28,532		
Facilities Maintenance	\$ 823,521	1.47%	12,106	\$ 823,521	1.47%	12,106	\$ 823,521	1.47%	12,106		
Legal & Administrative			539,455	Legal & Administrative			403,821	Legal & Administrative			395,790
rounded			\$ 539,500	rounded			\$ 403,800	rounded			\$ 395,800

Allocation of Data Processing Costs to Enterprise Funds

Allocated Item	Cost To Be Allocated	Water %	Water Fund	Cost To Be Allocated	Water %	Water Fund	Cost To Be Allocated	Water %	Water Fund		
MIS - Communications Cost	\$ 328,960	7.90%	25,988	\$ 328,960	7.90%	25,988	\$ 328,960	7.90%	25,988		
MIS - Other Costs	\$ 886,172	22.55%	199,832	\$ 841,172	14.32%	120,481	\$ 841,172	13.53%	113,769		
Data Processing (1)			225,820	Data Processing (1)			146,469	Data Processing (1)			139,757
rounded			\$ 226,000	rounded			\$ 146,000	rounded			\$ 140,000

**Newport Water Department
RIPUC Docket 4025
Positions of the Parties**

	<u>Newport Rebuttal</u>	<u>Division Surrebuttal</u>	<u>PWFD Surrebuttal</u>	<u>Navy Direct (1)</u>	<u>Newport Revised Rebuttal</u>
Cost of Service					
Water Administration	2,310,030	2,232,208	2,057,318	2,379,843	2,296,030
Customer Accounts	719,939	718,188	718,188	724,850	719,939
Source of Supply-Island	620,400	547,024	547,024	633,700	620,400
Source of Supply-Mainland	142,800	142,800	142,800	146,500	142,800
Treatment & Pumping-Newport Plant	1,700,700	1,700,496	1,700,496	1,712,800	1,700,700
Treatment & Pumping-Lawton Valley	1,604,950	1,604,804	1,604,804	1,650,150	1,604,950
Water Laboratory	249,450	249,450	249,450	249,450	249,450
Transmission & Distribution Maintenance	1,094,300	1,015,686	1,015,686	1,100,900	1,094,300
Fire Protection	14,500	14,500	14,500	21,000	14,500
Subtotal	<u>\$ 8,457,070</u>	<u>\$ 8,225,156</u>	<u>\$ 8,050,266</u>	<u>\$ 8,619,193</u>	<u>8,443,069</u>
Payment to City General Fund	-	-			
Debt Service	2,010,823	2,010,823	2,010,823	1,929,059	2,010,823
Capital Outlays	<u>1,146,918</u>	<u>1,146,918</u>	<u>1,146,918</u>	<u>1,098,820</u>	<u>1,146,918</u>
Total Expenses	<u>\$ 11,614,811</u>	<u>\$ 11,382,897</u>	<u>\$ 11,208,007</u>	<u>\$ 11,647,072</u>	<u>\$ 11,600,810</u>
Operating Reserve	<u>253,712</u>	<u>246,755</u>	<u>-</u>	<u>129,288</u>	<u>253,292</u>
Total Cost of Service	<u>\$ 11,868,523</u>	<u>\$ 11,629,652</u>	<u>\$ 11,208,007</u>	<u>\$ 11,776,360</u>	<u>\$ 11,854,103</u>
Less: Misc Revenues	<u>\$ (741,827)</u>	<u>(\$741,827)</u>	<u>(\$757,709)</u>	<u>(\$708,065)</u>	<u>(\$741,827)</u>
Required From Rates	<u><u>\$ 11,126,696</u></u>	<u><u>\$ 10,887,825</u></u>	<u><u>\$ 10,450,298</u></u>	<u><u>\$ 11,068,295</u></u>	<u><u>\$ 11,112,276</u></u>
Difference from Newport Rebuttal Position	-	(238,871)	(676,398)	(58,401)	(14,420)

(1) Navy provided no Surebuttal Schedules