April 27, 2009

Luly Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

In Re: City of Newport, Water Division

Rate Filing
Docket No. 4025

Dear Ms. Massaro

Enclosed please find the original and nine copies of the Department of the Navy's data responses to Newport Water's Second Set of Data Requests to the Navy. Copies have been sent electronically to the parties.

Sincerely,

AUDREY VAN DYKE Counsel for the Secretary of the Navy

Cc: (on April 27 by email) Service List

CITY OF NEWPORT – UTILITIES DIVISION – WATER DEPARTMENT

Docket No. 4025
The United States Department of the Navy
Data Responses to
Set 2

2-1. In PWFD's response to NWD 1-2(a) it is indicated that PWFD sold 12,644,000gal to the Navy in FY2007. The Navy's response to NWD 1-2(a) is that they purchased 6,352,774 gal from PWFD in FY07. Which amount is correct?

Response: Upon review with PWFD officials and Navy personnel, it is determined that 12,644,000 gal as reported by PWFD in its data response is correct.

Respondent: John Reichert, NAVFAC MIDLANT Public Works Dept Newport

2-2. In PWFD's response to NWD 1-2 and the Navy's response to NWD 1-2, there is a discrepancy between the answers as to the amounts paid by the Navy to PWFD in FY07 and FY09. Which amount is correct?

Response: Upon review between PWFD officials and Navy personnel, the data reported by PWFD in NWD 1-2, is correct. The Navy had not received 2 billing items at the time of its response to NWD 1-2.

Respondent: John Reichert, NAVFAC MIDLANT Public Works Dept Newport

2-3. In the Navy's response to NWD 1-2, it indicates that it will continue to purchase water from PWFD until its reservoir project is completed in December 2009 (half way through FY 2010). However, the table set forth in response to NWD 1-5 shows that the Navy will not purchase any water from PWFD in FY 2010. Please clarify the projection of how much water the Navy anticipates it will purchase from Newport in FY 2010. Also include a projection of how much water the Navy plans to purchase from PWFD in FY 2010.

Response: The current project completion is expected in Aug 2009; however the project may have some incomplete contract items that get completed in the Sep 2009 time period. If unanticipated problems arise, they should be resolved by Dec 2009. When the Navy stops taking water thru the PWFD system, the water consumption will then be drawn through the Newport & Navy systems. The quantities used in the long term projection are as reported in DON Response 1-3, including those quantities from PWFD.

Respondent: John Reichert, NAVFAC MIDLANT Public Works Dept Newport