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*Member*

September 24, 2009

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

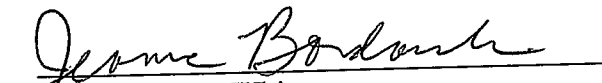
RE: Docket 4061 Public Utilities Commission; Set III Responses

Dear Luly:

Enclosed for filing is an original and four copies of Providence Water's responses to the third set of data request from the Commission in Docket 4061. We did renumber the questions to indicate set 3.

If there are any questions, I can be reached at 521-6300, extension 7217.

Sincerely,

  
Mary Deignan-White  
Regulatory Manager

cc: Dk 4061 Service List

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[WWW.PROVWATER.COM](http://WWW.PROVWATER.COM)

552 ACADEMY AVENUE ◦ PROVIDENCE, RHODE ISLAND ◦ 02908 ◦ (401) 521-6300 ◦ FAX (401) 331-5081 ◦ TDD (401) 751-0203

**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

Com 3-1 . Please provide a copy of the Settlement schedules using the three-year consumption average (FY 2007, FY 2008 and FY 2009) as the rate year consumption and a three percent (3.0%) operating revenue allowance in lieu of five percent (5.0%).

A. Please see attached. Also attached is a Summary of the six scenario's requested by the Commission.

PROVIDENCE WATER SUPPLY BOARD  
 Summary of Results per Comm. DR-3  
 Rate Year Ended December 31, 2010

	Rate Year Amount Per PWWSB Original Filing	Rate Year Amount Per Settlement	3 Year Avg. (07, 08, 09)		2 Year Avg. (08, 09)		09 Sales					
			Rev. All. = 3%	Rate Year Amount Per DR 3-1	Rev. All. = 5%	Rate Year Amount Per DR 3-2	Rev. All. = 3%	Rate Year Amount Per DR 3-5	Rev. All. = 5%	Rate Year Amount Per DR 3-6		
<b>Consumption</b>												
Retail	14,630,493	14,630,493	14,668,635	14,668,635	14,333,538	14,333,538	14,333,538	14,036,582	14,036,582	14,036,582	14,036,582	14,036,582
Wholesale	14,415,751	14,415,751	13,896,044	13,896,044	13,862,881	13,862,881	13,862,881	13,207,713	13,207,713	13,207,713	13,207,713	13,207,713
<b>Total</b>	<b>29,046,244</b>	<b>29,046,244</b>	<b>28,564,679</b>	<b>28,564,679</b>	<b>28,196,419</b>	<b>28,196,419</b>	<b>28,196,419</b>	<b>27,244,295</b>	<b>27,244,295</b>	<b>27,244,295</b>	<b>27,244,295</b>	<b>27,244,295</b>
<b>Revenue</b>												
Retail Water Sales	\$ 30,829,934	\$ 32,708,955	\$ 32,437,422	\$ 33,073,020	\$ 32,136,726	\$ 32,758,128	\$ 32,758,128	\$ 32,261,482	\$ 32,261,482	\$ 32,261,482	\$ 32,261,482	\$ 32,261,482
Wholesale Water Sales	15,697,498	16,650,654	15,891,141	16,199,744	16,071,182	16,383,305	16,383,305	15,708,395	15,708,395	15,708,395	15,708,395	15,708,395
Retail Service Charges	4,999,279	5,303,662	5,250,298	5,352,106	5,323,181	5,425,110	5,425,110	5,460,228	5,460,228	5,460,228	5,460,228	5,460,228
Private Fire Protection	1,833,075	1,944,394	1,925,087	1,962,474	1,951,555	1,989,455	1,989,455	2,002,111	2,002,111	2,002,111	2,002,111	2,002,111
Public Fire Protection	1,770,227	1,877,696	1,859,085	1,895,151	1,884,629	1,921,243	1,921,243	1,933,468	1,933,468	1,933,468	1,933,468	1,933,468
Miscellaneous	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137	1,777,137
<b>Total Revenue</b>	<b>\$ 56,907,150</b>	<b>\$ 60,262,498</b>	<b>\$ 59,140,170</b>	<b>\$ 60,259,633</b>	<b>\$ 59,144,411</b>	<b>\$ 60,254,378</b>	<b>\$ 60,254,378</b>	<b>\$ 59,142,822</b>	<b>\$ 59,142,822</b>	<b>\$ 59,142,822</b>	<b>\$ 59,142,822</b>	<b>\$ 60,255,774</b>
<b>Expenses</b>												
Operation & Maintenance	27,804,463	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495	27,196,495
Insurance	2,144,150	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062	1,777,062
Chemical & Sludge	2,874,631	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942	2,458,942
City Service Expense	839,167	839,167	839,167	839,167	839,167	839,167	839,167	839,167	839,167	839,167	839,167	839,167
Property Taxes	6,779,095	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162	6,084,162
Capital Reimbursement	(980,125)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)	(998,154)
Net Operations	\$ 39,461,381	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674	\$ 37,357,674
Capital Improvements	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
Western Cranston Fund	62,069	62,069	62,069	62,069	62,069	62,069	62,069	62,069	62,069	62,069	62,069	62,069
Infrastructure Replacement	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Meter Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Equipment Replacement	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Net Restricted	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069	\$ 20,112,069
<b>Total Expenses</b>	<b>\$ 59,573,450</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>	<b>\$ 57,469,743</b>
Operating Reserve	2,889,816	2,784,630	1,670,778	2,784,630	1,670,778	2,784,630	2,784,630	1,670,778	1,670,778	1,670,778	1,670,778	2,784,630
<b>Total Cost of Service</b>	<b>\$ 62,463,266</b>	<b>\$ 60,254,373</b>	<b>\$ 59,140,521</b>	<b>\$ 60,254,373</b>	<b>\$ 59,140,521</b>	<b>\$ 60,254,373</b>	<b>\$ 60,254,373</b>	<b>\$ 59,140,521</b>	<b>\$ 59,140,521</b>	<b>\$ 59,140,521</b>	<b>\$ 60,254,373</b>	<b>\$ 60,254,373</b>
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 8,125	\$ (351)	\$ 5,260	\$ 3,889	\$ 5	\$ 5	\$ 2,300	\$ 2,300	\$ 1,401	\$ 1,401	\$ 1,401
Percent Increase in Total Revenue	9.76%	5.88%	4.86%	6.84%	6.26%	8.26%	8.26%	8.92%	8.92%	10.97%	10.97%	10.97%
Percent Increase in Rate Revenue	10.078%	6.072%	5.019%	7.059%	6.464%	8.531%	8.531%	9.222%	9.222%	11.342%	11.342%	11.342%
<b>Rates</b>												
Residential	\$ 2.350	\$ 2.264	\$ 2.241	\$ 2.285	\$ 2.272	\$ 2.316	\$ 2.316	\$ 2.331	\$ 2.331	\$ 2.376	\$ 2.376	\$ 2.376
Commercial	\$ 2.256	\$ 2.174	\$ 2.152	\$ 2.194	\$ 2.162	\$ 2.224	\$ 2.224	\$ 2.238	\$ 2.238	\$ 2.282	\$ 2.282	\$ 2.282
Industrial	\$ 2.214	\$ 2.134	\$ 2.112	\$ 2.153	\$ 2.141	\$ 2.163	\$ 2.163	\$ 2.197	\$ 2.197	\$ 2.240	\$ 2.240	\$ 2.240
Wholesale	\$ 1.19868	\$ 1.15503	\$ 1.14357	\$ 1.16578	\$ 1.15930	\$ 1.18181	\$ 1.18181	\$ 1.18934	\$ 1.18934	\$ 1.21243	\$ 1.21243	\$ 1.21243

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
 Present and Proposed Rates  
 Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB	DR 3-1 Adjustments	DR 3-1 Rate Year at Present Rates	Increase from Present Rates	DR 3-1 Rate Year at Proposed Rates
	Original Filing				
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,994	\$ 57,589	\$ 30,887,523	\$ 1,549,899	\$ 32,437,422
Wholesale Water Sales	15,697,498	\$ (565,915)	\$ 15,131,583	759,558	15,891,141
Retail Service Charges	4,999,279	-	\$ 4,999,279	251,019	5,250,298
Private Fire Protection	1,833,075	-	\$ 1,833,075	92,012	1,925,087
Public Fire Protection	1,770,227	-	\$ 1,770,227	88,858	1,859,085
Miscellaneous	1,777,137	-	\$ 1,777,137	-	1,777,137
Total Revenue	\$ 56,907,150	\$ (508,326)	\$ 56,398,824	\$ 2,741,346	\$ 59,140,170
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,088)	1,777,062	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
Net Operations	\$ 39,461,381	\$ (2,103,707)	\$ 37,357,674	\$ -	\$ 37,357,674
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
Net Restricted	\$ 20,112,069	\$ -	\$ 20,112,069	\$ -	\$ 20,112,069
Total Expenses	\$ 59,573,450	\$ (2,103,707)	\$ 57,469,743	\$ -	\$ 57,469,743
Operating Reserve	2,889,816	(1,219,037)	1,670,778	-	1,670,778
Total Cost of Service	\$ 62,463,266	\$ (3,322,745)	\$ 59,140,521	\$ -	\$ 59,140,521
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 2,814,419	\$ (2,741,697)	\$ 2,741,346	\$ (351)
					Percent Increase in Total Revenue 4.86%
					Percent Increase in Rate Revenue 5.019%

PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-1-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-1-4
Insurance Expense	(367,088)	Schedule HJS DR 3-1-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-1-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-1-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-1-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-1-9
Operating Reserve	<u>(1,219,037)</u>	See Note (1)
Total Settlement Adjustments	<u>\$ (3,322,745)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount per PWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	2,726,971	61.333	2,788,304	2,788,304	-
Total	\$ 7,898,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					(161,396)
Total Adjustment to Benefits Expense					\$ (502,543)

Notes:

(1) Per Schedule HJS-8.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	<u>FY2008 (1)</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Rate Year Expense</u>
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	4,755	4,755	4,755	4,755
Total Insurance Expense	\$ 1,953,380	\$ 1,846,060	\$ 1,777,092	\$ 1,777,092
Amount per PWSB Filing (3)				2,144,180
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.



PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used IME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ <u>(365,689)</u>

Notes:  
 (1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

- (1) Per Schedule HJS-9.
- (2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

(1) Per Schedule HJS-6

(2) Per testimony of Harold J. Smith.

PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 30,887,523
Wholesale Water Sales	15,131,583
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	<u>1,770,227</u>
Total Service Revenue	\$ 54,621,687
Revenue Deficiency per Settlement	<u>\$ 2,741,697</u>
Uniform Percentage Increase	<u><u>5.019%</u></u>

Note:

(1) Per Schedule HJS DR 3-1-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 16.52	\$ 3,502,703
3/4"	10,265	16.70	\$ 685,702	17.54	720,192
1"	5,046	19.60	\$ 395,606	20.58	415,387
1.5"	1,479	23.47	\$ 138,849	24.65	145,829
2"	1,684	34.11	\$ 229,765	35.82	241,284
3"	83	112.49	\$ 37,347	118.14	39,222
4"	34	141.51	\$ 19,245	148.61	20,211
6"	69	209.25	\$ 57,753	219.75	60,651
8"	36	286.65	\$ 41,278	301.04	43,350
10"	2	356.80	\$ 2,854	374.71	2,998
12"	6	426.95	\$ 10,247	448.38	10,761
Total	71,711		\$ 4,953,846		\$ 5,202,588
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 9.75	\$ -
3/4"	-	9.60	\$ -	10.08	-
1"	-	10.57	\$ -	11.10	-
1.5"	2	11.86	\$ 285	12.46	299
2"	34	15.41	\$ 6,287	16.18	6,601
3"	11	41.53	\$ 5,482	43.61	5,757
4"	8	51.21	\$ 4,916	53.78	5,163
6"	20	73.78	\$ 17,707	77.48	18,595
8"	9	99.59	\$ 10,756	104.59	11,296
10"	-	122.97	\$ -	129.14	-
12"	-	146.35	\$ -	153.70	-
Total	84		\$ 45,433		\$ 47,711
Total Service Charge Revenue			\$ 4,999,279		\$ 5,250,298
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,991,396	\$ 2.134	\$ 21,321,639	\$ 2.241	22,390,718
Commercial (HCF)	4,209,398	\$ 2.049	\$ 8,625,057	\$ 2.152	9,058,624
Industrial (HCF)	467,841	\$ 2.011	\$ 940,828	\$ 2.112	988,079
Total	14,668,635		\$ 30,887,523		\$ 32,437,422
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,896,044	\$ 1.08891	\$ 15,131,583	\$ 1.14357	\$ 15,891,141
	10,394.24	1,455.77		1,528.84	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 17.73	426
1"	10	20.00	\$ 800	21.00	840
1.5"	3	24.62	\$ 295	25.86	310
2"	31	36.57	\$ 4,535	38.41	4,763
4"	302	156.72	\$ 189,318	164.59	198,825
6"	1,220	253.42	\$ 1,236,690	266.14	1,298,763
8"	229	380.78	\$ 348,794	399.89	366,299
10"	4	526.08	\$ 8,417	552.49	8,840
12"	14	700.38	\$ 39,221	735.54	41,190
16"	1	1,149.93	\$ 4,600	1,207.65	4,831
Total	1,820		\$ 1,833,075		\$ 1,925,087
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 305.67	\$ 1,859,085
Miscellaneous Revenue			\$ 1,777,137		1,777,137
Total Revenue			\$ 56,398,825		\$ 59,140,170
Revenue Requirement			\$ 59,140,521		\$ 59,140,521
Difference			\$ (2,741,696)		\$ (351)

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

		<b>Annual Water Bill (1)</b>			
		<b>Current Rates</b>	<b>Proposed Rate</b>	<b>Dollar Increase</b>	<b>Percent Increase</b>
<b><u>Residential</u></b>					
100 Ccf w/ 5/8 meter					
	Customer Charge	\$ 62.92	\$ 66.08	\$ 3.16	
	Consumption	213.40	224.10	10.70	
	<b>Total 100 Ccf</b>	<b>\$ 276.32</b>	<b>\$ 290.18</b>	<b>\$ 13.86</b>	<b>5.02%</b>
<b><u>Commercial</u></b>					
2,000 Ccf w/ 2in meter					
	Customer Charge	\$ 184.92	\$ 194.16	\$ 9.24	
	Consumption	4,098.00	4,304.00	206.00	
	<b>Total 2000 Ccf</b>	<b>\$ 4,282.92</b>	<b>\$ 4,498.16</b>	<b>\$ 215.24</b>	<b>5.03%</b>
<b><u>Industrial</u></b>					
10,000 Ccf w/ 6in. meter					
	Customer Charge	\$ 885.36	\$ 929.76	\$ 44.40	
	Consumption	20,110.00	21,120.00	1,010.00	
	<b>Total 10,000 Ccf</b>	<b>\$ 20,995.36</b>	<b>\$ 22,049.76</b>	<b>\$ 1,054.40</b>	<b>5.02%</b>
<b><u>Industrial (Large)</u></b>					
50,000 Ccf w/ 10in. meter					
	Customer Charge	\$ 1,475.64	\$ 1,549.68	\$ 74.04	
	Consumption	100,550.00	105,600.00	5,050.00	
	<b>Total 50,000 Ccf</b>	<b>\$ 102,025.64</b>	<b>\$ 107,149.68</b>	<b>\$ 5,124.04</b>	<b>5.02%</b>
<b><u>Wholesale</u></b>					
	400,000 Ccf	\$ 435,565.20	\$ 457,429.20	\$ 21,864.00	5.02%
	2,500,000 Ccf	\$ 2,722,282.50	\$ 2,858,932.50	\$ 136,650.00	5.02%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
Calculation of Rate Year Sales Volumes  
Rate Year Ending December 31, 2010  
(Volumes in HCF)

	FY 2004	FY2005	FY2006	FY 2007	FY 2008	FY 2009	Four Year Average	Three Year AVG. (07,08,09)	Original PWSB Rate Year	DR3-1 Adjustments	DR3-1 Rate Year
Retail											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,991,396	10,192,807	(201,411)	9,991,396
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-9.73%	17.62%	-7.68%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,209,398	4,060,451	148,947	4,209,398
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	467,841	377,235	90,606	467,841
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,668,635	14,630,493	38,142	14,668,635
Wholesale											
East Providence	2,347,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,142,239	2,285,799	(143,560)	2,142,239
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	333,468	329,329	333,468	(4,138)	329,329
Greenville	428,017	470,107	483,676	483,730	532,126	459,960	492,410	491,939	492,410	(471)	491,939
Kent County	3,857,756	3,915,227	3,806,377	3,899,225	3,249,131	2,663,178	3,667,490	3,203,845	3,667,490	(463,645)	3,203,845
Smithfield	425,587	434,665	421,925	424,238	490,053	454,602	442,720	456,298	442,720	13,577	456,298
Warwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,384,640	4,513,991	4,384,640	129,351	4,513,991
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,108,979	1,142,349	(33,370)	1,108,979
Johnston (1)	220,728	292,296	390,134	346,377	392,166	302,765	355,243	347,103	355,243	(8,141)	347,103
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,302,323	1,311,632	(9,309)	1,302,323
Narr. Bay Comm (3)	-	-	84,978	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,099,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,896,044	14,415,751	(519,706)	13,896,044
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,564,679</b>	<b>29,046,244</b>	<b>(481,565)</b>	<b>28,564,679</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project



**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

Com 3-2 Please provide a copy of the Settlement schedules using the three-year consumption average (FY 2007, FY 2008 and FY 2009) as the rate year consumption and a five percent (5.0%) operating revenue allowance.

A. Please see attached.

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
 Present and Proposed Rates  
 Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB Original Filing	DR 3-2 Adjustments	DR 3-2 Rate Year at Present Rates	Increase from Present Rates	DR 3-2 Rate Year at Proposed Rates
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,934	\$ 57,589	\$ 30,887,523	\$ 2,185,497	\$ 33,073,020
Wholesale Water Sales	15,697,498	\$ (565,915)	15,131,583	1,068,161	16,199,744
Retail Service Charges	4,999,279	\$ -	4,999,279	352,827	5,352,106
Private Fire Protection	1,833,075	\$ -	1,833,075	129,399	1,962,474
Public Fire Protection	1,770,227	\$ -	1,770,227	124,924	1,895,151
Miscellaneous	1,777,137	\$ -	1,777,137	-	1,777,137
<b>Total Revenue</b>	<b>\$ 56,907,150</b>	<b>\$ (508,326)</b>	<b>\$ 56,398,824</b>	<b>\$ 3,860,809</b>	<b>\$ 60,259,633</b>
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,088)	1,777,062	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
Net Operations	\$ 39,461,381	\$ (2,103,707)	\$ 37,357,674	\$ -	\$ 37,357,674
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
Net Restricted	\$ 20,112,069	\$ -	\$ 20,112,069	\$ -	\$ 20,112,069
<b>Total Expenses</b>	<b>\$ 59,573,450</b>	<b>\$ (2,103,707)</b>	<b>\$ 57,469,743</b>	<b>\$ -</b>	<b>\$ 57,469,743</b>
Operating Reserve	2,889,816	(105,185)	2,784,630	-	2,784,630
<b>Total Cost of Service</b>	<b>\$ 62,463,266</b>	<b>\$ (2,208,892)</b>	<b>\$ 60,254,373</b>	<b>\$ -</b>	<b>\$ 60,254,373</b>
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 1,700,567	\$ (3,855,549)	\$ 3,860,809	\$ 5,260
					Percent Increase in Total Revenue 6.84%
					Percent Increase in Rate Revenue 7.059%

PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-2-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-2-4
Insurance Expense	(367,088)	Schedule HJS DR 3-2-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-2-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-2-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-2-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-2-9
Operating Reserve	(105,185)	See Note (1)
Total Settlement Adjustments	<u>\$ (2,208,892)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount per PWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	2,726,971	61.333	2,788,304	2,788,304	-
Total	\$ 7,838,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					(161,396)
Total Adjustment to Benefits Expense					\$ (502,543)

Notes:

(1) Per Schedule HJS-8.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	<u>FY2008 (1)</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Rate Year Expense</u>
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	4,755	4,755	4,755	4,755
Total Insurance Expense	\$ 1,953,380	\$ 1,846,060	\$ 1,777,092	\$ 1,777,092
Amount per PWSB Filing (3)				2,144,180
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used IME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ (365,689)

Notes:

(1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.



PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

(1) Per Schedule HJS-9.

(2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

(1) Per Schedule HJS-6

(2) Per testimony of Harold J. Smith.

PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 30,887,523
Wholesale Water Sales	15,131,583
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	<u>1,770,227</u>
Total Service Revenue	\$ 54,621,687
Revenue Deficiency per Settlement	<u>\$ 3,855,549</u>
Uniform Percentage Increase	<u><u>7.059%</u></u>

Note:

(1) Per Schedule HJS DR 3-2-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 16.84	\$ 3,570,552
3/4"	10,265	16.70	\$ 685,702	17.88	734,153
1"	5,046	19.60	\$ 395,606	20.98	423,460
1.5"	1,479	23.47	\$ 138,849	25.13	148,669
2"	1,684	34.11	\$ 229,765	36.52	245,999
3"	83	112.49	\$ 37,347	120.43	39,983
4"	34	141.51	\$ 19,245	151.50	20,604
6"	69	209.25	\$ 57,753	224.02	61,830
8"	36	286.65	\$ 41,278	306.88	44,191
10"	2	356.80	\$ 2,854	381.99	3,056
12"	6	426.95	\$ 10,247	457.09	10,970
Total	71,711		\$ 4,953,846		\$ 5,303,466
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 9.94	\$ -
3/4"	-	9.60	\$ -	10.28	-
1"	-	10.57	\$ -	11.32	-
1.5"	2	11.86	\$ 284.64	12.70	305
2"	34	15.41	\$ 6,287.28	16.50	6,732
3"	11	41.53	\$ 5,481.96	44.46	5,869
4"	8	51.21	\$ 4,916.16	54.82	5,263
6"	20	73.78	\$ 17,707.20	78.99	18,958
8"	9	99.59	\$ 10,755.72	106.62	11,515
10"	-	122.97	\$ -	131.65	-
12"	-	146.35	\$ -	156.68	-
Total	84		\$ 45,433		\$ 48,641
Total Service Charge Revenue			\$ 4,999,279		\$ 5,352,106
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,991,396	\$ 2.134	\$ 21,321,639	\$ 2.285	22,830,340
Commercial (HCF)	4,209,398	\$ 2.049	\$ 8,625,057	\$ 2.194	9,235,419
Industrial (HCF)	467,841	\$ 2.011	\$ 940,828	\$ 2.153	1,007,261
Total	14,668,635		\$ 30,887,523		\$ 33,073,020
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,896,044	\$ 1.08891	\$ 15,131,583	\$ 1.16578	\$ 16,199,744
	10,394.24	1,455.77		1,558.53	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 18.07	434
1"	10	20.00	\$ 800	21.41	856
1.5"	3	24.62	\$ 295	26.36	316
2"	31	36.57	\$ 4,535	39.15	4,855
4"	302	156.72	\$ 189,318	167.78	202,678
6"	1,220	253.42	\$ 1,236,690	271.31	1,323,993
8"	229	380.78	\$ 348,794	407.66	373,417
10"	4	526.08	\$ 8,417	563.21	9,011
12"	14	700.38	\$ 39,221	749.82	41,990
16"	1	1,149.93	\$ 4,600	1,231.10	4,924
Total	1,820		\$ 1,833,075.36		\$ 1,962,474
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 311.60	\$ 1,895,151
Miscellaneous Revenue			1,777,137		1,777,137
Total Revenue			\$ 56,398,825		\$ 60,259,633
Revenue Requirement			\$ 62,463,266		\$ 60,254,373
Difference			\$ (6,064,441)		\$ 5,260

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

	Annual Water Bill (1)		Dollar Increase	Percent Increase
	Current Rates	Proposed Rate		
<b>Residential</b>				
100 Ccf w/ 5/8 meter				
Customer Charge	\$ 62.92	\$ 67.36	\$ 4.44	
Consumption	213.40	228.50	15.10	
Total 100 Ccf	\$ 276.32	\$ 295.86	\$ 19.54	7.07%
<b>Commercial</b>				
2,000 Ccf w/ 2in meter				
Customer Charge	\$ 184.92	\$ 198.00	\$ 13.08	
Consumption	4,098.00	4,388.00	290.00	
Total 2000 Ccf	\$ 4,282.92	\$ 4,586.00	\$ 303.08	7.08%
<b>Industrial</b>				
10,000 Ccf w/ 6in. meter				
Customer Charge	\$ 885.36	\$ 947.88	\$ 62.52	
Consumption	20,110.00	21,530.00	1,420.00	
Total 10,000 Ccf	\$ 20,995.36	\$ 22,477.88	\$ 1,482.52	7.06%
<b>Industrial (Large)</b>				
50,000 Ccf w/ 10in. meter				
Customer Charge	\$ 1,475.64	\$ 1,579.80	\$ 104.16	
Consumption	100,550.00	107,650.00	7,100.00	
Total 50,000 Ccf	\$ 102,025.64	\$ 109,229.80	\$ 7,204.16	7.06%
<b>Wholesale</b>				
400,000 Ccf	\$ 435,565.20	\$ 466,312.40	\$ 30,747.20	7.06%
2,500,000 Ccf	\$ 2,722,282.50	\$ 2,914,452.50	\$ 192,170.00	7.06%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
 Calculation of Rate Year Sales Volumes  
 Rate Year Ending December 31, 2010  
 (Volumes in HCF)

	FY 2004	FY2005	FY2006	FY 2007	FY 2008	FY 2009	Four Year Average	Three Year AVG. (07,08,09)	Original PWSSB Rate Year	DR3-2 Adjustments	DR3-2 Rate Year
<b>Retail</b>											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,991,396	10,192,807	(201,411)	9,991,396
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-9.73%	17.62%	-7.68%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,209,398	4,060,451	148,947	4,209,398
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	467,841	377,235	90,606	467,841
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,668,635	14,630,493	38,142	14,668,635
<b>Wholesale</b>											
East Providence	2,347,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,142,239	2,285,799	(143,560)	2,142,239
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	339,468	329,329	339,468	(4,138)	329,329
Greenville	428,017	470,107	483,676	483,730	532,126	459,960	492,410	491,939	492,410	(471)	491,939
Kent County	3,857,756	3,915,227	3,806,377	3,699,225	3,249,131	2,663,178	3,667,490	3,203,845	3,667,490	(463,645)	3,203,845
Smithfield	425,587	434,665	421,925	424,238	490,053	454,602	442,720	456,298	442,720	13,577	456,298
Wanwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,384,640	4,513,991	4,384,640	129,351	4,513,991
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,108,979	1,142,349	(33,370)	1,108,979
Johnston (1)	220,728	292,296	390,134	346,377	392,166	302,765	355,243	347,103	355,243	(8,141)	347,103
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,302,323	1,311,632	(9,309)	1,302,323
Narr. Bay Comm (3)	-	-	84,978	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,099,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,896,044	14,415,751	(519,706)	13,896,044
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,564,679</b>	<b>29,046,244</b>	<b>(481,565)</b>	<b>28,564,679</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project

**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

Com 3-3      Please provide a copy of the Settlement schedules using the two-year consumption average (FY 2008 and FY 2009) as the rate year consumption and a three percent (3.0%) operating revenue allowance in lieu of five percent (5.0%).

A.      Please see attached.

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
Present and Proposed Rates  
Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB Original Filing	DR 3-3 Adjustments	DR 3-3 Rate Year at Present Rates	Increase from Present Rates	DR 3-3 Rate Year at Proposed Rates
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,984	\$ (647,192)	\$ 30,182,742	\$ 1,953,983	\$ 32,136,726
Wholesale Water Sales	15,697,498	\$ (602,027)	15,095,471	975,711	16,071,182
Retail Service Charges	4,999,279	-	4,999,279	323,902	5,323,181
Private Fire Protection	1,833,075	-	1,833,075	118,480	1,951,555
Public Fire Protection	1,770,227	-	1,770,227	114,402	1,884,629
Miscellaneous	1,777,137	-	1,777,137	-	1,777,137
Total Revenue	\$ 56,907,150	\$ (1,249,218)	\$ 55,657,932	\$ 3,486,479	\$ 59,144,411
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,088)	1,777,062	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
Net Operations	\$ 39,461,381	\$ (2,103,707)	\$ 37,357,674	\$ -	\$ 37,357,674
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
Net Restricted	\$ 20,112,069	-	\$ 20,112,069	\$ -	\$ 20,112,069
Total Expenses	\$ 59,573,450	\$ (2,103,707)	\$ 57,469,743	\$ -	\$ 57,469,743
Operating Reserve	2,889,816	(1,219,037)	1,670,778	-	1,670,778
Total Cost of Service	\$ 62,463,266	\$ (3,322,745)	\$ 59,140,521	\$ -	\$ 59,140,521
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 2,073,526	\$ (3,482,589)	\$ 3,486,479	\$ 3,889
				Percent Increase in Total Revenue	6.26%
				Percent Increase in Rate Revenue	6.464%



PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-3-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-3-4
Insurance Expense	(367,088)	Schedule HJS DR 3-3-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-3-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-3-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-3-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-3-9
Operating Reserve	(1,219,037)	See Note (1)
Total Settlement Adjustments	<u>\$ (3,322,745)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount	
				per PWWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborsers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	2,726,971	61.333	2,788,304	2,788,304	-
Total	\$ 7,838,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					(161,396)
Total Adjustment to Benefits Expense					\$ (502,543)

Notes:  
 (1) Per Schedule HJS-8.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	<u>FY2008 (1)</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Rate Year Expense</u>
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	<u>4,755</u>	<u>4,755</u>	<u>4,755</u>	<u>4,755</u>
Total Insurance Expense	\$ 1,953,380	\$ 1,846,060	\$ 1,777,092	\$ 1,777,092
Amount per PWSB Filing (3)				<u>2,144,180</u>
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used TME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ (365,689)

Notes:

(1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

- (1) Per Schedule HJS-9.
- (2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

(1) Per Schedule HJS-6

(2) Per testimony of Harold J. Smith.



PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 30,182,742
Wholesale Water Sales	15,095,471
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	1,770,227
Total Service Revenue	<u>\$ 53,880,795</u>
Revenue Deficiency per Settlement	<u>\$ 3,482,589</u>
Uniform Percentage Increase	<u><u>6.464%</u></u>

Note:

(1) Per Schedule HJS DR 3-3-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 16.75	\$ 3,551,469
3/4"	10,265	16.70	\$ 685,702	17.78	730,047
1"	5,046	19.60	\$ 395,606	20.87	421,240
1.5"	1,479	23.47	\$ 138,849	24.99	147,841
2"	1,684	34.11	\$ 229,765	36.31	244,584
3"	83	112.49	\$ 37,347	119.76	39,760
4"	34	141.51	\$ 19,245	150.66	20,490
6"	69	209.25	\$ 57,753	222.77	61,485
8"	36	286.65	\$ 41,278	305.18	43,946
10"	2	356.80	\$ 2,854	379.86	3,039
12"	6	426.95	\$ 10,247	454.55	10,909
Total	71,711		\$ 4,953,846		\$ 5,274,809
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 9.88	\$ -
3/4"	-	9.60	\$ -	10.22	-
1"	-	10.57	\$ -	11.25	-
1.5"	2	11.86	\$ 285	12.63	303
2"	34	15.41	\$ 6,287	16.41	6,695
3"	11	41.53	\$ 5,482	44.21	5,836
4"	8	51.21	\$ 4,916	54.52	5,234
6"	20	73.78	\$ 17,707	78.55	18,852
8"	9	99.59	\$ 10,756	106.03	11,451
10"	-	122.97	\$ -	130.92	-
12"	-	146.35	\$ -	155.81	-
Total	84		\$ 45,433		\$ 48,371
Total Service Charge Revenue			\$ 4,999,279		\$ 5,323,181
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,697,131	\$ 2.134	\$ 20,693,676	\$ 2.272	22,031,880
Commercial (HCF)	4,348,724	\$ 2.049	\$ 8,910,534	\$ 2.182	9,488,915
Industrial (HCF)	287,684	\$ 2.011	\$ 578,532	\$ 2.141	615,930
Total	14,333,538		30,182,742		\$ 32,136,726
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,862,881	\$ 1.08891	\$ 15,095,471	\$ 1.15930	\$ 16,071,182
	10,369.43	1,455.77		1,549.86	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 17.97	431
1"	10	20.00	\$ 800	21.29	852
1.5"	3	24.62	\$ 295	26.21	315
2"	31	36.57	\$ 4,535	38.93	4,827
4"	302	156.72	\$ 189,318	166.85	201,555
6"	1,220	253.42	\$ 1,236,690	269.80	1,316,624
8"	229	380.78	\$ 348,794	405.39	371,337
10"	4	526.08	\$ 8,417	560.08	8,961
12"	14	700.38	\$ 39,221	745.65	41,756
16"	1	1,149.93	\$ 4,600	1,224.26	4,897
Total	1,820		\$ 1,833,075		\$ 1,951,555
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 309.87	\$ 1,884,629
Miscellaneous Revenue			1,777,137		1,777,137
<b>Total Revenue</b>			\$ 55,657,932		\$ 59,144,411
<b>Revenue Requirement</b>			\$ 59,140,521		\$ 59,140,521
<b>Difference</b>			\$ (3,482,589)		\$ 3,889

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

	Annual Water Bill (1)			
	Current Rates	Proposed Rate	Dollar Increase	Percent Increase
<b>Residential</b>				
100 Ccf w/ 5/8 meter				
Customer Charge	\$ 62.92	\$ 67.00	\$ 4.08	
Consumption	213.40	227.20	13.80	
Total 100 Ccf	\$ 276.32	\$ 294.20	\$ 17.88	6.47%
<b>Commercial</b>				
2,000 Ccf w/ 2in meter				
Customer Charge	\$ 184.92	\$ 196.92	\$ 12.00	
Consumption	4,098.00	4,364.00	266.00	
Total 2000 Ccf	\$ 4,282.92	\$ 4,560.92	\$ 278.00	6.49%
<b>Industrial</b>				
10,000 Ccf w/ 6in. meter				
Customer Charge	\$ 885.36	\$ 942.60	\$ 57.24	
Consumption	20,110.00	21,410.00	1,300.00	
Total 10,000 Ccf	\$ 20,995.36	\$ 22,352.60	\$ 1,357.24	6.46%
<b>Industrial (Large)</b>				
50,000 Ccf w/ 10in. meter				
Customer Charge	\$ 1,475.64	\$ 1,571.04	\$ 95.40	
Consumption	100,550.00	107,050.00	6,500.00	
Total 50,000 Ccf	\$ 102,025.64	\$ 108,621.04	\$ 6,595.40	6.46%
<b>Wholesale</b>				
400,000 Ccf	\$ 435,565.20	\$ 463,718.40	\$ 28,153.20	6.46%
2,500,000 Ccf	\$ 2,722,282.50	\$ 2,898,240.00	\$ 175,957.50	6.46%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
Calculation of Rate Year Sales Volumes  
Rate Year Ending December 31, 2010  
(Volumes in HCF)

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Four Year Average	Two Year AVG. (08,09)	Original PWSB Rate Year	DR3-3 Adjustments	DR3-3 Rate Year
<b>Retail</b>											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,697,131	10,192,807	(495,677)	9,697,131
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-9.73%	17.62%	-10.40%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,348,724	4,060,451	288,273	4,348,724
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	287,684	377,235	(99,552)	287,684
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,333,538	14,630,493	(296,956)	14,333,538
<b>Wholesale</b>											
East Providence	2,947,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,103,753	2,285,799	(182,047)	2,103,753
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	333,468	338,393	333,468	4,925	338,393
Greenville	428,017	470,107	483,676	483,730	532,126	459,960	492,410	496,043	492,410	3,633	496,043
Kent County	3,957,756	3,915,227	3,806,377	3,699,225	3,249,131	2,663,178	3,667,490	2,956,155	3,667,490	(711,336)	2,956,155
Smithfield	425,587	434,665	421,925	424,238	490,053	454,602	442,720	472,328	442,720	29,607	472,328
Warwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,394,640	4,746,767	4,394,640	362,127	4,746,767
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,096,202	1,142,349	(46,147)	1,096,202
Johnston (1)	220,728	292,296	390,134	346,377	392,166	302,765	355,243	347,466	355,243	(7,778)	347,466
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,305,777	1,311,632	(5,855)	1,305,777
Narr. Bay Comm (3)	-	-	84,978	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,089,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,862,881	14,415,751	(562,870)	13,862,881
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,196,419</b>	<b>29,046,244</b>	<b>(849,825)</b>	<b>28,196,419</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project

**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

- Com 3-4      Please provide a copy of the Settlement schedules using the three-year consumption average (FY 2008 and FY 2009) as the rate year consumption and a five percent (5.0%) operating revenue allowance.
- A.      Please see attached for a two-year average for FY 2008 and FY 2009.

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
Present and Proposed Rates  
Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB Original Filing	DR 3-4 Adjustments	DR 3-4 Rate Year at Present Rates	Increase from Present Rates	DR 3-4 Rate Year at Proposed Rates
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,934	\$ (647,192)	\$ 30,182,742	\$ 2,575,386	\$ 32,758,128
Wholesale Water Sales	15,697,498	\$ (602,027)	15,095,471	1,287,834	16,383,305
Retail Service Charges	4,999,279	\$ -	4,999,279	425,831	5,425,110
Private Fire Protection	1,833,075	\$ -	1,833,075	156,380	1,989,455
Public Fire Protection	1,770,227	\$ -	1,770,227	151,016	1,921,243
Miscellaneous	1,777,137	\$ -	1,777,137	-	1,777,137
<b>Total Revenue</b>	<b>\$ 56,907,150</b>	<b>\$ (1,249,218)</b>	<b>\$ 55,657,932</b>	<b>\$ 4,596,447</b>	<b>\$ 60,254,378</b>
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,088)	1,777,062	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
<b>Net Operations</b>	<b>\$ 39,461,381</b>	<b>\$ (2,103,707)</b>	<b>\$ 37,357,674</b>	<b>\$ -</b>	<b>\$ 37,357,674</b>
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
<b>Net Restricted</b>	<b>\$ 20,112,069</b>	<b>\$ -</b>	<b>\$ 20,112,069</b>	<b>\$ -</b>	<b>\$ 20,112,069</b>
<b>Total Expenses</b>	<b>\$ 59,573,450</b>	<b>\$ (2,103,707)</b>	<b>\$ 57,469,743</b>	<b>\$ -</b>	<b>\$ 57,469,743</b>
Operating Reserve	2,888,816	(105,185)	2,784,630	-	2,784,630
<b>Total Cost of Service</b>	<b>\$ 62,463,266</b>	<b>\$ (2,208,892)</b>	<b>\$ 60,254,373</b>	<b>\$ -</b>	<b>\$ 60,254,373</b>
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 959,674	\$ (4,596,441)	\$ 4,596,447	\$ 5
					Percent Increase in Total Revenue 8.26%
					Percent Increase in Rate Revenue 8.531%

PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-4-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-4-4
Insurance Expense	(367,088)	Schedule HJS DR 3-4-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-4-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-4-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-4-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-4-9
Operating Reserve	(105,185)	See Note (1)
Total Settlement Adjustments	<u>\$ (2,208,892)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount per PWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	2,726,971	61.333	2,788,304	2,788,304	-
Total	\$ 7,838,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					(161,396)
Total Adjustment to Benefits Expense					\$ (502,543)

Notes:  
 (1) Per Schedule HJS-8.



PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	<u>FY2008 (1)</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Rate Year Expense</u>
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	4,755	4,755	4,755	4,755
Total Insurance Expense	\$ 1,953,380	\$ 1,846,060	\$ 1,777,092	\$ 1,777,092
Amount per PWSB Filing (3)				<u>2,144,180</u>
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used IME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ (365,689)

Notes:

(1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

- (1) Per Schedule HJS-9.
- (2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

(1) Per Schedule HJS-6

(2) Per testimony of Harold J. Smith.

PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 30,182,742
Wholesale Water Sales	15,095,471
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	<u>1,770,227</u>
Total Service Revenue	\$ 53,880,795
 Revenue Deficiency per Settlement	 <u>\$ 4,596,441</u>
 Uniform Percentage Increase	 <u><u>8.531%</u></u>

Note:

(1) Per Schedule HJS DR 3-4-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 17.07	\$ 3,619,318
3/4"	10,265	16.70	\$ 685,702	18.12	744,007
1"	5,046	19.60	\$ 395,606	21.27	429,314
1.5"	1,479	23.47	\$ 138,849	25.47	150,681
2"	1,684	34.11	\$ 229,765	37.02	249,367
3"	83	112.49	\$ 37,347	122.09	40,534
4"	34	141.51	\$ 19,245	153.58	20,887
6"	69	209.25	\$ 57,753	227.10	62,680
8"	36	286.65	\$ 41,278	311.10	44,798
10"	2	356.80	\$ 2,854	387.24	3,098
12"	6	426.95	\$ 10,247	463.37	11,121
Total	71,711		\$ 4,953,846		\$ 5,375,804
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 10.07	\$ -
3/4"	-	9.60	\$ -	10.42	-
1"	-	10.57	\$ -	11.47	-
1.5"	2	11.86	\$ 285	12.87	309
2"	34	15.41	\$ 6,287	16.72	6,822
3"	11	41.53	\$ 5,482	45.07	5,949
4"	8	51.21	\$ 4,916	55.58	5,336
6"	20	73.78	\$ 17,707	80.07	19,217
8"	9	99.59	\$ 10,756	108.09	11,674
10"	-	122.97	\$ -	133.46	-
12"	-	146.35	\$ -	158.83	-
Total	84		\$ 45,433		\$ 49,306
Total Service Charge Revenue			\$ 4,999,279		\$ 5,425,110
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,697,131	\$ 2.134	\$ 20,693,676	\$ 2.316	22,458,554
Commercial (HCF)	4,348,724	\$ 2.049	\$ 8,910,534	\$ 2.224	9,671,561
Industrial (HCF)	287,684	\$ 2.011	\$ 578,532	\$ 2.183	628,013
Total	14,333,538		\$ 30,182,742		\$ 32,758,128
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,862,881	\$ 1.08891	\$ 15,095,471	\$ 1.18181	\$ 16,383,305
	10,369.43	1,455.77		1,579.96	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 18.32	440
1"	10	20.00	\$ 800	21.71	868
1.5"	3	24.62	\$ 295	26.72	321
2"	31	36.57	\$ 4,535	39.69	4,922
4"	302	156.72	\$ 189,318	170.09	205,469
6"	1,220	253.42	\$ 1,236,690	275.04	1,342,195
8"	229	380.78	\$ 348,794	413.26	378,546
10"	4	526.08	\$ 8,417	570.96	9,135
12"	14	700.38	\$ 39,221	760.13	42,567
16"	1	1,149.93	\$ 4,600	1,248.03	4,992
Total	1,820		\$ 1,833,075		\$ 1,989,455
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 315.89	\$ 1,921,243
Miscellaneous Revenue			1,777,137		1,777,137
Total Revenue			\$ 55,657,932		\$ 60,254,378
Revenue Requirement			\$ 60,254,373		\$ 60,254,373
Difference			\$ (4,596,441)		\$ 5



PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

	Annual Water Bill (1)			
	Current Rates	Proposed Rate	Dollar Increase	Percent Increase
<b>Residential</b>				
100 Ccf w/ 5/8 meter				
Customer Charge	\$ 62.92	\$ 68.28	\$ 5.36	
Consumption	213.40	231.60	18.20	
Total 100 Ccf	\$ 276.32	\$ 299.88	\$ 23.56	8.53%
<b>Commercial</b>				
2,000 Ccf w/ 2in meter				
Customer Charge	\$ 184.92	\$ 200.64	\$ 15.72	
Consumption	4,098.00	4,448.00	350.00	
Total 2000 Ccf	\$ 4,282.92	\$ 4,648.64	\$ 365.72	8.54%
<b>Industrial</b>				
10,000 Ccf w/ 6in. meter				
Customer Charge	\$ 885.36	\$ 960.84	\$ 75.48	
Consumption	20,110.00	21,830.00	1,720.00	
Total 10,000 Ccf	\$ 20,995.36	\$ 22,790.84	\$ 1,795.48	8.55%
<b>Industrial (Large)</b>				
50,000 Ccf w/ 10in. meter				
Customer Charge	\$ 1,475.64	\$ 1,601.52	\$ 125.88	
Consumption	100,550.00	109,150.00	8,600.00	
Total 50,000 Ccf	\$ 102,025.64	\$ 110,751.52	\$ 8,725.88	8.55%
<b>Wholesale</b>				
400,000 Ccf	\$ 435,565.20	\$ 472,724.40	\$ 37,159.20	8.53%
2,500,000 Ccf	\$ 2,722,282.50	\$ 2,954,527.50	\$ 232,245.00	8.53%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
Calculation of Rate Year Sales Volumes  
Rate Year Ending December 31, 2010  
(Volumes in HCF)

	FY 2004	FY2005	FY2006	FY 2007	FY 2008	FY 2009	Four Year Average	Two Year AVG. (08,09)	Original PWSB Rate Year	DR3-4 Adjustments	DR3-4 Rate Year
<b>Retail</b>											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,697,131	10,192,807	(495,677)	9,697,131
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-9.73%	17.62%	-10.40%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,348,724	4,060,451	288,273	4,348,724
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	287,684	377,235	(89,552)	287,684
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,333,538	14,630,493	(296,956)	14,333,538
<b>Wholesale</b>											
East Providence	2,347,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,103,753	2,285,799	(182,047)	2,103,753
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	333,468	338,393	333,468	4,925	338,393
Greenville	428,017	470,107	483,676	483,790	532,126	459,960	492,410	496,043	492,410	3,633	496,043
Kent County	3,857,756	3,915,227	3,806,377	3,699,225	3,249,131	2,663,178	3,667,490	2,956,155	3,667,490	(711,336)	2,956,155
Smithfield	425,587	434,665	421,925	424,238	490,053	484,602	442,720	472,328	442,720	29,607	472,328
Warwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,384,640	4,746,767	4,384,640	362,127	4,746,767
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,096,202	1,142,349	(46,147)	1,096,202
Johnston (1)	220,728	292,296	390,134	346,377	392,166	302,765	355,243	347,466	355,243	(7,778)	347,466
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,305,777	1,311,632	(5,855)	1,305,777
Narr. Bay Comm (3)	-	-	84,978	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,099,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,862,881	14,415,751	(552,870)	13,862,881
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,196,419</b>	<b>29,046,244</b>	<b>(849,825)</b>	<b>28,196,419</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project

**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

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- Com 3-5      Please provide a copy of the Settlement schedules using the most recent consumption (FY 2009) as the rate year consumption and a three percent (3.0%) operating revenue allowance in lieu of five percent (5.0%).
- A.            Please see attached.

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
Present and Proposed Rates  
Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB Original Filing	DR 3-5 Adjustments	DR 3-5 Rate Year at Present Rates	Increase from Present Rates	DR 3-5 Rate Year at Proposed Rates
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,934	\$ (1,294,383)	\$ 29,535,551	\$ 2,725,931	\$ 32,261,482
Wholesale Water Sales	15,697,498	\$ (1,315,448)	14,382,050	1,326,345	15,708,395
Retail Service Charges	4,999,279	-	4,999,279	460,949	5,460,228
Private Fire Protection	1,833,075	-	1,833,075	169,036	2,002,111
Public Fire Protection	1,770,227	-	1,770,227	163,241	1,933,468
Miscellaneous	1,777,137	-	1,777,137	-	1,777,137
<b>Total Revenue</b>	<b>\$ 56,907,150</b>	<b>\$ (2,609,831)</b>	<b>\$ 54,297,319</b>	<b>\$ 4,845,502</b>	<b>\$ 59,142,822</b>
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,088)	1,777,062	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
<b>Net Operations</b>	<b>\$ 39,461,381</b>	<b>\$ (2,103,707)</b>	<b>\$ 37,357,674</b>	<b>\$ -</b>	<b>\$ 37,357,674</b>
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
<b>Net Restricted</b>	<b>\$ 20,112,069</b>	<b>\$ -</b>	<b>\$ 20,112,069</b>	<b>\$ -</b>	<b>\$ 20,112,069</b>
<b>Total Expenses</b>	<b>\$ 59,573,450</b>	<b>\$ (2,103,707)</b>	<b>\$ 57,469,743</b>	<b>\$ -</b>	<b>\$ 57,469,743</b>
Operating Reserve	2,889,816	(1,219,037)	1,670,778	-	1,670,778
<b>Total Cost of Service</b>	<b>\$ 62,463,266</b>	<b>\$ (3,322,745)</b>	<b>\$ 59,140,521</b>	<b>\$ -</b>	<b>\$ 59,140,521</b>
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 712,914	\$ (4,843,202)	\$ 4,845,502	\$ 2,300
					Percent Increase in Total Revenue 8.92%
					Percent Increase in Rate Revenue 9.222%

PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-5-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-5-4
Insurance Expense	(367,088)	Schedule HJS DR 3-5-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-5-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-5-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-5-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-5-9
Operating Reserve	(1,219,037)	See Note (1)
Total Settlement Adjustments	<u>\$ (3,322,745)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount per PWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	2,726,971	61.333	2,788,304	2,788,304	-
Total	\$ 7,838,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					(161,396)
Total Adjustment to Benefits Expense					\$ (502,543)

Notes:  
 (1) Per Schedule HJS-8.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	<u>FY2008 (1)</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Rate Year Expense</u>
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	<u>4,755</u>	<u>4,755</u>	<u>4,755</u>	<u>4,755</u>
Total Insurance Expense	\$ 1,953,380	\$ 1,846,060	\$ 1,777,092	\$ 1,777,092
Amount per PWSB Filing (3)				<u>2,144,180</u>
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.



PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used TME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ (365,689)

Notes:

(1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

(1) Per Schedule HJS-9.

(2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

- (1) Per Schedule HJS-6
- (2) Per testimony of Harold J. Smith.

PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 29,535,551
Wholesale Water Sales	14,382,050
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	1,770,227
Total Service Revenue	<u>\$ 52,520,182</u>
Revenue Deficiency per Settlement	<u>\$ 4,843,202</u>
Uniform Percentage Increase	<u><u>9.222%</u></u>

Note:

(1) Per Schedule HJS DR 3-5-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 17.18	\$ 3,642,641
3/4"	10,265	16.70	\$ 685,702	18.24	748,934
1"	5,046	19.60	\$ 395,606	21.41	432,139
1.5"	1,479	23.47	\$ 138,849	25.63	151,627
2"	1,684	34.11	\$ 229,765	37.26	250,983
3"	83	112.49	\$ 37,347	122.86	40,790
4"	34	141.51	\$ 19,245	154.56	21,020
6"	69	209.25	\$ 57,753	228.55	63,080
8"	36	286.65	\$ 41,278	313.08	45,084
10"	2	356.80	\$ 2,854	389.70	3,118
12"	6	426.95	\$ 10,247	466.32	11,192
Total	71,711		\$ 4,953,846		\$ 5,410,608
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 10.14	\$ -
3/4"	-	9.60	\$ -	10.49	-
1"	-	10.57	\$ -	11.54	-
1.5"	2	11.86	\$ 285	12.95	311
2"	34	15.41	\$ 6,287	16.83	6,867
3"	11	41.53	\$ 5,482	45.36	5,988
4"	8	51.21	\$ 4,916	55.93	5,369
6"	20	73.78	\$ 17,707	80.58	19,339
8"	9	99.59	\$ 10,756	108.77	11,747
10"	-	122.97	\$ -	134.31	-
12"	-	146.35	\$ -	159.85	-
Total	84		\$ 45,433		\$ 49,621
Total Service Charge Revenue			\$ 4,999,279		\$ 5,460,228
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,201,454	\$ 2.134	\$ 19,635,903	\$ 2.331	21,448,589
Commercial (HCF)	4,636,996	\$ 2.049	\$ 9,501,205	\$ 2.238	10,377,597
Industrial (HCF)	198,132	\$ 2.011	\$ 398,443	\$ 2.197	435,296
Total	14,036,582		29,535,551		\$ 32,261,482
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,207,713	\$ 1.08891	\$ 14,382,050	\$ 1.18934	\$ 15,708,395
	9,879.37	1,455.77		1,590.02	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 18.44	443
1"	10	20.00	\$ 800	21.84	874
1.5"	3	24.62	\$ 295	26.89	323
2"	31	36.57	\$ 4,535	39.94	4,953
4"	302	156.72	\$ 189,318	171.17	206,773
6"	1,220	253.42	\$ 1,236,690	276.79	1,350,735
8"	229	380.78	\$ 348,794	415.89	380,955
10"	4	526.08	\$ 8,417	574.59	9,193
12"	14	700.38	\$ 39,221	764.97	42,838
16"	1	1,149.93	\$ 4,600	1,255.97	5,024
Total	1,820		\$ 1,833,075		\$ 2,002,111
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 317.90	\$ 1,933,468
Miscellaneous Revenue			1,777,137		1,777,137
Total Revenue			\$ 54,297,320		\$ 59,142,822
Revenue Requirement			\$ 59,140,521		\$ 59,140,521
Difference			\$ (4,843,201)		\$ 2,300

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

	Annual Water Bill (1)				Percent Increase
	Current Rates	Proposed Rate	Dollar Increase		
<b>Residential</b>					
100 Ccf w/ 5/8 meter					
Customer Charge	\$ 62.92	\$ 68.72	\$ 5.80		
Consumption	213.40	233.10	19.70		
<b>Total 100 Ccf</b>	<b>\$ 276.32</b>	<b>\$ 301.82</b>	<b>\$ 25.50</b>		<b>9.23%</b>
<b>Commercial</b>					
2,000 Ccf w/ 2in meter					
Customer Charge	\$ 184.92	\$ 201.96	\$ 17.04		
Consumption	4,098.00	4,476.00	378.00		
<b>Total 2000 Ccf</b>	<b>\$ 4,282.92</b>	<b>\$ 4,677.96</b>	<b>\$ 395.04</b>		<b>9.22%</b>
<b>Industrial</b>					
10,000 Ccf w/ 6in. meter					
Customer Charge	\$ 885.36	\$ 966.96	\$ 81.60		
Consumption	20,110.00	21,970.00	1,860.00		
<b>Total 10,000 Ccf</b>	<b>\$ 20,995.36</b>	<b>\$ 22,936.96</b>	<b>\$ 1,941.60</b>		<b>9.25%</b>
<b>Industrial (Large)</b>					
50,000 Ccf w/ 10in. meter					
Customer Charge	\$ 1,475.64	\$ 1,611.72	\$ 136.08		
Consumption	100,550.00	109,850.00	9,300.00		
<b>Total 50,000 Ccf</b>	<b>\$ 102,025.64</b>	<b>\$ 111,461.72</b>	<b>\$ 9,436.08</b>		<b>9.25%</b>
	<b>Current Rates</b>	<b>Proposed Rate</b>	<b>Dollar Increase</b>		<b>Percent Increase</b>
<b>Wholesale</b>					
400,000 Ccf	\$ 435,565.20	\$ 475,734.00	\$ 40,168.80		9.22%
2,500,000 Ccf	\$ 2,722,282.50	\$ 2,973,337.50	\$ 251,055.00		9.22%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
Calculation of Rate Year Sales Volumes  
Rate Year Ending December 31, 2010  
(Volumes in HCF)

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Four Year Average	Two Year AVG. (08,09)	Original PWSB Rate Year	DR3-5 Adjustments	DR3-5 Rate Year
<b>Retail</b>											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,697,131	10,192,807	(991,353)	9,201,454
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-9.73%	17.62%	-10.40%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,348,724	4,060,451	576,545	4,636,996
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	287,684	377,235	(179,103)	198,132
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,333,538	14,630,493	(593,911)	14,036,582
<b>Wholesale</b>											
East Providence	2,347,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,103,753	2,285,799	(251,208)	2,034,591
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	333,468	338,393	333,468	(15,466)	318,002
Greenville	428,017	470,107	483,676	483,730	532,126	459,960	492,410	496,043	492,410	(32,450)	459,960
Kent County	3,857,756	3,915,227	3,806,377	3,689,225	3,249,131	2,663,178	3,667,490	2,956,155	3,667,490	(1,004,312)	2,663,178
Smithfield	425,587	434,665	421,925	424,238	490,053	454,602	442,720	472,328	442,720	11,882	454,602
Warwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,384,640	4,746,767	4,384,640	289,614	4,674,254
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,096,202	1,142,349	(125,694)	1,016,655
Johnston (1)	220,728	292,296	390,134	346,377	392,166	302,765	355,243	347,466	355,243	(52,478)	302,765
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,305,777	1,311,632	(27,926)	1,283,706
Narr. Bay Comm (3)	-	-	84,378	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,099,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,862,881	14,415,751	(1,208,038)	13,207,713
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,196,419</b>	<b>29,046,244</b>	<b>(1,807,949)</b>	<b>27,244,295</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project



**PROVIDENCE WATER Docket No. 4061**  
**Commission Data Requests Set III**

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Com 3-6 Please provide a copy of the Settlement schedules using the most recent consumption (FY 2009) as the rate year consumption and a five percent (5.0%) operating revenue allowance.

A. Please see attached.

PROVIDENCE WATER SUPPLY BOARD

Summary of Revenues and Expenses at  
Present and Proposed Rates  
Rate Year Ended December 31, 2010

	Rate Year Amount Per PWSB Original Filing	DR 3-6 Adjustments	DR 3-6 Rate Year at Present Rates	Increase from Present Rates	DR 3-6 Rate Year at Proposed Rates
<b>Revenue</b>					
Retail Water Sales	\$ 30,829,934	\$ (1,294,383)	\$ 29,535,551	\$ 3,352,544	\$ 32,888,095
Wholesale Water Sales	15,697,498	\$ (1,315,448)	14,382,050	1,631,324	16,013,375
Retail Service Charges	4,999,279	\$ -	4,999,279	565,918	5,565,197
Private Fire Protection	1,833,075	\$ -	1,833,075	207,902	2,040,977
Public Fire Protection	1,770,227	\$ -	1,770,227	200,767	1,970,994
Miscellaneous	1,777,137	\$ -	1,777,137	-	1,777,137
Total Revenue	\$ 56,907,150	\$ (2,609,831)	\$ 54,297,319	\$ 5,958,455	\$ 60,255,774
<b>Expenses</b>					
Operation & Maintenance	27,804,463	(607,968)	27,196,495	-	27,196,495
Insurance	2,144,150	(367,068)	1,777,082	-	1,777,062
Chemical & Sludge	2,874,631	(415,689)	2,458,942	-	2,458,942
City Service Expense	839,167	-	839,167	-	839,167
Property Taxes	6,779,095	(694,933)	6,084,162	-	6,084,162
Capital Reimbursement	(980,125)	(18,029)	(998,154)	-	(998,154)
Net Operations	\$ 39,461,381	\$ (2,103,707)	\$ 37,357,674	\$ -	\$ 37,357,674
Capital Improvements	2,450,000	-	2,450,000	-	2,450,000
Western Cranston Fund	62,069	-	62,069	-	62,069
Infrastructure Replacement	16,000,000	-	16,000,000	-	16,000,000
Meter Replacement	1,000,000	-	1,000,000	-	1,000,000
Equipment Replacement	600,000	-	600,000	-	600,000
Net Restricted	\$ 20,112,069	\$ -	\$ 20,112,069	\$ -	\$ 20,112,069
Total Expenses	\$ 59,573,450	\$ (2,103,707)	\$ 57,469,743	\$ -	\$ 57,469,743
Operating Reserve	2,889,816	(105,185)	2,784,630	-	2,784,630
Total Cost of Service	\$ 62,463,266	\$ (2,208,892)	\$ 60,254,373	\$ -	\$ 60,254,373
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ (400,938)	\$ (5,957,054)	\$ 5,958,455	\$ 1,401
					Percent Increase in Total Revenue 10.97%
					Percent Increase in Rate Revenue 11.342%

PROVIDENCE WATER SUPPLY BOARD

Summary of Settlement Adjustments to  
Rate Year Revenues and Expenses at Present Rates  
Rate Year Ended December 31, 2010

<u>Description</u>	<u>Amount</u>	<u>Source</u>
Benefits Expense	(502,543)	Schedule HJS DR 3-6-3
Capital Reimbursement	(18,029)	Schedule HJS DR 3-6-4
Insurance Expense	(367,088)	Schedule HJS DR 3-6-5
Chemicals Expense	(365,689)	Schedule HJS DR 3-6-6
Sludge Maintenance	(50,000)	Schedule HJS DR 3-6-7
Rate Case Expense	(105,425)	Schedule HJS DR 3-6-8
Property Tax Expense	(694,933)	Schedule HJS DR 3-6-9
Operating Reserve	(105,185)	See Note (1)
Total Settlement Adjustments	<u>\$ (2,208,892)</u>	

Note:

(1) Based on 5.0% of total expenses net of miscellaneous revenue.  
Adjustment due to decrease in other expenses.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Pension and Benefits Expense  
 Rate Year Ended December 31, 2010

Benefit Description	Test Year FY 2008 (1)	Adjustment	Pro-Forma Amount	Amount per PWSB Original Filing (1)	Adjustment
1033 Union Combined Benefits	\$ 532,995	9.68%	\$ 584,575	\$ 598,330	\$ (13,755)
Laborers International Pension	362,742	1.96%	369,855	382,302	(12,447)
Life Insurance Premium	1,845	9.68%	2,024	2,071	(47)
FICA (1)	953,638	3.0301%	982,534	982,534	-
1/2% Wage Assignment (1)	40,984	3.0301%	42,226	42,226	-
Blue Cross/United Health	2,078,214	16.08%	2,412,391	2,476,269	(63,878)
Delta Dental	224,371	8.89%	244,318	247,157	(2,839)
GASB 43/45 Reserve Required (1)	917,217	88.345	1,005,562	1,005,562	-
Reimburse City for Retired Health	-	-	-	248,180	(248,180)
City Retirement (1)	<u>2,726,971</u>	<u>61.333</u>	<u>2,788,304</u>	<u>2,788,304</u>	<u>-</u>
Total	\$ 7,898,977	\$ 149,678	\$ 8,431,788	\$ 8,772,935	\$ (341,147)
Plus Increase in Employee Co-Pays					<u>(161,396)</u>
Total Adjustment to Benefits Expense					<u>\$ (502,543)</u>

Notes:  
 (1) Per Schedule HJS-8.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Benefits Component of the  
Capital Reimbursement Offset to O&M  
Rate Year Ended December 31, 2010

Test Year Capitalized Benefits (1)	\$ (327,594)
Rate Year Percent Increase in Benefits Expense	<u>1.05503</u>
Capitalized Benefits in Rate Year	\$ (345,623)
Adjustment to Reflect Increase In Capitalized Benefits	<u>\$ (18,029)</u>

Notes:

(1) Per Schedule HJS-2, page 2.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Insurance Expense  
 Rate Year Ended December 31, 2010

	FY2008 (1)	FY 2009	FY 2010	Rate Year Expense
Property and Casualty	\$ 1,227,230	\$ 1,082,673	\$ 1,052,446	\$ 1,052,446
Workers Compensation	672,370	693,928	659,098	659,098
Old Workers Comp Claims	-	-	-	-
Injuries & Damages (4)	48,232	63,911	60,000	60,000
Safety Supplies & Other	793	793	793	793
Program Expense	4,755	4,755	4,755	4,755
<b>Total Insurance Expense</b>	<b>\$ 1,953,380</b>	<b>\$ 1,846,060</b>	<b>\$ 1,777,092</b>	<b>\$ 1,777,092</b>
Amount per PWWSB Filing (3)				<u>2,144,180</u>
Adjustment to Rate Year Expense				<u>\$ (367,088)</u>

Notes:

(1) Per Schedule HJS-7. The amount shown for Injuries & Damages has been adjusted to exclude prior year adjustments and to reflect actual claims paid.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Chemical Expense  
 Rate Year Ended December 31, 2010

Chemical	Quantity Used FY 2007 (1)	Quantity Used FY 2008 (1)	Quantity Used TME 12/31/08 (1)	3 year Average	Unit Price	Rate Year Expense
Ferric Sulfate (gallons)	835,383.00	738,505.00	722,327.00	738,505.00	\$ 1.320	\$ 974,827
Lime (tons)	1,674.57	1,702.05	1,619.04	1,665.22	\$ 208.45	\$ 347,114
Chlorine (tons)	152.66	146.42	159.75	152.94	\$ 850.00	\$ 130,003
Flouride (gallons)	99,008.00	99,100.00	96,884.00	98,330.67	\$ 3.156	\$ 310,332
Projected Cost Per Settlement						\$ 1,762,275
Amount per Providence Water (1)						\$ 2,127,964
Adjustment to Rate Year Expense						\$ (365,689)

Notes:

(1) Per Schedule HJS-10A.

PROVIDENCE WATER SUPPLY BOARD  
Adjustment to Sludge Maintenance Expense  
Rate Year Ended December 31, 2010

	<u>Amount per PWSB (1)</u>	<u>Amount per Settlement</u>	<u>Difference</u>
Year 1	\$520,000	\$520,000	\$ -
Year 2	520,000	520,000	-
Year 3	<u>1,200,000</u>	<u>1,050,000</u>	<u>(150,000)</u>
Total	\$ 2,240,000	\$ 2,090,000	\$ (150,000)
Average Annual Expense	746,667	696,667	<u>\$ (50,000)</u>

Notes:

(1) Per response to Div 2-3.



PROVIDENCE WATER SUPPLY BOARD

Adjustment to Rate Case Expense  
Rate Year Ended December 31, 2010

Rate Expense per Providence Water (1)	\$ 210,850
Rate Expense per Settlement (2)	<u>105,425</u>
Adjustment to Rate Year Expense	<u>\$ (105,425)</u>

Notes:

(1) Per Schedule HJS-9.

(2) Based on 2 year amortization period.

PROVIDENCE WATER SUPPLY BOARD

Adjustment to Property Tax Expense  
Rate Year Ended December 31, 2010

<u>Municipality</u>	<u>Adjustment to Rate Year Expense</u>
Scituate Property Taxes per PWSB (1)	\$ 5,969,094
Scituate Property Taxes after Settlement (2)	<u>5,274,161</u>
Adjustment to Property Taxes	<u>\$ (694,933)</u>

Notes:

(1) Per Schedule HJS-6

(2) Per testimony of Harold J. Smith.

PROVIDENCE WATER SUPPLY BOARD

Calculation of Uniform Percentage Increase  
Required to Recover Calculated Revenue Deficiency  
Rate Year Ended December 31, 2010

	<u>Amount (1)</u>
Revenue at Existing Rates	
Retail Water Sales	\$ 29,535,551
Wholesale Water Sales	14,382,050
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	1,770,227
Total Service Revenue	<u>\$ 52,520,182</u>
Revenue Deficiency per Settlement	<u>\$ 5,957,054</u>
Uniform Percentage Increase	<u><u>11.342%</u></u>

Note:

(1) Per Schedule HJS DR 3-6-1.

PROVIDENCE WATER SUPPLY BOARD

Development of Proposed Rates and  
 Proof of Revenue at Proposed Rates  
 Rate Year Ended December 31, 2010

Billing Unit	Units of Service	Current Rates	Revenues at Current Rates	Proposed Rates	Proposed Revenues
<b>Quarterly Service Charges</b>					
5/8"	53,007	\$ 15.73	\$ 3,335,200	\$ 17.51	\$ 3,712,610
3/4"	10,265	16.70	\$ 685,702	18.59	763,305
1"	5,046	19.60	\$ 395,606	21.82	440,415
1.5"	1,479	23.47	\$ 138,849	26.13	154,585
2"	1,684	34.11	\$ 229,765	37.98	255,833
3"	83	112.49	\$ 37,347	125.25	41,583
4"	34	141.51	\$ 19,245	157.56	21,428
6"	69	209.25	\$ 57,753	232.98	64,302
8"	36	286.65	\$ 41,278	319.16	45,959
10"	2	356.80	\$ 2,854	397.27	3,178
12"	6	426.95	\$ 10,247	475.38	11,409
Total	71,711		\$ 4,953,846		\$ 5,514,609
<b>Monthly Service Charges</b>					
5/8"	-	\$ 9.28	\$ -	\$ 10.33	\$ -
3/4"	-	9.60	\$ -	10.69	-
1"	-	10.57	\$ -	11.77	-
1.5"	2	11.86	\$ 285	13.21	317
2"	34	15.41	\$ 6,287	17.16	7,001
3"	11	41.53	\$ 5,482	46.24	6,104
4"	8	51.21	\$ 4,916	57.02	5,474
6"	20	73.78	\$ 17,707	82.15	19,716
8"	9	99.59	\$ 10,756	110.89	11,976
10"	-	122.97	\$ -	136.92	-
12"	-	146.35	\$ -	162.95	-
Total	84		\$ 45,433		\$ 50,588
Total Service Charge Revenue			\$ 4,999,279		\$ 5,565,197
<b>Retail Consumption Charges</b>					
Residential (HCF)	9,201,454	\$ 2.134	\$ 19,635,903	\$ 2.376	21,862,655
Commercial (HCF)	4,636,996	\$ 2.049	\$ 9,501,205	\$ 2.282	10,581,625
Industrial (HCF)	198,132	\$ 2.011	\$ 398,443	\$ 2.240	443,816
Total	14,036,582		29,535,551		\$ 32,888,095
<b>Wholesale Consumption Charges</b>					
Consumption (HCF)	13,207,713	\$ 1.08891	\$ 14,382,050	\$ 1.21243	\$ 16,013,375
	9,879.37	1,455.77		1,620.89	
<b>Private Fire Service Charges</b>					
3/4"	6	\$ 16.88	\$ 405	\$ 18.79	451
1"	10	20.00	\$ 800	22.27	891
1.5"	3	24.62	\$ 295	27.41	329
2"	31	36.57	\$ 4,535	40.72	5,049
4"	302	156.72	\$ 189,318	174.50	210,796
6"	1,220	253.42	\$ 1,236,690	282.16	1,376,941
8"	229	380.78	\$ 348,794	423.97	388,357
10"	4	526.08	\$ 8,417	585.75	9,372
12"	14	700.38	\$ 39,221	779.82	43,670
16"	1	1,149.93	\$ 4,600	1,280.36	5,121
Total	1,820		\$ 1,833,075		\$ 2,040,977
<b>Public Fire Service Charges</b>					
Hydrants	6,082	\$ 291.06	\$ 1,770,227	\$ 324.07	\$ 1,970,994
Miscellaneous Revenue			1,777,137		1,777,137
<b>Total Revenue</b>			\$ 54,297,320		\$ 60,255,774
<b>Revenue Requirement</b>			\$ 60,254,373		\$ 60,254,373
<b>Difference</b>			\$ (5,957,053)		\$ 1,401

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts  
 Rate Year Ended December 31, 2010

	Annual Water Bill (1)			
	Current Rates	Proposed Rate	Dollar Increase	Percent Increase
<b>Residential</b>				
100 Ccf w/ 5/8 meter				
Customer Charge	\$ 62.92	\$ 70.04	\$ 7.12	
Consumption	213.40	237.60	24.20	
Total 100 Ccf	\$ 276.32	\$ 307.64	\$ 31.32	11.33%
<b>Commercial</b>				
2,000 Ccf w/ 2in meter				
Customer Charge	\$ 184.92	\$ 205.92	\$ 21.00	
Consumption	4,098.00	4,564.00	466.00	
Total 2000 Ccf	\$ 4,282.92	\$ 4,769.92	\$ 487.00	11.37%
<b>Industrial</b>				
10,000 Ccf w/ 6in. meter				
Customer Charge	\$ 885.36	\$ 985.80	\$ 100.44	
Consumption	20,110.00	22,400.00	2,290.00	
Total 10,000 Ccf	\$ 20,995.36	\$ 23,385.80	\$ 2,390.44	11.39%
<b>Industrial (Large)</b>				
50,000 Ccf w/ 10in. meter				
Customer Charge	\$ 1,475.64	\$ 1,643.04	\$ 167.40	
Consumption	100,550.00	112,000.00	11,450.00	
Total 50,000 Ccf	\$ 102,025.64	\$ 113,643.04	\$ 11,617.40	11.39%
<b>Wholesale</b>				
400,000 Ccf	\$ 435,565.20	\$ 484,970.40	\$ 49,405.20	11.34%
2,500,000 Ccf	\$ 2,722,282.50	\$ 3,031,065.00	\$ 308,782.50	11.34%

(1) Assumes quarterly billing for Residential and monthly billing for Commercial, Industrial and Wholesale.

PROVIDENCE WATER SUPPLY BOARD  
Calculation of Rate Year Sales Volumes  
Rate Year Ending December 31, 2010  
(Volumes in HCF)

	FY 2004	FY2005	FY2006	FY 2007	FY 2008	FY 2009	Four Year Average	Two Year AVG. (08,09)	Original PWSB Rate Year	DR3-6 Adjustments	DR3-6 Rate Year
Retail											
Residential	12,030,853	11,242,268	11,277,137	10,579,927	10,192,807	9,201,454	10,823,035	9,697,131	10,192,807	(991,353)	9,201,454
% Change from previous		-6.55%	0.31%	-6.18%	-3.66%	-8.73%	17.62%	-10.40%			
Commercial	2,356,680	2,956,479	3,889,047	3,930,747	4,060,451	4,636,996	3,709,181	4,348,724	4,060,451	576,545	4,636,996
Industrial	877,656	1,050,937	1,091,953	828,155	377,235	198,132	837,070	287,684	377,235	(179,103)	198,132
Sub-total Retail	15,265,189	15,249,684	16,258,137	15,338,829	14,630,493	14,036,582	15,369,286	14,333,538	14,630,493	(593,911)	14,036,582
Wholesale											
East Providence	2,347,620	2,414,642	2,336,430	2,219,211	2,172,914	2,034,591	2,285,799	2,103,753	2,285,799	(251,208)	2,034,591
East Smithfield	349,221	347,134	316,751	311,203	358,783	318,002	333,468	338,393	333,468	(15,466)	318,002
Greenville	428,017	470,107	483,676	483,730	532,126	459,960	492,410	496,043	492,410	(32,450)	459,960
Kent County	3,857,756	3,915,227	3,806,377	3,699,225	3,249,131	2,663,178	3,667,490	2,956,155	3,667,490	(1,004,312)	2,663,178
Smithfield	425,587	434,665	421,925	424,238	490,053	454,602	442,720	472,328	442,720	11,862	454,602
Warwick	4,292,842	4,313,222	4,357,620	4,048,439	4,819,279	4,674,254	4,384,640	4,746,767	4,384,640	289,614	4,674,254
Lincoln	1,027,574	1,108,820	1,150,294	1,134,532	1,175,749	1,016,655	1,142,349	1,096,202	1,142,349	(125,694)	1,016,655
Johnston (1)	220,728	292,296	350,134	346,377	392,166	302,765	355,243	347,466	355,243	(52,478)	302,765
Bristol County (2)	1,942,031	1,803,583	1,633,316	1,295,416	1,327,848	1,283,706	1,311,632	1,305,777	1,311,632	(27,926)	1,283,706
Narr. Bay Comm (3)	-	-	84,978	-	-	-	21,245	-	-	-	-
Sub-total Wholesale	14,891,376	15,099,696	14,981,501	13,962,371	14,518,049	13,207,713	14,436,996	13,862,881	14,415,751	(1,208,038)	13,207,713
<b>Grand Total</b>	<b>30,156,565</b>	<b>30,349,380</b>	<b>31,239,638</b>	<b>29,301,200</b>	<b>29,148,542</b>	<b>27,244,295</b>	<b>29,806,281</b>	<b>28,196,419</b>	<b>29,046,244</b>	<b>(1,801,949)</b>	<b>27,244,295</b>

Note:

- (1) FY 2002 through FY 2006 adjusted to reflect under-registering meter (Docket 3832)
- (2) Two year average
- (3) Adjustment to remove temporary consumption for CSO project