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January 27, 2010

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

Re: Providence Water Supply Board – Docket No. 4061 – Motion to Reopen

Dear Luly:

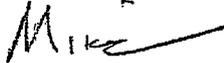
Enclosed for filing in this matter are an original and nine copies of the following:

1. Providence Water's Motion to Reopen Proceedings to utilize CY2009 Consumptions to Establish Revised Tariffs
2. Testimony of Jeanne Bondarevskis in support of Providence Water's Motion.

If it is necessary to publish a notice in the newspaper and you would like me to draft an appropriate notice, please let me know.

If you could expedite this motion, it would be appreciated.

Very truly yours,


Michael R. McElroy

MRMc: tmg
cc: Service List

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: PROVIDENCE WATER SUPPLY BOARD :
ABBREVIATED APPLICATION : Docket No. 4061
FOR GENERAL RATE RELIEF :

PROVIDENCE WATER'S MOTION TO REOPEN PROCEEDINGS TO UTILIZE
CY2009 CONSUMPTIONS TO ESTABLISH REVISED TARIFFS

INTRODUCTION

Now comes Providence Water, by and through its undersigned counsel, and pursuant to Commission Rule 1.26, moves to reopen these proceedings. The purpose of this Motion is to seek Commission approval of the utilization of calendar year 2009 consumption figures to establish revised tariffs. Providence Water is not seeking to change the revenue requirement. Providence Water seeks to reopen due to (1) a material change in fact, which is the dramatic and continuing decline in consumption since the hearings were held in this matter on September 29, 2009, and (2) a material change of law which occurred on November 13, 2009, when the Legislature passed H5828, which created, among other things, R.I.G.L. § 46-15.8-1 et seq.

RULE 1.26

Commission Rule 1.26 provides in pertinent part as follows:

“1.26 REOPENING PROCEEDINGS

(a) By Parties.

(1) Except as provided in Rule 1.26(a)(3), at any time after the conclusion of a hearing in a proceeding, but before the issuance of the written order, any party to the proceeding may, for good cause shown, move to reopen the proceedings for the purpose of taking additional evidence. Copies of such motion shall be served upon all participants or their attorneys of record, and shall set forth clearly the facts claimed to constitute grounds requiring reopening of the proceedings, including

material changes of fact or of law alleged to have occurred since the conclusion of the hearing

* * *

(b) By the Commission. At any time prior to the issuance of its written order, after notice to the parties and opportunity to be heard, the Commission may reopen the proceeding for the receipt of further evidence.” (Emphasis added)

MATERIAL CHANGE IN FACT

The material change in fact is that since September 29, 2009, as shown by the testimony of Jeanne Bondarevskis, Providence Water has experienced dramatically reduced consumption as compared to the consumption figures utilized to set rates in this docket. In fact, as shown in Exhibit JB1 to the testimony of Ms. Bondarevskis, actual consumptions are as follows (in hcf):

FY08	29,148,394
CY08	28,306,770 (down 2.5%)
FY09	27,244,296 (down 6.2%)
CY09	25,760,032 (down 11.3%)

This is a clear and distressing downward trend. The consumption used to establish rates in this docket was 29,046,244. However, Providence Water’s actual consumption figure for the calendar year ending 2009 shows that consumption was only 25,760,032, a decrease of 11.3% from that used to set rates in this docket. The effect of this decline is that Providence Water is losing approximately 10% of its anticipated revenues (miscellaneous revenues are not affected). Because Providence Water’s revenue requirement has been set in this docket at \$60,262,498, this dramatic decline, if not corrected by revising the consumption figure used to set rates, will result in an annual loss of almost \$6 million to Providence Water.

MATERIAL CHANGE IN LAW

In addition, since the September 29, 2009 hearing, there has been a material change in law. On November 13, 2009, the General Assembly passed H5828. The law created a new chapter 46-15.8-1 et seq. entitled “Water Use and Efficiency Act.” The new R.I.G.L. § 46-15.8-5 provides in pertinent part as follows:

“46-15.8-5 Duties of state agencies. – In order to accomplish the purposes of this chapter:

* * *

(3) The public utilities commission shall assure, in accordance with provisions of chapter 39-15.1, that the rates of water suppliers subject to its jurisdiction are adequate to implement capital improvement plans, water supply system management plans, and demand management plans and to cover system costs when revenues decline as a result of decreased demand.” (Emphasis added).

In other words, the law now mandates that the Commission “shall assure” that Providence Water’s rates “are adequate . . . to cover system costs when revenues decline as a result of decreased demand.” (emphasis added). This law did not exist on September 29, 2009, which is the date of the hearing in this docket.

RELIEF REQUESTED

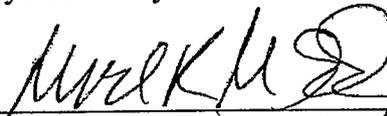
Accordingly, for the reasons set forth above, Providence Water respectfully request that the Commission expeditiously reopen Docket 4061 and authorize Providence Water to utilize calendar year 2009 consumptions to revise Providence Water’s tariffs. Again, we emphasize that Providence Water is not requesting an increase in the revenue requirement.

As shown by the testimony of Jeanne Bondarevskis, Providence Water also agrees that if for some reason more revenues than the agreed upon revenue requirement are realized by Providence Water, then the excess revenue will be placed in the restricted revenue reserve

fund and Providence Water will be required to seek Commission approval for disposition of the excess.

Providence Water has conferred with the Division regarding this Motion and the Division has informed Providence Water that it has no objection to Providence Water's request and it may file a memorandum or position statement.

Respectfully submitted,
PROVIDENCE WATER SUPPLY BOARD
By its attorney



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CERTIFICATE OF SERVICE

I hereby certify that on the 27 day of January, 2010, I sent a true copy of the foregoing to the attached service list.

Jessie Bondorskis

09Rate/Motion to Reopen

Docket No. 4061 - Providence Water Supply Board – Rate Application
Service List updated 8/6/09

Parties/Address	E-mail Distribution	Phone/Fax
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Christopher Woodcock Woodcock & Associates, Inc. 18 Increase Ward Drive Northborough, MA 01532	Woodcock@w-a.com	508-393-3337 508-393-9078
Timothy Brown, P.E. General Manager Chief Engineer Kent County Water Authority PO Box 192 West Warwick RI 02893-0192	tbrown@kentcountywater.org	401-821-9300 401-823-4810
File original and nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	lmassaro@puc.state.ri.us	401-780-2107
	cwilson@puc.state.ri.us	
	sccamara@puc.state.ri.us	

TESTIMONY
of
JEANNE BONDAREVSKIS
before the
PUBLIC UTILITIES COMMISSION
IN SUPPORT OF
PROVIDENCE WATER' S
MOTION TO RE-OPEN DOCKET 4061 TO
UTILIZE CY2009 CONSUMPTION TO
ESTABLISH REVISED TARIFFS

January 2010

Docket No. 4061

**PROVIDENCE WATER SUPPLY BOARD
TESTIMONY OF
JEANNE BONDAREVSKIS**

1 **Q. Please state your full name and title?**

2 A. Jeanne Bondarevskis, Director of Finance for the
3 Providence Water Supply Board (Providence Water).

4

5 **Q. How long have you been employed by Providence Water?**

6 A. I have been employed since March of 1987 or almost 23
7 years.

8

9 **Q. Would you please state your education, background and
10 professional associations?**

11 A. I have a Master's Degree in Business Administration from
12 Bryant College. I graduated Magna Cum Laude from
13 Providence College with a Bachelor of Science Degree,
14 majoring in Accounting.

15

16 I have worked for Providence Water since March of 1987.
17 Prior to becoming Director of Finance, I was responsible
18 for the Accounting area, the preparation of various
19 reports, assistance to outside consultants and/or
20 auditors, and I was Acting Director of Finance. I have
21 participated to some degree in all of Providence Water's
22 PUC and Division filings dating back to Docket 1900.

23

24 Since August of 1994, I have been a member of the New
25 England Water Works Association Program Committee. I
26 also am a member of the American Water Works Association
27 and New England Water Works Association. Since January
28 of 2002, I have been Treasurer of the Rhode Island Water
29 Works Association.

30

**PROVIDENCE WATER SUPPLY BOARD
TESTIMONY OF
JEANNE BONDAREVSKIS**

- 1 **Q. Please explain your duties and responsibilities.**
- 2 A. As Director of Finance I am responsible for Accounting
3 and Financial Planning.
4
- 5 **Q. What is the purpose of your testimony?**
- 6 A. To support Providence Water's request to re-open Docket
7 4061 to utilize CY 2009 consumption and to establish
8 revised rates due to material changes of fact and law
9 that have occurred since the hearing on September 29,
10 2009.
11
- 12 **Q. What is the material change of facts?**
- 13 A. Providence Water is experiencing dramatically reduced
14 consumption as compared to the consumption figures
15 previously utilized in setting rates for this docket.
16
- 17 **Q. Have you prepared a schedule?**
- 18 A. Yes. Please see Exhibit JB1 which shows the settlement
19 consumption that was used to set rates (29,046,244 hcf),
20 as compared to what the actual consumption was for FY08
21 (29,148,394), CY08 (28,306,770, down 2.5%), FY09
22 (27,244,296, down 6.2%), and CY09 (25,760,032, down
23 11.3%). This is an extreme downward trend in consumption
24 that has continued through December 2009. Please see
25 attached Exhibit JB2.
26
- 27 **Q. What is the material change in law?**
- 28 A. After the September 29, 2009 Commission hearing, the

**PROVIDENCE WATER SUPPLY BOARD
TESTIMONY OF
JEANNE BONDAREVSKIS**

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Q. What is the bottom line if this is done?

A. There would be a 9.911% uniform percentage increase in rates, but there would be no increase in the revenue requirement.

Q. What does Providence Water propose to do if actual revenue exceeds the revenue requirement?

A. Providence Water will place the excess revenue in the restricted Revenue Reserve Fund and will be required to obtain Commission approval to use the funds.

Q. Has the Providence Water Board approved this filing?

A. Yes.

Q. Have you summarized the material impact of this Motion and the requested change in rates and tariff sheets?

A. Yes. Please see attached Schedule A which summarizes the calculations and provides revised Tariff pages for the Commission.

Q. Does this conclude your testimony?

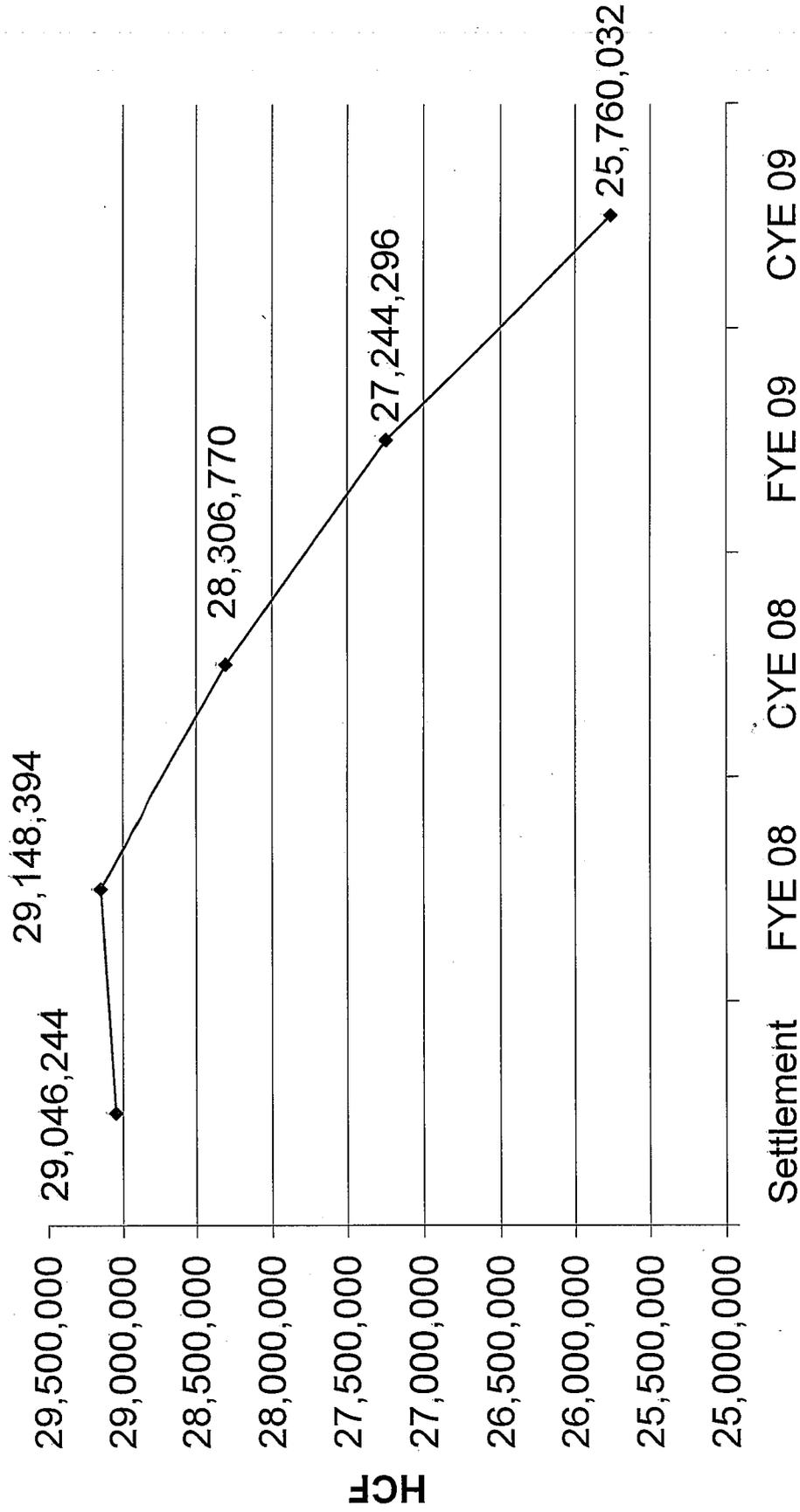
A. Yes.

**Providence Water
Water Sales (hcf)**

	Settlement <u>D4061</u>	<u>FYE 08</u>	Calendar <u>YE 08</u>	<u>FYE 09</u>	Calendar <u>YE 09</u>
Wholesale	14,415,751	14,517,901	14,034,520	13,207,713	12,450,200
Retail	<u>14,630,493</u>	<u>14,630,493</u>	<u>14,272,250</u>	<u>14,036,583</u>	<u>13,309,832</u>
Total Consumption	<u>29,046,244</u>	<u>29,148,394</u>	<u>28,306,770</u>	<u>27,244,296</u>	<u>25,760,032</u>
Change from Settlement		102,150	(739,474)	(1,801,948)	(3,286,212)
% change from Settlement		0.35%	-2.5%	-6.2%	-11.3%

Providence Water

Exhibit JB2



Water Sales

◆ Total Consumption

2009 -- H 5828 SUBSTITUTE A AS AMENDED

LC01040/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

A N A C T

RELATING TO WATERS AND NAVIGATION -- WATER CONSERVATION

Introduced By: Representatives Ferri, Walsh, McNamara, A Rice, and Handy

Date Introduced: February 26, 2009

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND
2 CARRIERS" is hereby amended by adding thereto the following chapter:

3 CHAPTER 15.1

4 WATER SUPPLIERS SUBJECT TO COMMISSION RATE REGULATION

5 39-15.1-1. Purposes. -- The purposes of this chapter are to:

6 (1) Augment current principles for setting the rates of public utilities that are water
7 suppliers that are subject to commission rate regulation in a manner that facilitates:

8 (i) Managing demand, especially seasonal demand;

9 (ii) Investing in infrastructure repair and replacement;

10 (iii) Recovering the full costs, including capital and operational, of water systems through
11 water system revenues; and

12 (iv) Establishing operating capital and debt service of sufficient size; and

13 (2) Provide an optional system for multi-year water rates that are adjustable in
14 accordance with an approved rate plan.

15 39-15.1-2. Definitions. -- For the purposes of this chapter, the following definitions shall
16 apply:

17 (1) "Commission" shall mean the public utilities commission established by chapter 39-1,
18 with all powers set forth in chapter 39-1, including, but not limited to, the powers set forth in
19 section 39-1-3 and 39-1-7, and in chapter 39-4, and subject to the provisions of chapter 39-5;

1 funds.

2 **46-15.8-4. Duties of water suppliers.** -- All public drinking water supply systems that
3 are subject to the requirements of section 46-15.3-5.1 shall have a duty:

4 (1) To manage demand to assure the long-term viability of water resources and water
5 supply, to provide for strategic, prudent, reasonable and necessary use of water supplies, to
6 control and/or curtail water use during periods of diminished water supply availability including
7 droughts; to take such actions as may be necessary to achieve compliance by wholesale and retail
8 customers with requirements for demand management; and

9 (2) To maintain fiscal integrity and adequate capacity by establishing and maintaining
10 such revenue stabilization funds, operating reserves, debt service reserves, and infrastructure
11 replacement and capital improvement program funds as are necessary; and to institute by
12 December 31, 2013 billing at least as frequently as quarterly.

13 **46-15.8-5. Duties of state agencies.** -- In order to accomplish the purposes of this
14 chapter:

15 (1) The water resources board shall establish and maintain no later than July 31, 2010
16 targets for non-agricultural demand management and water use, and for non-billed water which
17 shall include the goal of reducing leakage to no more than ten percent (10%) of water supplies in
18 public water supplies subject to the provisions of section 46-15.3-5.1;

19 (2) The statewide planning program shall incorporate, by July 1, 2011, such amendments
20 as may be necessary into state guide plan elements to require:

21 (i) The use of water availability estimates developed by the water resources board and
22 the department of environmental management and other relevant information sources in local
23 comprehensive plan elements and the review of major land development and subdivision reviews;

24 (ii) The incorporation of the executive summaries of the water supply system
25 management plans, as appropriate, into the services and facilities element and the land use
26 element of local comprehensive plans;

27 (3) The public utilities commission shall assure, in accordance with provisions of chapter
28 39-15.1, that the rates of water suppliers subject to its jurisdiction are adequate to implement
29 capital improvement plans, water supply system management plans, and demand management
30 plans and to cover system costs when revenues decline as a result of decreased demand.

31 (4) State agencies need to become advocates for positive solutions by removing
32 overlapping and burdensome planning and regulatory requirements.

33 SECTION 4. Section 46-13.1-7 of the General Laws in Chapter 46-13.1 entitled
34 "Groundwater Protection" is hereby repealed.

Legislative Status Report

Condition: {List Bills: 5828}

House Bill No. 5828 SUB A as amended

Chapter 341

BY Ferri, Walsh, McNamara, Rice A, Handy

ENTITLED, AN ACT RELATING TO WATERS AND NAVIGATION -- WATER CONSERVATION'

{LC1040/1/A}

02/26/2009 Introduced, referred to House Environment and Natural Resources

03/19/2009 Scheduled for hearing and/or consideration

03/19/2009 Committee recommended measure be held for further study

06/04/2009 Scheduled for consideration

06/04/2009 Committee recommends passage of Sub A

06/04/2009 Placed on House Calendar

06/25/2009 House passed Sub A as amended (floor amendment)

10/26/2009 Placed on Senate Calendar

10/29/2009 Senate passed Sub A as amended in concurrence

11/05/2009 Transmitted to Governor

11/13/2009 Effective without Governor's signature

Total Bills:1

Legislative Data System Room 1
State House, Providence, Rhode Island

01/05/2010
03:07 PM

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Summary of Material Impact of Motion to Re-Open Docket 4061

1. On or about April 30, 2009, Providence Water filed for additional revenues of \$5,569,425 (an increase of 9.79%) to support a total revenue request of \$62,476,576. At an open meeting on October 5, 2009, this Commission approved additional revenues of \$3,355,348 (an increase of 5.9%) to provide total pro forma revenues of \$60,262,498. However, due to a continuing significant reduction in consumption and a change in state law (i.e., R.I.G.L. § 46-15.8-5(3)), Providence Water has prepared a Motion to Re-Open the proceedings to change the agreed consumption and revise the tariffed rates. Therefore, an additional 9.911% change in tariffed rates (which will continue to generate the same total pro forma revenues of \$60,252,853) is being requested. Please see the Schedules attached hereto and incorporated by reference herein.

2. The tariff rate calculations and adjustments are set forth in the following Schedules:

- HJS Revised Settlement-1. Summary of Revenues and Expenses.
- HJS Revised Settlement-10. Calculation of Uniform Percentage Increase.
- HJS Revised Settlement-11. Development of Proposed Rates and Proof of Revenue.
- HJS Revised Settlement-12. Customer Bill Impacts.

3. The adjustments to the previous Settlement amounts are summarized in Schedules HJS Revised Settlement-10, HJS Revised Settlement-11, and HJS Revised Settlement-12 attached hereto and further explained as follows:

- A. Consumption: Consumption is modified to reflect actual Calendar Year 2009 consumption of 25,760,032.

B. Existing rates: The previously approved settlement rates were used to calculate revenues.

4. The revised wholesale rate is set at \$1,697.21 per million gallons.

5. The revised residential retail rate is set at \$2.488 per hundred cubic feet (hcf); the revised commercial retail rate is set at \$2.390 per hcf; and the revised industrial retail rate is set at \$2.346 per hcf.

6. Revised retail consumption is projected at 13,309,832 hcf. CY 2009 was used. Revised wholesale consumption is projected at 12,450,200. CY2009 was used.

7. The uniform percentage rate increase resulting from these revisions is 9.911%.

8. The revised Public Fire Supply rate is set at \$339.33 per hydrant, and the revised Private Fire Service rates are shown on Schedule E.

9. The impact of this change in rates on customer bills is illustrated on HJS Revised Settlement-12 Customer Bill Impacts.

10. Providence Water requests that this revised change in rates may be implemented by Providence Water for consumption on and after approval by the Commission at an Open Meeting.

11. Providence Water's new revised tariffs will be those shown as Schedules A through F inclusive, attached hereto.

PROVIDENCE WATER SUPPLY BOARD

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

	Rate Year Amount Per PWSSB Original Filing	Settlement Adjustments	Rate Year at Settlement Rates	Increase from Settlement Rates	Rate Year at Proposed Rates
Revenue					
Retail Water Sales	\$ 30,829,934	\$ (1,132,087)	\$ 29,697,847	\$ 2,942,597	\$ 32,640,443
Wholesale Water Sales	15,697,498	(1,317,143)	14,380,355	1,425,349	15,805,703
Retail Service Charges	4,999,279	304,383	5,303,662	525,004	5,828,666
Private Fire Protection	1,833,075	111,319	1,944,394	192,704	2,137,098
Public Fire Protection	1,770,227	107,469	1,877,696	186,109	2,063,805
Miscellaneous	1,777,137	-	1,777,137	-	1,777,137
Total Revenue	\$ 56,907,150	\$ (1,926,059)	\$ 54,981,091	\$ 5,271,763	\$ 60,252,853
Expenses					
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	(105,185)	2,784,630	-	1,670,778
Deferred IFR Transfer*	-	-	-	-	1,113,852
Total Cost of Service	\$ 62,463,266	\$ (2,208,892)	\$ 60,254,373	\$ -	\$ 60,254,373
Revenue Surplus/(Deficiency)	\$ (5,556,116)	\$ 282,833	\$ (5,273,283)	\$ 5,271,763	\$ (1,520)

* Deferred IFR Transfer of 2% and Operating Reserve of 3% per Commission modified Settlement 10/05/09.

Percent Increase in Total Revenue 9.59%
 Percent Increase in Rate Revenue 9.911%

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	\$ 29,697,847
Wholesale Water Sales	14,380,355
Retail Service Charges	5,303,662
Private Fire Protection	1,944,394
Public Fire Protection	1,877,696
Total Service Revenue	<u>\$ 53,203,954</u>
Revenue Deficiency per Settlement	<u>\$ 5,273,283</u>
Uniform Percentage Increase	<u><u>9.911%</u></u>

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	Settlement Rates	Revenues at Settlement Rates	Proposed Rates	Proposed Revenues
Quarterly Service Charges					
5/8"	53,007	\$ 16.69	\$ 3,538,747	\$ 18.34	\$ 3,888,594
3/4"	10,265	17.71	727,173	19.47	799,438
1"	5,046	20.79	419,625	22.85	461,204
1.5"	1,479	24.89	147,249	27.36	161,862
2"	1,684	36.18	243,708	39.77	267,891
3"	83	119.32	39,614	131.15	43,542
4"	34	150.10	20,414	164.98	22,437
6"	69	221.95	61,258	243.95	67,330
8"	36	304.05	43,783	334.19	48,123
10"	2	378.46	3,028	415.97	3,328
12"	6	452.87	10,869	497.76	11,946
Total	71,711		\$ 5,255,469		\$ 5,775,695
Monthly Service Charges					
5/8"	-	\$ 9.84	\$ -	\$ 10.82	\$ -
3/4"	-	10.18	-	11.19	-
1"	-	11.21	-	12.32	-
1.5"	2	12.58	302	13.83	332
2"	34	16.35	6,671	17.97	7,332
3"	11	44.05	5,815	48.42	6,391
4"	8	54.32	5,215	59.70	5,731
6"	20	78.26	18,782	86.02	20,645
8"	9	105.64	11,409	116.11	12,540
10"	-	130.44	-	143.37	-
12"	-	155.24	-	170.63	-
Total	84		\$ 48,194		\$ 52,971
Total Service Charge Revenue			\$ 5,303,662		\$ 5,828,666
Retail Consumption Charges *					
Residential (HCF)	8,554,151	\$ 2.264	\$ 19,366,598	\$ 2.488	21,282,728
Commercial (HCF)	4,565,640	\$ 2.174	\$ 9,925,701	\$ 2.390	10,911,880
Industrial (HCF)	190,041	\$ 2.134	\$ 405,547	\$ 2.346	445,836
Total	13,309,832		\$ 29,697,847		\$ 32,640,443
Wholesale Consumption Charges *					
Consumption (HCF)	12,450,200	\$ 1.155030	\$ 14,380,355	\$ 1.269514	\$ 15,805,703
	9,312.75	1,544.16		1,697.21	
Private Fire Service Charges					
3/4"	6	\$ 17.90	\$ 430	\$ 19.67	472
1"	10	21.21	848	23.31	932
1.5"	3	26.11	313	28.70	344
2"	31	38.79	4,810	42.63	5,286
4"	302	166.24	200,818	182.72	220,726
6"	1,220	268.81	1,311,793	295.45	1,441,796
8"	229	403.90	369,972	443.93	406,640
10"	4	558.02	8,928	613.33	9,813
12"	14	742.90	41,602	816.53	45,726
16"	1	1,219.75	4,879	1,340.64	5,363
Total	1,820		\$ 1,944,394		\$ 2,137,098
Public Fire Service Charges					
Hydrants	6,082	\$ 308.73	\$ 1,877,696	\$ 339.33	\$ 2,063,805
Miscellaneous Revenue			\$ 1,777,137		1,777,137
Total Revenue			\$ 54,981,091		\$ 60,252,853
Revenue Requirement			\$ 60,254,373		\$ 60,254,373
Difference			\$ (5,273,283)		\$ (1,520)

PROVIDENCE WATER SUPPLY BOARD

Customer Bill Impacts
 Rate Year Ended December 31, 2010

		Annual Water Bill (1)			
		Settlement Rates	Proposed Rate	Dollar Increase	Percent Increase
<u>Residential</u>					
100 Ccf w/ 5/8 meter					
	Customer Charge	\$ 66.76	\$ 73.36	\$ 6.60	
	Consumption	226.40	248.80	22.40	
	Total 100 Ccf	\$ 293.16	\$ 322.16	\$ 29.00	9.89%
<u>Commercial</u>					
2,000 Ccf w/ 2in meter					
	Customer Charge	\$ 196.20	\$ 215.64	\$ 19.44	
	Consumption	4,348.00	4,780.00	432.00	
	Total 2000 Ccf	\$ 4,544.20	\$ 4,995.64	\$ 451.44	9.93%
<u>Industrial</u>					
10,000 Ccf w/ 6in. meter					
	Customer Charge	\$ 939.12	\$ 1,032.24	\$ 93.12	
	Consumption	21,340.00	23,460.00	2,120.00	
	Total 10,000 Ccf	\$ 22,279.12	\$ 24,492.24	\$ 2,213.12	9.93%
<u>Industrial (Large)</u>					
50,000 Ccf w/ 10in. meter					
	Customer Charge	\$ 1,565.28	\$ 1,720.44	\$ 155.16	
	Consumption	106,700.00	117,300.00	10,600.00	
	Total 50,000 Ccf	\$ 108,265.28	\$ 119,020.44	\$ 10,755.16	9.93%
		Settlement Rates	Proposed Rate	Dollar Increase	Percent Increase
<u>Wholesale</u>					
	400,000 Ccf	\$ 462,012.00	\$ 507,805.60	\$ 45,793.60	9.91%
	2,500,000 Ccf	\$ 2,887,575.00	\$ 3,173,785.00	\$ 286,210.00	9.91%

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

PROVIDENCE WATER SUPPLY BOARD TARIFF

Replaces Tariff
October 5, 2009

Effective: , 2010

RI Public Utilities Commission Docket No. 4061

TARIFF SCHEDULES

Schedule

- | | |
|---|---|
| A | Service Charges – Retail |
| B | Metered Sales – Retail |
| C | Bulk Sales to Public Authorities for Resale |
| D | Public Fire Protection |
| E | Private Fire Service |
| F | Miscellaneous Charges |

SCHEDULE A

**Providence Water Supply Board
Service Charges
Retail**

Rhode Island Public Utilities Commission Docket No. 4061

Effective: , 2010

Applicability

Applicable to all metered customers for industrial, commercial and residential use, exclusive of fire service connection, in the Providence Water Supply Board service area.

Rates

For each service connected to the Providence Water Supply Board mains, the following customer service charges shall apply:

<u>Size of Meter</u>	<u>Quarterly</u>	<u>Monthly</u>
5/8"	\$18.34	\$10.82
3/4	19.47	11.19
1	22.85	12.32
1 ½	27.36	13.83
2	39.77	17.97
3	131.15	48.42
4	164.98	59.70
6	243.95	86.02
8	334.19	116.11
10	415.97	143.37
12	497.76	170.63

Terms of Payment

All customer service charges may be billed quarterly or monthly and are due and payable when rendered.

Interest at a rate of 1% per month will be charged on unpaid account balances over 30 days from due date.

SCHEDULE B

**Providence Water Supply Board
Metered Sales
Retail**

Rhode Island Public Utilities Commission Docket No. 4061

Effective: , 2010

Applicability

Applicable to all general metered water service in the Providence Water Supply Board service area.

Rates

For all quantities used, except for bulk sales to public authorities for resale, the following rates per HCF shall apply:

Quarterly Accounts

Residential	\$2.488
Commercial	\$2.390
Industrial	\$2.346

Monthly Accounts

Residential	\$2.488
Commercial	\$2.390
Industrial	\$2.346

Terms of Payment

All metered sales bills are rendered in arrears quarterly or monthly at the option of the Providence Water Supply Board and are due and payable in full when rendered.

Interest at a rate of 1% per month will be charged on unpaid account balances over 30 days from due date.

SCHEDULE C

**Providence Water Supply Board
Bulk Sales to Public Authorities for Resale**

Rhode Island Public Utilities Commission Docket No. 4061

Effective: , 2010

Applicability

Applicable to all public authorities in the Providence Water Supply Board service area purchasing water for resale.

Rates-Volume Charge

\$1,697.21 per million gallons, or
\$1.269514 per HCF

Terms of Payment

All bills for bulk sales are rendered monthly in arrears and are due and payable in full when rendered.

Interest at a rate of 1% per month will be charged on unpaid account balances over 30 days from due date

SCHEDULE D

**Providence Water Supply Board
Public Fire Protection**

Rhode Island Public Utilities Commission Docket No. 4061

Effective: , 2010

Applicability

Applicable to all service to public fire hydrants in the Providence Water Supply Board service area.

Rates

For each hydrant: \$339.33

Terms of Payment

All bills for public fire service are rendered quarterly and are due and payable in full when rendered.

Interest at a rate of 1% per month will be charged on unpaid account balances over 30 days from due date.

SCHEDULE E

**Providence Water Supply Board
Private Fire Service**

Rhode Island Public Utilities Commission Docket No. 4061

Effective: , 2010

Applicability

Applicable for service to private fire protection appliances owned and maintained by the customer in the Providence Water Supply service area.

Rates

For each fire service connection to the Providence Water Supply Board mains, the following charges shall apply:

<u>Size of Service</u>	<u>Quarterly</u>
3/4"	\$ 19.67
1	23.31
1 ½	28.70
2	42.63
4	182.72
6	295.45
8	443.93
10	613.33
12	816.53
16	1,340.64

Terms of Payment

All bills for private fire services are rendered quarterly and are due and payable in full when rendered.

Interest at a rate of 1% per month will be charged on unpaid account balances over 30 days from due date.

**SCHEDULE F
PROVIDENCE WATER
TERMS & CONDITIONS
SERVICE FEE SCHEDULE
(effective _____, 2010)
page 1 of 2**

NOTE: All applicants must complete financial arrangements prior to services being rendered. Applicants are responsible for obtaining and paying for all permits and any additional fees.

SERVICE	FEE
PHOTOCOPYING	
Distribution Sheet	\$ 3.00/copy
Letter or Legal Size Document	\$.15/copy
LIEN CERTIFICATE	\$ 6.00
RETURNED CHECK FEE	\$ 20.00
PLAN CHECKING/WATER AVAILABILITY REVIEW	\$ 57.00/hour
EASEMENT/ABANDONMENT REQUEST	\$ 50.00/hour
FIRE HYDRANT FLOW TEST	\$ 118.00
NEW WATER SERVICE INSTALLATION - BASIC	
1" Water Service	\$1,673.00
1 ½" Water Service	2,596.00
2" Water Service	2,931.00
4" Water Service	3,700.00
6" Water Service	3,998.00

NEW WATER SERVICE INSTALLATION - SPECIAL CIRCUMSTANCES

All services greater than 6" will be installed and charged on a time and materials basis, consistent with the methodology used in computing the above service charges. **Notwithstanding the above schedule**, any sites where special circumstances may be encountered (ie. ledge, special fittings, routing around other utilities) will also be charged on a time and materials basis. The average time rate for all manpower and equipment (including overhead) averages approximately \$400/hr.

PAVEMENT/SIDEWALK RESTORATION CHARGES

Applicants are responsible for all *actual* road and/or sidewalk restoration charges, as the charge varies with the size of the excavation and the pavement thickness. For illustrative purposes, on average, the charge is approximately \$300 for pavement restoration and \$75 for sidewalk.

PROPOSED TARIFFS
SCHEDULE F
PROVIDENCE WATER
TERMS & CONDITIONS
SERVICE FEE SCHEDULE
(effective , 2010)
page 2 of 2

SERVICE	FEE
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POLICE DETAILS

If the work being performed presents a safety hazard and it is necessary to employ police details for traffic control, the applicant will be responsible for such costs at the then current rate of the respective Town or City. For illustrative purposes, the hourly detail rates as of January 31, 2007 are as follows:

Cranston	\$37.11
Johnston	40.05
North Providence	37.00
Providence	42.92

NEW WATER METER INSTALLATION - INCLUDING ERT

5/8" Meter	\$ 184.00
3/4" Meter	230.00
1" Meter	266.00
1 1/2" Meter	457.00
2" Meter	545.00

All meters greater than 2" will be charged on an actual time and materials basis.

NEW ERT - ALL METER SIZES \$ 109.00

(Applies only to existing ERT's that are lost, stolen, or damaged by customers. There is no charge to retro-fit an existing meter to AMR technology.)

SERVICE SHUTOFF FEE \$ 64.00

SERVICE RESTORATION FEE \$ 43.00

SPECIAL REQUESTS FOR SERVICES NOT LISTED ABOVE THAT DO NOT BENEFIT ALL CUSTOMERS Billed at actual
Cost plus overhead
Rates in effect