

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 :

STIPULATION/SETTLEMENT

Pursuant to Rule 1.24 of the Rules of Practice and Procedure, Providence Water Supply Board (“Providence Water”), the Division of Public Utilities and Carriers (the “Division”), and the Kent County Water Authority (“KCWA”) (collectively referred to herein as the “Parties”), hereby stipulate and agree as follows:

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. However, after negotiating several issues, all Parties now agree that Providence Water may be granted additional revenues of \$3,355,348 (an increase of 5.9%) to provide total pro forma revenues of \$60,262,498, as set forth on the Schedules attached hereto and incorporated by reference herein.

2. The agreed calculations and adjustments to Providence Water’s original proposal are set forth in the following Schedules:

- HJS Settlement-1. Summary of Revenues and Expenses.
- HJS Settlement-2. Summary of Settlement Adjustments.
- HJS Settlement-3. Adjustment to Pension and Benefits.
- HJS Settlement-4. Adjustment to Benefits Component of Capital Reimbursement Offset.
- HJS Settlement-5. Adjustment to Insurance Expense.
- HJS Settlement-6. Adjustment to Chemical Expense.
- HJS Settlement-7. Adjustment to Sludge Maintenance Expense.

- HJS Settlement-8. Adjustment to Rate Case Expense.
- HJS Settlement-9. Adjustment to Property Tax Expense.
- HJS Settlement-10. Calculation of Uniform Percentage Increase.
- HJS Settlement-11. Development of Proposed Rates and Proof of Revenue.
- HJS Settlement-12. Customer Bill Impacts.

3. The agreed adjustments to Providence Water's original filing are summarized in Schedules HJS Settlement-1 (Summary of Revenue and Expenses) and HJS Settlement-2 (Summary of Settlement Adjustments) attached hereto and are further explained as follows:

A. **Benefits Expense.** The Parties agree to the four adjustments suggested by the Division for benefits expense, which are: (1) updated amounts for union combined benefits, union life insurance premiums, and laborers international pension expense, to reflect the updated Union 1033 contract amounts for the rate year; (2) adjusted amounts for medical and dental insurance to reflect the actual premiums for 2010; (3) adjusted benefits expense to reflect increases in the percentage co-share of health costs by both union and non-union employees; and (4) elimination of \$248,180 included by Providence Water for reimbursement to the City of Providence for retiree health benefits because the issue of the recovery of those benefits (among other related issues), having been denied by the Commission in Docket No. 3832, Order No. 19145, are currently on appeal and pending before the Rhode Island Supreme Court in In Re: Providence Water Supply Board's Application to Change Rate Schedules No. 2007-378- M.P., and have not been decided by the Court. These adjustments are detailed on the attached Schedule HJS Settlement-3 Adjustment to Pension and Benefits Expense.

B. **Capital Reimbursement.** The Division pointed out that Providence Water's original filing failed to reflect the increase in the benefits capitalized as a result of the increases in benefits expense. Providence Water agrees that this increase should have been

reflected, and accordingly, the Parties have agreed to adjust the benefits capitalized to account for the increase in benefits expense from the test year to the rate year in the capital reimbursement component of Providence Water's requested expenses as shown on the attached Schedule HJS Settlement-4 Adjustment to Benefits Component of Capital Reimbursement Offset.

C. **Insurance Expense.** The Parties have agreed to adjust the amounts included for property and casualty insurance and workers compensation insurance to reflect the actual FY 2010 costs. For injuries and damages, the Parties have included \$60,000 by agreement based on the average claims paid for FY07 through FY09. The Parties have based the amounts for safety supplies and program expense on the expenses incurred in the test year. These adjustments are reflected on Schedule HJS Settlement-5 Adjustment to Insurance Expense.

D. **Chemical Expense.** The Parties have agreed to reduce the quantity of ferric sulfate that it is projected will be required in the rate year, and to adjust chemical costs to reflect the actual bid prices that were recently received for 2010. These adjustments are reflected on Schedule HJS Settlement-6 Adjustment to Chemical Expense.

E. **Sludge Maintenance Expense.** The Parties have agreed to a decrease in the sludge maintenance expense based on an estimated reduction in the payment due in the third year. This reduction is reflected on Schedule HJS Settlement-7 Adjustment to Sludge Maintenance Expense.

F. **Rate Case Expense.** The Parties have agreed that the cost of this rate case and Providence Water's conservation rate filing will be amortized over 2 years. This adjustment is reflected on Schedule HJS Settlement-8 Adjustment to Rate Case Expense.

G. **Property Taxes.** The Parties have agreed to adjust property tax expense to recognize the reduced level of taxes that Providence Water will pay to Scituate in the rate year

pursuant to a tax settlement with Scituate that has now been finalized. This reduction is reflected on Schedule HJS Settlement-9 Adjustment to Property Tax Expense.

H. **Operating Reserve.** Pursuant to the terms of Order No. 19145 in Docket No. 3832, Providence Water is currently allowed a 3.0% Operating Reserve (otherwise referred to herein as the “Operating Revenue Allowance”): 2% restricted and 1% unrestricted. The Parties have agreed that the existing 1% unrestricted portion of the Operating Reserve for unanticipated expenses should be retained, but that the existing 2% restricted amount for revenue shortfalls should be increased to 4%, due to reduced consumption, for a total Operating Reserve, both restricted and unrestricted, of 5%. The Parties are in agreement that recent declines in water sales have demonstrated that the current 2% restricted revenue reserve allowance is inadequate. For example, fiscal year 2009 water consumption was 8.5% below the consumption projected in Docket 3832. This resulted in a shortfall of \$4,345,864 for fiscal year 2009, but the 2% restricted revenue account for such shortfalls generated only \$1,103,696 during this period.

The Parties agree to a 5% total Operating Revenue Allowance, and of the total Operating Revenue Allowance, 1.0% shall be unrestricted for use by Providence Water in meeting expense overruns, and for revenue shortfalls of up to 0.33% of total rate revenue. The remaining 4% of the total Operating Revenue Allowance shall be restricted and may only be used to cover shortfalls in Total Allowed Rate Revenue when the shortfall exceeds 0.33% of such revenue. If the shortfall exceeds 0.33% of Total Allowed Rate Revenue, Providence Water may seek recovery from the restricted portion of the Operating Reserve of the full shortfall. If revenues exceed the Total Allowed Rate Revenue by more than 3%, then 50% of the amount of the revenue in excess of the Total Allowed Rate Revenue shall be deposited to the restricted portion of the Operating Reserve. Total Allowed Rate Revenues will initially be set at the rate revenues allowed in this proceeding. This amount shall be adjusted annually based on any increase in the

Consumer Price Index (CPI) for the Northeast compared to the 12 months ended June 30, 2009. The balance in the restricted portion of the Operating Revenue Allowance shall be limited to two times the annual total Operating Reserve Allowance. Providence Water shall file a report each year in its semi-annual report that presents the revenues for the prior fiscal year and the level of restricted Operating Reserve. If the restricted Operating Revenue Allowance balance exceeds two times the annual total Operating Revenue Allowance, the Parties will recommend to the Commission to open a proceeding to address the appropriate adjustment to Providence Water's rates. All Parties agree that this provision will not preclude any Party from taking a differing position with regard to the appropriate Operating Reserve in any future proceeding.

4. The wholesale rate is set at \$1,544.16 per million gallons.

5. The residential retail rate is set at \$2.264 per hundred cubic feet (hcf); the commercial retail rate is set at \$2.174 per hcf; and the industrial retail rate is set at \$2.134 per hcf.

6. Retail consumption is projected at 14,630,493 hcf. FY 2008 was used. Wholesale consumption is projected at 14,415,751 hcf. A four-year average (FY 2005 – FY 2008) was used.

7. The uniform percentage rate increase is 6.072 %.

8. The Public Fire Supply rate is set at \$308.73 per hydrant, and Private Fire Service rates are shown on Schedule E.

9. The impact of this settlement on customers' bills is illustrated on HJS Settlement-12 Customer Bill Impacts.

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

11. It is agreed that all accounts restricted by previous Commission Orders shall remain restricted, except as provided herein.

12. It is agreed that Providence Water's new tariffs will be those shown as Schedules A through F inclusive, attached hereto.

13. This Stipulation/Settlement is the result of negotiated settlement among the Parties. The agreement by the Parties to this Stipulation/Settlement shall not be construed as an agreement to any matter of fact or law addressed in this Stipulation/Settlement in any future Division or Commission proceedings, and no party, by executing this Stipulation/Settlement, is bound by any of the positions taken in this Stipulation/Settlement in any said future proceedings, and no position taken by any of the Parties to this Stipulation/Settlement on any issue is to be construed as a precedent in any future Division or Commission proceedings, nor shall it be cited as a precedent.

14. In the event the Commission rejects or fails to approve any part of this Stipulation/Settlement, the entire Stipulation/Settlement shall be void.

Executed this 10th day of September, 2009.

Providence Water Supply Board

By its attorney,



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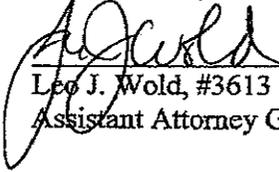
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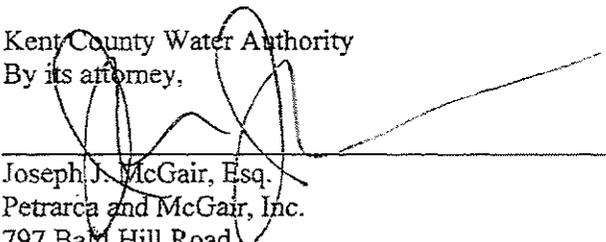
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PROVIDENCE WATER SUPPLY BOARD

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

	Rate Year Amount Per PWSB Original Filing	Settlement Adjustments	Rate Year at Present Rates	Increase from Present Rates	Rate Year at Proposed Rates
Revenue					
Retail Water Sales	\$ 30,829,934	\$ -	\$ 30,829,934	\$ 1,879,021	\$ 32,708,955
Wholesale Water Sales	15,697,498	-	15,697,498	953,156	16,650,654
Retail Service Charges	4,999,279	-	4,999,279	304,383	5,303,662
Private Fire Protection	1,833,075	-	1,833,075	111,319	1,944,394
Public Fire Protection	1,770,227	-	1,770,227	107,469	1,877,696
Miscellaneous	1,777,137	-	1,777,137	-	1,777,137
Total Revenue	\$ 56,907,150	\$ -	\$ 56,907,150	\$ 3,355,348	\$ 60,262,498
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	-	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)	\$ 2,208,892	\$ (3,347,223)	\$ 3,355,348	\$ 8,125

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 Settlement-3
Capital Reimbursement	(18,029)	Schedule HJS Settlement-4
Insurance Expense	(367,088)	Schedule HJS Settlement-5
Chemicals Expense	(365,689)	Schedule HJS Settlement-6
Sludge Maintenance	(50,000)	Schedule HJS Settlement-7
Rate Case Expense	(105,425)	Schedule HJS Settlement-8
Property Tax Expense	(694,933)	Schedule HJS Settlement-9
Operating Reserve	<u>(105,185)</u>	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 Pensior	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><u>\$ (18,029)</u></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 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><u>\$ (105,425)</u></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><u>\$ (694,933)</u></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	\$ 30,829,934
Wholesale Water Sales	15,697,498
Retail Service Charges	4,999,279
Private Fire Protection	1,833,075
Public Fire Protection	<u>1,770,227</u>
Total Service Revenue	\$ 55,130,013
Revenue Deficiency per Settlement	<u>\$ 3,347,223</u>
Uniform Percentage Increase	<u><u>6.072%</u></u>

Note:

(1) Per Schedule HJS Settlement-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	Proposed Rates	Proposed Revenues
Quarterly Service Charges				
5/8"	53,007	\$ 15.73	\$ 16.69	\$ 3,538,747
3/4"	10,265	16.70	17.71	727,173
1"	5,046	19.60	20.79	419,625
1.5"	1,479	23.47	24.89	147,249
2"	1,684	34.11	36.18	243,708
3"	83	112.49	119.32	39,614
4"	34	141.51	150.10	20,414
6"	69	209.25	221.95	61,258
8"	36	286.65	304.05	43,783
10"	2	356.80	378.46	3,028
12"	6	426.95	452.87	10,869
Total	71,711			\$ 5,255,469
Monthly Service Charges				
5/8"	-	\$ 9.28	\$ 9.84	\$ -
3/4"	-	9.60	10.18	-
1"	-	10.57	11.21	-
1.5"	2	11.86	12.58	302
2"	34	15.41	16.35	6,671
3"	11	41.53	44.05	5,815
4"	8	51.21	54.32	5,215
6"	20	73.78	78.26	18,782
8"	9	99.59	105.64	11,409
10"	-	122.97	130.44	-
12"	-	146.35	155.24	-
Total	84			\$ 48,194
Total Service Charge Revenue				\$ 5,303,662
Retail Consumption Charges				
Residential (HCF)	10,192,807	\$ 2.134	\$ 2.264	23,076,515
Commercial (HCF)	4,060,451	\$ 2.049	\$ 2.174	8,827,420
Industrial (HCF)	377,235	\$ 2.011	\$ 2.134	805,019
Total	14,630,493			\$ 32,708,955
Wholesale Consumption Charges				
Consumption (HCF)	14,415,751	\$ 1.08891	\$ 1.15503	\$ 16,650,654
	10,782.98	1,455.77	1,544.16	
Private Fire Service Charges				
3/4"	6	\$ 16.88	\$ 17.90	430
1"	10	20.00	21.21	848
1.5"	3	24.62	26.11	313
2"	31	36.57	38.79	4,810
4"	302	156.72	166.24	200,818
6"	1,220	253.42	268.81	1,311,793
8"	229	380.78	403.90	369,972
10"	4	526.08	558.02	8,928
12"	14	700.38	742.90	41,602
16"	1	1,149.93	1,219.75	4,879
Total	1,820			\$ 1,944,394
Public Fire Service Charges				
Hydrants	6,082	\$ 291.06	\$ 308.73	\$ 1,877,696
Miscellaneous Revenue				1,777,137
Total Revenue				\$ 60,262,498
Revenue Requirement				\$ 60,254,373
Difference				\$ 8,125

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
Residential				
100 Ccf w/ 5/8 meter				
Customer Charge	\$ 62.92	\$ 66.76	\$ 3.84	
Consumption	213.40	226.40	13.00	
Total 100 Ccf	\$ 276.32	\$ 293.16	\$ 16.84	6.09%
Commercial				
2,000 Ccf w/ 2in meter				
Customer Charge	\$ 184.92	\$ 196.20	\$ 11.28	
Consumption	4,098.00	4,348.00	250.00	
Total 2000 Ccf	\$ 4,282.92	\$ 4,544.20	\$ 261.28	6.10%
Industrial				
10,000 Ccf w/ 6in. meter				
Customer Charge	\$ 885.36	\$ 939.12	\$ 53.76	
Consumption	20,110.00	21,340.00	1,230.00	
Total 10,000 Ccf	\$ 20,995.36	\$ 22,279.12	\$ 1,283.76	6.11%
Industrial (Large)				
50,000 Ccf w/ 10in. meter				
Customer Charge	\$ 1,475.64	\$ 1,565.28	\$ 89.64	
Consumption	100,550.00	106,700.00	6,150.00	
Total 50,000 Ccf	\$ 102,025.64	\$ 108,265.28	\$ 6,239.64	6.12%
Wholesale				
400,000 Ccf	\$ 435,565.20	\$ 462,012.80	\$ 26,447.60	6.07%
2,500,000 Ccf	\$ 2,722,282.50	\$ 2,887,580.00	\$ 165,297.50	6.07%

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

PROVIDENCE WATER SUPPLY BOARD TARIFF

Replaces Tariff
November 1, 2007

Effective: _____, 2009

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: _____, 2009

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"	\$16.69	\$9.84
3/4	17.71	10.18
1	20.79	11.21
1 ½	24.89	12.58
2	36.18	16.35
3	119.32	44.05
4	150.10	54.32
6	221.95	78.26
8	304.05	105.64
10	378.46	130.44
12	452.87	155.24

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: _____, 2009

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	\$2.264
Commercial	\$2.174
Industrial	\$2.134

Monthly Accounts

Residential	\$2.264
Commercial	\$2.174
Industrial	\$2.134

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: _____, 2009

Applicability

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

Rates-Volume Charge

\$1,544.16 per million gallons, or
\$1.15503 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: _____, 2009

Applicability

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

Rates

For each hydrant: \$308.73

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: _____, 2009

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"	\$17.90
1	21.21
1 ½	26.11
2	38.79
4	166.24
6	268.81
8	403.90
10	558.02
12	742.90
16	1,219.75

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 ____, 2009)
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.

**SCHEDULE F
PROVIDENCE WATER
TERMS & CONDITIONS
SERVICE FEE SCHEDULE
(effective _____, 2009)
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

3

NEW WATER METER INSTALLATION - INCLUDING ERT

5/8" Meter	\$ 184.00
3/4" Meter	230.00
1" Meter	266.00
1 ½" 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
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