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FERNANDO S. CUNHA, ESQ.
Legal Advisor



DAVID N. CICILLINE
Mayor

PAMELA M. MARCHAND, P.E.
Chief Engineer & General Manager

JOSEPH DE LUCA
City Councilman

MICHAEL A. SOLOMON
City Councilman

JOHN A. FARGNOLI
Member

EVERETT BIANCO
Member

August 13, 2009

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

RE: Providence Water: Tariff Advice Filing

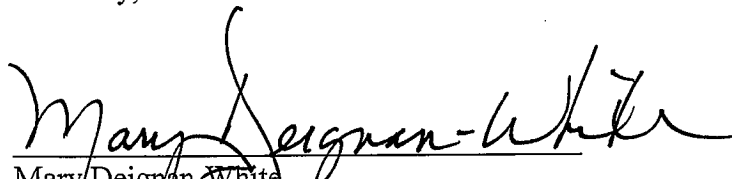
Dear Luly:

Enclosed for filing is an original and nine copies of Providence Water's Tariff Advice filing pursuant to Commission Rules 1.9.

Michael R. McElroy, Esq., will be representing Providence Water as our Attorney in this matter. He may be contacted at 21 Dryden Lane, Post Office Box 6721, Providence, RI 02940.

If you have any questions, I can be reached at 521-6300, extension 7217.

Sincerely,


Mary Deignan-White
Regulatory Manager

cc: Service List Dk 4061

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**TESTIMONY AND DATA IN SUPPORT OF
THE PROVIDENCE WATER SUPPLY BOARD'S
TARIFF ADVICE FILING**

**PURSUANT TO RULE 1.9(c)
OF THE RULES OF PRACTICE AND PROCEDURE
OF THE PUBLIC UTILITIES COMMISSION**

AUGUST 2009

DOCKET NO. _____

PROVIDENCE WATER

Testimony and Data in Support of

Docket _____ Tariff Advice

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Draft Public Notice

ANDREW K. MOFFIT
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August 13, 2009

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

RE: Providence Water Supply Board - Tariff Advice Filing

Dear Ms. Massaro:

The Providence Water Supply Board (Providence Water), pursuant to Rules 1.9(c) herewith files this Tariff Advice filing. This filing changes Schedules A, B and D of our Tariffs. This is necessitated by the current legislation which would limit Providence Water's ability to charge ratepayers in the City of Providence for previously approved hydrant revenue. An original and nine copies are enclosed.

This filing includes pre-filed testimony, supporting schedules, existing and proposed Tariffs and exhibits, as required by the Commission's Rules. Also enclosed is a proposed public notice for your review and comment.

Michael R. McElroy, Esq., will be representing Providence Water as our legal counsel in this matter. He may be contacted at 21 Dryden Lane, Post Office Box 6721, Providence, RI 02940-6721. Copies have been sent to the Division and the Attorney General, as required by Rule 1.9c(2).

Respectfully,
Providence Water Supply Board

A handwritten signature in black ink that reads "Pamela M. Marchand". The signature is fluid and cursive.

Pamela M. Marchand
Chief Engineer & General Manager

cc: Service List in Docket 4061

H:\jeanneb\Letter PUC Filing Tariff Advice August 2009.wpd

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TESTIMONY
of
JEANNE BONDAREVSKIS
before the
PUBLIC UTILITIES COMMISSION
IN SUPPORT OF
TARIFF ADVICE
FILING

for
PROVIDENCE WATER

August 2009

Docket No. _____

**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 approximately
7 22 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 request a change to Schedules A, B and D of Providence
7 Water's tariffs pursuant to Rule 1.9(c) of the Commission
8 Rules of Practice and Procedures.

9

10 **Q. Why is this needed now?**

11 A. Providence Water must address proposed legislation (H
12 5056 Sub A as amended) which would prohibit municipal
13 water providers from charging hydrant rental fees to
14 certain cities. With respect to Providence Water, H 5056
15 limits the application of the law to the City of
16 Providence (Providence) only. If passed, and if
17 Providence enacts the necessary ordinance, Providence
18 Water will not be able to bill public fire hydrant
19 charges to Providence, which would result in a \$.9
20 million dollar annual revenue shortfall. While the
21 Legislature is currently in recess, we understand that
22 they will come back into session in September and may
23 approve the legislation. If this happens, Providence
24 could opt out of the hydrant fees in the immediate
25 future. Therefore, we have prepared an analysis of the
26 hydrant fees and proposed tariff changes that would allow
27 Providence Water to reallocate the public fire costs from
28 the hydrant charge in Providence and increase current

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

1 retail volume and service charge rates only for
2 Providence Water customers in Providence. We propose to
3 do this with the imposition of a volume surcharge and an
4 additional Fire Protection service charge in Providence
5 only. This should minimize any estimated revenue
6 shortfall, and will be effective **only if and when** the
7 legislation and requisite Ordinance passes and takes
8 effect.

9
10 **Q. Exactly what is Providence Water proposing to do?**

11 **A.** Providence Water is proposing to re-allocate the total
12 projected public fire revenue from the hydrant charge in
13 Providence by splitting it, approximately 50/50, between
14 a volume surcharge and retail service charges in
15 Providence.¹ Providence Water proposes to add a volume
16 surcharge on consumption and a Fire Protection service
17 charge, for Providence customers only. All retail
18 customers would receive the existing volume and service
19 charge rates, with Providence ratepayers receiving the
20 additional charges. As recommended by the Division, the
21 volume surcharge represents approximately 50% of the lost
22 hydrant fees in Providence, and the Fire Protection
23 service charge represents the balance of the 50% revenue
24 allocation of the lost hydrant fees. We will only
25 implement the additional surcharge and Fire Protection
26 service charge in Providence **if, and when** the legislation

¹ This reallocation method was recommended by the Division of Public Utilities as explained later in the testimony.

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

1 passes and Providence chooses to opt out of the hydrant
2 charge.

3

4 **Q. Will the additional surcharge and Fire Protection service**
5 **charge be shown separately on the water bills?**

6 A. Yes. It is our intention to have these charges
7 separately shown and identified on the bills of our
8 Providence customers.

9

10 **Q. Will the customers in Providence be notified?**

11 A. Yes. Providence Water will be placing an advertisement in the
12 Providence Journal. We have included a draft ad with this
13 filing for review and approval by the Commission. We will
14 also provide an explanation in the water bills.

15

16 **Q. How has Providence Water calculated the additional**
17 **charges?**

18 A. We have utilized the spreadsheet file and compliance
19 tariff filing amounts in Docket 3832. We have updated
20 the units of service for hydrants, consumption and meters
21 in Providence, and using Docket 3832 rates currently in
22 effect, we have re-allocated the public fire revenue to
23 a volume surcharge of \$.06 per hcf (approximately 50%),
24 with the approximate 50% balance to be generated from the
25 new Fire Protection service charge fees for Providence
26 only.

27

28 **Q. Have you prepared schedules?**

29 A. Yes. Please see attached Exhibit JBB-1 which shows the

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

1 calculation of the percentage increase needed, after a
2 volume surcharge, to offset the lost Providence hydrant
3 revenue, and JBB-2 which shows the calculation of the
4 rates. JBB-3 shows the calculation of the revenue at
5 Docket 3832 rates for Providence hydrants, the Providence
6 service charge at Docket 3832 rates and with the proposed
7 additional Fire Protection service charge fees, and the
8 projected additional consumption revenue.

9
10 **Q. What would be the amount of the volume surcharge in**
11 **Providence?**

12 A. Based on the consumption, \$.06 would generate
13 approximately 50% of the hydrant revenue. The per unit
14 amount was rounded to the nearest penny for ease of
15 implementation and understanding by our customers.

16
17 **Q. What would be the percentage increase in retail service**
18 **charges in Providence?**

19 A. By first calculating the volume surcharge and then re-
20 allocating the balance of the Providence public fire to
21 retail service charges, the service charges for
22 Providence would require an approximate 19.895% across
23 the board increase. While this percentage is large, the
24 service charge is such a small component of the total
25 annual water bill, the net impact will not be that large.
26 The customer impact would vary from 3.22%, for a large
27 industrial customer in Providence, to 6.70% for a
28 residential customer in Providence. Please see JBB-4.

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

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Q. Will this recover the full amount of lost revenue?

A. Yes, this should recover the full amount of lost revenue as shown on JBB-2. The proposed re-allocation would therefore leave Providence Water revenue neutral **if** the new volume surcharge and Fire Protection service charge rates are implemented simultaneously with the elimination of the Providence hydrant charges.

Q. Why didn't Providence Water adjust the current spreadsheet files used in docket 4061 to calculate this adjustment?

A. The hydrant legislation may take effect prior to the effective date of docket 4061. The rates included in the docket would therefore not be in place when Providence may opt out of the hydrant charge. We will certainly include this change in the compliance filing in Docket 4061 if the legislation passes and Providence opts out, but we wanted to keep the analysis and calculation of the rates as simple and straightforward as possible at this time.

Q. Why does this need to go into effect now? Why not wait until Docket 4061 is decided?

A. The legislation will take "effect upon passage." The rate changes proposed in Providence Water's current filing will not take effect until approximately December 1, 2009. We therefore wanted to be able to immediately

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

1 implement the new charges if necessary and mitigate any
2 lost revenue, which would be substantial.

3

4 **Q. Did Providence Water consider re-allocating the public**
5 **fire revenue only to the retail service charge in**
6 **Providence?**

7 A. Yes we did. In our opinion, Providence Water is already
8 too dependent on variable, consumption based revenue and
9 too susceptible to weather related impacts. However, we
10 recognize that increasing only the service charge would
11 have a disproportionate impact on smaller residential
12 accounts. We would have liked to propose to replace
13 fixed revenue (public fire hydrant charges) with fixed
14 revenue (retail service charges), for overall revenue
15 stability, but this would have resulted in an increase of
16 over 40% for the service charges in Providence. At the
17 recommendation of the Division of Public Utilities and
18 Carriers, we have agreed instead to split the charges
19 approximately equally between a volume surcharge and an
20 additional service charge in Providence.

21

22 **Q. Have you attached revised Tariff schedules?**

23 A. Yes, we have attached revised Schedules A, B and D. We
24 will revise the full Tariffs, including Schedules A, B
25 and D, at the completion of Docket 4061.

26

27 **Q. Does this conclude your testimony?**

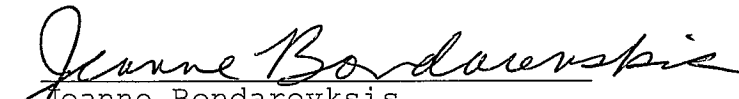
28 A. Yes.

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. _____


ATTESTATION UNDER RULE 2.7
OF THE RULES OF PRACTICE AND PROCEDURE
OF THE PUBLIC UTILITIES COMMISSION

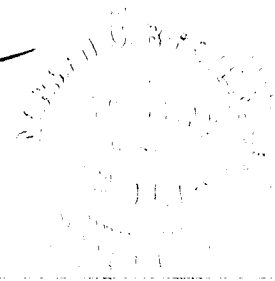
I, Jeanne Bondarevskis, in conformance with Rule 2.7 of the Rules of Practice and Procedure of the Public Utilities Commission, hereby attest that the facts contained in my direct testimony with exhibits and supporting documents are true and correct to the best of my knowledge, information, and belief. All changes and differences between the books and test year data and any changes in the manner of recording said data during the test year have been expressly noted.


Jeanne Bondarevskis

STATE OF RHODE ISLAND
PROVIDENCE COUNTY

Subscribed and sworn to me this 13 of August, 2009.


Notary Public 41467



PROVIDENCE WATER SUPPLY BOARD

Calculation of Incremental Percentage Increase
Required to Recover Projected Public Fire Rates
from **Providence** Retail volume and Service Charges

	<u>Amount (1)</u>
Number of Hydrants in Providence	3,251
Per Hydrant charge	\$ 291.06
Projected revenue from Providence Public Fire	\$ 946,236
less additional consumption revenue from Providence @ \$ 0.06 /hcf	\$ (482,307)
Shortfall to be recovered from Providence Service Charge	\$ 463,929
Current Retail Service Charges Providence Only	2,331,938
Incremental Percentage Increase in Providence Service Charge	<u>19.895%</u>

Note:

- (1) Per Docket 3832 rates, Meter, Hydrant and consumption units updated
See JBB-2 and JBB-3 for details.

PROVIDENCE WATER SUPPLY BOARD
 Providence Only
 Development of Alternative Rates
 with reallocation of Hydrant Revenue to Service Charge and volume Revenue

Billing Unit	Units of Service *	D 3832 Rates *	Proposed Rates	Incremental Rate	Proposed Revenues	D 3832 Revenues *	Adjustment to Revenues	% of total Proposed Revenue
Quarterly Service Charges								
5/8"	25,273	\$ 15.73	\$ 18.86	\$ 3.13	\$ 1,906,595	\$ 1,590,177	\$ 316,418	19.898%
3/4"	4,065	16.70	20.02	3.32	325,525	271,542	53,983	19.880%
1"	1,990	19.60	23.50	3.90	187,060	156,016	31,044	19.898%
1.5"	901	23.47	28.14	4.67	101,417	84,586	16,831	19.898%
2"	977	34.11	40.90	6.79	159,837	133,302	26,535	19.906%
3"	56	112.49	134.87	22.38	30,211	25,198	5,013	19.895%
4"	16	141.51	169.66	28.15	10,858	9,057	1,802	19.893%
6"	20	209.25	250.88	41.63	20,070	16,740	3,330	19.895%
8"	6	286.65	343.68	57.03	8,248	6,880	1,369	19.895%
10"	2	356.80	427.78	70.98	3,422	2,854	568	19.893%
12"	-	426.95	511.89	84.94	-	-	-	-
Total	33,306				\$ 2,753,244	\$ 2,296,351	\$ 456,893	19.896%
Monthly Service Charges								
5/8"	1	\$ 9.28	\$ 11.13	1.85	\$ 134	\$ 111	\$ 22	19.935%
3/4"	-	9.60	11.51	1.91	-	-	-	-
1"	1	10.57	12.67	2.10	152	127	25	19.868%
1.5"	-	11.86	14.22	2.36	-	-	-	-
2"	27	15.41	18.48	3.07	5,988	4,993	995	19.922%
3"	10	41.53	49.79	8.26	5,975	4,984	991	19.889%
4"	7	51.21	61.40	10.19	5,158	4,302	856	19.898%
6"	13	73.78	88.46	14.68	13,800	11,510	2,290	19.897%
8"	8	99.59	119.40	19.81	11,462	9,561	1,902	19.892%
10"	-	122.97	147.43	24.46	-	-	-	-
12"	-	146.35	175.47	29.12	-	-	-	-
Total	67				\$ 42,668	\$ 35,587	\$ 7,081	19.898%
Total Service Charge Revenue	33,373				\$ 2,795,912	\$ 2,331,938	\$ 463,974	19.896%
Retail Consumption Charges								
Residential (HCF)	4,954,675	\$ 2.134	\$ 2.194	\$ 0.06	10,870,557	\$ 10,573,276	297,281	2.812%
Commercial (HCF)	3,044,315	\$ 2.049	\$ 2.109	\$ 0.06	6,420,460	\$ 6,237,801	182,659	2.928%
Industrial (HCF)	39,456	\$ 2.011	\$ 2.071	\$ 0.06	81,713	\$ 79,346	2,367	2.984%
Total	8,038,446				\$ 17,372,731	\$ 16,890,424	\$ 482,307	2.856%
Public Fire Service Charges								
Hydrants	3,251	\$ 291.06	\$ -		\$ -	\$ 946,236	\$ (946,236)	-100%
Total Rate Revenue					\$ 20,168,643	\$ 20,168,598	\$ 45	100%

* Providence Units of Service as of June 2009
 Consumption reflect FY 08 consumption in Providence

PROVIDENCE WATER SUPPLY BOARD
Calculation of Revenue at Current and Proposed Rates

	<u>Providence</u>
# Hydrants Providence	3,251
Rate	\$ <u>291.06</u>
Hydrant Revenue	946,236.06
Current Service Charge Providence	\$ 2,331,937.92
Proposed SC w/ Fire Prot. surcharge Providence	\$ <u>2,795,911.84</u>
(Increase)/Decrease in Revenue	\$ (463,973.92)
Additional revenue from Providence Consumption surcharge	\$ <u>482,306.76</u>
variance	\$ (44.62)

Number of Hydrants as of April 1, 2009 bill

Current Service charge based on Docket 3832 rates and Number of meters as of June 25, 2009

Retail Quarterly Meter Size (inches)	Number Quarterly	w/Add'l Fire Prot Service Chg Rate per Meter	Annual Rate (x4)	Providence	
				Number	Revenue
5/8	25,273	\$18.86	\$75.44	25,273	\$1,906,595.12
3/4	4,065	\$20.02	\$80.08	4,065	\$325,525.20
1	1,990	\$23.50	\$94.00	1,990	\$187,060.00
1-1/2	901	\$28.14	\$112.56	901	\$101,416.56
2	977	\$40.90	\$163.60	977	\$159,837.20
3	56	\$134.87	\$539.48	56	\$30,210.88
4	16	\$169.66	\$678.64	16	\$10,858.24
6	20	\$250.88	\$1,003.52	20	\$20,070.40
8	6	\$343.68	\$1,374.72	6	\$8,248.32
10	2	\$427.78	\$1,711.12	2	\$3,422.24
12	0	\$511.89	\$2,047.56	0	\$0.00
Totals	33,306			33,306	\$2,753,244.16

Retail Monthly Meter Size (inches)	Number Quarterly	w/Add'l Fire Prot Service Chg Rate per Meter	Annual Rate (x 12)	Providence	
				Number	Revenue
5/8	1	\$11.13	\$133.56	1	\$133.56
3/4	0	\$11.51	\$138.12	0	\$0.00
1	1	\$12.67	\$152.04	1	\$152.04
1-1/2	0	\$14.22	\$170.64	0	\$0.00
2	27	\$18.48	\$221.76	27	\$5,987.52
3	10	\$49.79	\$597.48	10	\$5,974.80
4	7	\$61.40	\$736.80	7	\$5,157.60
6	13	\$88.46	\$1,061.52	13	\$13,799.76
8	8	\$119.40	\$1,432.80	8	\$11,462.40
10	0	\$147.43	\$1,769.16	0	\$0.00
12	0	\$175.47	\$2,105.64	0	\$0.00
Totals	67			67	\$42,667.68

Total Retail Meter Size (inches)	Number Meters	Providence	
		Number	Revenue
5/8	25,274	25,274	\$1,906,728.68
3/4	4,065	4,065	\$325,525.20
1	1,991	1,991	\$187,212.04
1-1/2	901	901	\$101,416.56
2	1,004	1,004	\$165,824.72
3	66	66	\$36,185.68
4	23	23	\$16,015.84
6	33	33	\$33,870.16
8	14	14	\$19,710.72
10	2	2	\$3,422.24
12	0	0	\$0.00
Totals	33,373	33,373	\$2,795,911.84

Retail Quarterly Meter Size (inches)	Number Quarterly	D 3832 Rate per Meter	Annual Rate (x4)	Providence	
				Number	Revenue
5/8	25,273	\$15.73	\$62.92	25,273	\$1,590,177.16
3/4	4,065	\$16.70	\$66.80	4,065	\$271,542.00
1	1,990	\$19.60	\$78.40	1,990	\$156,016.00
1-1/2	901	\$23.47	\$93.88	901	\$84,585.88
2	977	\$34.11	\$136.44	977	\$133,301.88
3	56	\$112.49	\$449.96	56	\$25,197.76
4	16	\$141.51	\$566.04	16	\$9,056.64
6	20	\$209.25	\$837.00	20	\$16,740.00
8	6	\$286.65	\$1,146.60	6	\$6,879.60
10	2	\$356.80	\$1,427.20	2	\$2,854.40
12	0	\$426.95	\$1,707.80	0	\$0.00
Totals	33,306			33,306	\$2,296,351.32

Retail Monthly Meter Size (inches)	Number Quarterly	D3832 Rate per Meter	Annual Rate (x 12)	Providence	
				Number	Revenue
5/8	1	\$9.28	\$111.36	1	\$111.36
3/4	0	\$9.60	\$115.20	0	\$0.00
1	1	\$10.57	\$126.84	1	\$126.84
1-1/2	0	\$11.86	\$142.32	0	\$0.00
2	27	\$15.41	\$184.92	27	\$4,992.84
3	10	\$41.53	\$498.36	10	\$4,983.60
4	7	\$51.21	\$614.52	7	\$4,301.64
6	13	\$73.78	\$885.36	13	\$11,509.68
8	8	\$99.59	\$1,195.08	8	\$9,560.64
10	0	\$122.97	\$1,475.64	0	\$0.00
12	0	\$146.35	\$1,756.20	0	\$0.00
Totals	67			67	\$35,586.60

Total Retail Meter Size (inches)	Number Meters	Providence	
		Number	Revenue
5/8	25,274	25,274	\$1,590,288.52
3/4	4,065	4,065	\$271,542.00
1	1,991	1,991	\$156,142.84
1-1/2	901	901	\$84,585.88
2	1,004	1,004	\$138,294.72
3	66	66	\$30,181.36
4	23	23	\$13,358.28
6	33	33	\$28,249.68
8	14	14	\$16,440.24
10	2	2	\$2,854.40
12	0	0	\$0.00
Totals	33,373	33,373	\$2,331,937.92

Revenue difference \$463,973.92

Providence Water

Customer Impact of Proposed Providence Only increased Retail Rates

	11/0/07 Rates	Proposed Rate	Dollar Increase	Percent Increase	Proposed Quarterly Increase	Proposed Monthly Increase
Residential						
100 HCF w/ 5/8 meter	\$ 62.92	\$ 75.44	\$ 12.52	19.90%	\$ 4.63	\$ 1.54
Customer Charge	\$ 213.40	\$ 219.40	\$ 6.00	2.81%		
Consumption	\$ 276.32	\$ 294.84	\$ 18.52	6.70%		
Total 100 HCF						
Commercial						
2,000 HCF w/ 2in meter	\$ 136.44	\$ 163.60	\$ 27.16	19.91%	\$ 36.79	\$ 12.26
Customer Charge	\$ 4,098.00	\$ 4,218.00	\$ 120.00	2.93%		
Consumption	\$ 4,234.44	\$ 4,381.60	\$ 147.16	3.48%		
Total 2000 HCF						
Industrial						
10,000 HCF w/ 6in. meter	\$ 837.00	\$ 1,003.52	\$ 166.52	19.89%	\$ 191.63	\$ 63.88
Customer Charge	\$ 20,110.00	\$ 20,710.00	\$ 600.00	2.98%		
Consumption	\$ 20,947.00	\$ 21,713.52	\$ 766.52	3.66%		
Total 10,000 HCF						
Industrial (Large)						
50,000 HCF w/ 10in. meter	\$ 1,427.20	\$ 1,711.12	\$ 283.92	19.89%	\$ 820.98	\$ 273.66
Customer Charge	\$ 100,550.00	\$ 103,550.00	\$ 3,000.00	2.98%		
Consumption	\$ 101,977.20	\$ 105,261.12	\$ 3,283.92	3.22%		
Total 50,000 HCF						

EXISTING TARIFFS

SCHEDULE A

Providence Water Supply Board Service Charges Retail

Rhode Island Public Utilities Commission Docket No. 3832

Effective: November 1, 2007

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"	\$15.73	\$9.28
3/4	16.70	9.60
1	19.60	10.57
1 1/2	23.47	11.86
2	34.11	15.41
3	112.49	41.53
4	141.51	51.21
6	209.25	73.78
8	286.65	99.59
10	356.80	122.97
12	426.95	146.35

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.

EXISTING TARIFFS

SCHEDULE B

Providence Water Supply Board Metered Sales Retail

Rhode Island Public Utilities Commission Docket No. 3832

Effective: November 1, 2007

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	\$2.134
Commercial	\$2.049
Industrial	\$2.011

Monthly Accounts

Residential	\$2.134
Commercial	\$2.049
Industrial	\$2.011

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.

EXISTING TARIFFS

SCHEDULE D

**Providence Water Supply Board
Public Fire Protection**

Rhode Island Public Utilities Commission Docket No. 3832

Effective: November 1, 2007

Applicability

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

Rates

For each hydrant: \$291.06

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 A

**Providence Water Supply Board
Service Charges
Retail**

Rhode Island Public Utilities Commission Docket No. 3832

Effective: **November 1, 2007** _____, 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"	\$15.73	\$9.28
3/4	16.70	9.60
1	19.60	10.57
1 1/2	23.47	11.86
2	34.11	15.41
3	112.49	41.53
4	141.51	51.21
6	209.25	73.78
8	286.65	99.59
10	356.80	122.97
12	426.95	146.35

However, if the City of Providence opts out of the hydrant charge as allowed by statute, for each Providence Water service connected in the City of Providence the following additional Fire Protection service charge shall apply to Providence ratepayers when Providence opts out of the hydrant charge:

<u>Size of Meter</u>	<u>Quarterly</u>	<u>Monthly</u>
<u>5/8"</u>	<u>\$ 3.13</u>	<u>\$1.85</u>
<u>3/4</u>	<u>3.32</u>	<u>1.91</u>
<u>1</u>	<u>3.90</u>	<u>2.10</u>
<u>1 1/2</u>	<u>4.67</u>	<u>2.36</u>
<u>2</u>	<u>6.79</u>	<u>3.07</u>
<u>3</u>	<u>22.38</u>	<u>8.26</u>
<u>4</u>	<u>28.15</u>	<u>10.19</u>
<u>6</u>	<u>41.63</u>	<u>14.68</u>
<u>8</u>	<u>57.03</u>	<u>19.81</u>
<u>10</u>	<u>70.98</u>	<u>24.46</u>
<u>12</u>	<u>84.94</u>	<u>29.12</u>

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. 3832

Effective: : November 1, 2007 _____, 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	\$2.134
Commercial	\$2.049
Industrial	\$2.011

Monthly Accounts

Residential	\$2.134
Commercial	\$2.049
Industrial	\$2.011

However, if the City of Providence opts out of the hydrant charge as allowed by statute, a volume surcharge of \$.06 per HCF shall apply for all metered water service in the City of Providence. This surcharge shall only apply to City of Providence ratepayers when the City of Providence opts out of the hydrant charge.

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 D

**Providence Water Supply Board
Public Fire Protection**

Rhode Island Public Utilities Commission Docket No. 3832

Effective: : November 1, 2007 _____, 2009

Applicability

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

Rates

For each hydrant: \$291.06

For each hydrant in Providence that opts out
of the Hydrant charge as allowed by statute: \$0

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.

PROPOSED TARIFFS

SCHEDULE A

**Providence Water Supply Board
Service Charges
Retail**

Rhode Island Public Utilities Commission Docket No.

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"	\$15.73	\$9.28
3/4	16.70	9.60
1	19.60	10.57
1 ½	23.47	11.86
2	34.11	15.41
3	112.49	41.53
4	141.51	51.21
6	209.25	73.78
8	286.65	99.59
10	356.80	122.97
12	426.95	146.35

However, if the City of Providence opts out of the hydrant charge as allowed by statute, for each Providence Water service connected in the City of Providence the following additional Fire Protection service charge shall apply to Providence ratepayers when Providence opts out of the hydrant charge:

<u>Size of Meter</u>	<u>Quarterly</u>	<u>Monthly</u>
5/8"	\$ 3.13	\$1.85
3/4	3.32	1.91
1	3.90	2.10
1 ½	4.67	2.36
2	6.79	3.07
3	22.38	8.26
4	28.15	10.19
6	41.63	14.68
8	57.03	19.81
10	70.98	24.46
12	84.94	29.12

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.

PROPOSED TARIFFS

SCHEDULE B

**Providence Water Supply Board
Metered Sales
Retail**

Rhode Island Public Utilities Commission Docket No.

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	\$2.134
Commercial	\$2.049
Industrial	\$2.011

Monthly Accounts

Residential	\$2.134
Commercial	\$2.049
Industrial	\$2.011

However, if the City of Providence opts out of the hydrant charge as allowed by statute, a volume surcharge of \$.06 per HCF shall apply for all metered water service in the City of Providence. This surcharge shall only apply to City of Providence ratepayers when the City of Providence opts out of the hydrant charge.

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.

PROPOSED TARIFFS

SCHEDULE D

**Providence Water Supply Board
Public Fire Protection**

Rhode Island Public Utilities Commission Docket No.

Effective: _____, 2009

Applicability

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

Rates

For each hydrant: \$291.06

For each hydrant in Providence that opts out
of the Hydrant charge as allowed by statute: \$0

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.

2009 -- H 5056 SUBSTITUTE A AS AMENDED

LC00004/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REGULATORY POWERS OF
ADMINISTRATION

Introduced By: Representatives Gemma, Fox, Kilmartin, and Schadone

Date Introduced: January 08, 2009

Referred To: House Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-3-11.1 of the General Laws in Chapter 39-3 entitled "Regulatory
2 Powers of Administration" is hereby amended to read as follows:

3 39-3-11.1. Changes in rates of publicly owned water authorities. -- (a)

4 Notwithstanding any other provisions of this chapter, the commission shall not have the power to
5 suspend the taking effect of any change or changes in the rates, tolls, and charges filed and
6 published in compliance with the requirements of sections 39-3-10 and 39-3-11 by any public
7 waterworks or water service owned or furnished by a city, town, or any other municipal
8 corporation defined as a public utility in section 39-1-2, when the change or changes are proposed
9 to be made solely for the purpose of making payments or compensation to any city or town for
10 reimbursement of any loans or advances of money previously issued to any public waterworks or
11 water service by any city or town under existing contracts or arrangements; provided, however,
12 that the change or changes shall take effect subject to refund or credit pending further
13 investigation, hearing, and order by the commission within eight (8) months after the effective
14 date. The public waterworks or water service shall file with the commission the new rate schedule
15 along with the documentary evidence of the indebtedness supporting the new rates. Further, the
16 rate schedule shall be published in a newspaper of general circulation in the service area by the
17 waterworks or water service at least ten (10) days prior to the effective date thereof.

18 (b) The provisions of this section shall not be construed to bar recovery of loans or

1 advances of money not otherwise reflected in existing rates, tolls, and charges issued to May 19,
2 1982.

3 (c) In setting rates for publicly owned water authorities, the commission shall not require
4 the payment of rental fees for fire hydrants from any municipality that has prohibited such fees by
5 ordinance and has given notice to the commission of said ordinance.

6 SECTION 2. Chapter 45-39 of the General Laws entitled "Sale of Water" is hereby
7 amended by adding thereto the following section:

8 45-39-4. Payment for hydrant rentals. - Notwithstanding any general or special law
9 relating to publicly owned water authorities, the cities of Warwick, Providence and Pawtucket
10 may provide by enactment of an ordinance, and complying with the notice requirements of
11 section 39-3-11.1, which provides that the rental fees for any fire hydrants within their respective
12 cities shall be the responsibility of the ratepayer.

13 SECTION 3. This act shall take effect upon passage.

LC00004/SUB A

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO PUBLIC UTILITIES AND CARRIERS -- REGULATORY POWERS OF
ADMINISTRATION

- 1 This act would transfer the costs associated with fire hydrants from property taxpayers to
2 ratepayers by allowing Warwick, Providence and Pawtucket to pass an appropriate ordinance to
3 avoid payment of hydrant rental fees.
4 This act would take effect upon passage.

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(ii) afford all interested persons reasonable opportunity to submit data, views, or arguments, orally or in writing.

(2) If the Commission finds that an imminent peril to the public health, safety, or welfare requires adoption of a rule upon less than thirty (30) days notice, and states in writing the reasons for that finding, it may proceed without prior notice or hearing, or upon any abbreviated notice and hearing that it finds practicable, to adopt an emergency rule. The rule so adopted may be effective for a period of not longer than one hundred twenty (120) days, but the adoption of an identical rule under Rule 1.8(f)(1) is not precluded.

1.9 APPLICATIONS

(a) Contents. All applications shall be in writing and under oath, shall state clearly and concisely the authorization or permission sought, shall cite by appropriate reference the statutory provision or other authority under which Commission authorization or permission is sought, and shall set forth in the order indicated the following (unless otherwise provided by Commission rules or regulations for the specific type of application involved):

(1) The exact legal name of the applicant, if the applicant is a corporation, trust, association or other organized group, the State or Territory under the laws of which the applicant was created or organized, the location of applicant's principal place of business, and the names of all states where applicant is authorized to do business.

(2) The name, title and post office address of the person to whom correspondence and communications in regard to the application are to be addressed. The Commission will serve, where required, all notices, orders and other papers upon the person so named and such service shall be deemed to be service upon applicant.

(b) Rate Change Filings. In addition to the requirements of Rule 1.9(a), any filings for a general change in rate schedules pursuant to R.I.G.L. §39-3-11 shall be accompanied by the documents and information required by Part Two of these rules.

(c) Tariff Advices.

(1) Public utilities may file tariffs adding new services, providing for new rules, or otherwise adding to their tariff schedules without amending existing tariffs by tariff advice. Public utilities may also file minor changes to existing schedules by tariff advice. The tariff advice must include a letter of transmittal from the utility listing all tariff pages changed or added by the tariff advice and stating briefly the reason for filing the tariff

advice. If existing tariffs are changed, the advice must contain two legible copies of each changed page, one showing all the changes with appropriate symbols for deletions or additions (see Appendix A), and one showing the pages after the changes as they will appear in the new tariffs.

(2) No tariff advice can be effective unless thirty (30) days' notice is given to the public, the Division, the Attorney General, and any other known parties, by the utility. The utility must provide proof of notice to the Clerk.

(3) In the absence of an order approving or suspending the tariff advice, the tariff advice not suspended or approved goes into effect thirty (30) days after notice or on the proposed effective date, whichever is later. If a tariff advice is suspended, the Commission will open a formal proceeding and treat the tariff advice as an application.

(d) Terms and Conditions.

(1) Public utilities may file terms and conditions, or changes thereto, through a letter of transmittal listing all terms and conditions changed or added, and stating briefly the reason for the filing. If existing terms and conditions are changed, the filing must contain two legible copies of each changed page, one showing all the changes with appropriate symbols for deletions or additions (see Appendix A), and one showing the pages after the changes as they will appear in the new terms and conditions.

(2) No term or condition can be effective unless thirty (30) days' notice is given to the public, the Division, the Attorney General, and any other known parties, by the utility. The utility must provide proof of notice to the Clerk.

(3) In the absence of an order approving or suspending the terms and conditions, the filing not suspended or approved goes into effect thirty (30) days after notice or on the proposed effective date, whichever is later.

1.10 PETITIONS

(a) General. Petitions for relief under any statute or other authority delegated to the Commission shall be in writing, shall state clearly and concisely the petitioner's grounds of interest in the subject matter, the facts relied upon, and the relief sought, and shall cite by appropriate reference the statutory provision or other authority relied upon for relief.

(b) Petitions for Issuance, Amendment, Waiver, or Repeal of Rules.



Notice of Proposed Tariff Change

Providence Water has submitted a Tariff Advice filing to the RI Public Utilities Commission (PUC) under PUC Rule 1.9(c). This filing will allow for a change in retail water rates in the City of Providence. If the tariff is implemented, a volume surcharge of \$.06 per hundred cubic feet of water consumed will be added to all water bills for ratepayers in the City of Providence, and a new Fire Protection service charge based on the size of the meter will also be added to all ratepayer's bills in the City of Providence as set forth below. These additional charges are needed due to a change in law that prohibits Providence Water from charging the City of Providence for hydrant fees. Therefore, the funds needed to service the Providence fire hydrants will have to be collected from Providence Water ratepayers who reside in the City of Providence. The proposed tariff is requested to be effective thirty (30) days from the date of publication of this Notice.

<u>Size of Meter</u>	<u>Fire Protection service charge</u>	
	<u>Quarterly</u>	<u>Monthly</u>
5/8"	\$ 3.13	\$1.85
3/4	3.32	1.91
1	3.90	2.10
1 ½	4.67	2.36
2	6.79	3.07
3	22.38	8.26
4	28.15	10.19
6	41.63	14.68
8	57.03	19.81
10	70.98	24.46
12	84.94	29.12

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