

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

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PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY

DOCKET NO: 4142

MISCELLANEOUS PETITION FOR RELIEF  
ON BEHALF OF  
KENT COUNTY WATER AUTHORITY

TRAVEL

1. In Docket No. 3942, the Rhode Island Public Utilities Commission granted the Kent County Water Authority's request for a three percent (3%) Operating Revenue Allowance.
2. In Docket No. 4142, the Rhode Island Public Utilities Commission further granted (reaffirmed) the Kent County Water Authority's request for a three percent (3%) Operating Revenue Allowance.
3. That pursuant to Docket 3942 and Docket 4142, of the Rhode Island Public Utilities Commission, one half (1/2) of the requested Operating Revenue Allowance was restricted.
4. That the Rhode Island Public Utilities Commission instructed your Petitioner (Kent County Water Authority) to seek recovery of the restricted funds if Petitioner experienced a revenue shortfall greater than 0.5 percent of total allowed rate revenue.
5. Petitioner (Kent County Water Authority) has incurred a shortfall greater than 0.5 percent in the fiscal year 2012.

WHEREFORE, Petitioner seeks the approval of the Commission to grant Petitioner the right to recover the shortfall in the adjusted allowed revenue from the funds presently restricted in its Operating Revenue Allowance account.

### **FACTS IN SUPPORT OF PETITIONER'S REQUEST**

In Docket 3942 and Docket 4142 the Rhode Island Public Utilities Commission granted the Kent County Water Authority's request for an Operating Revenue Allowance equal to three percent (3%) of the totaled allowed rate revenue. The Commission granted the request with restrictions as set forth in the Commission's Order 19545 at page 34.

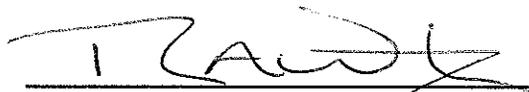
- One half (1/2) of the Operating Revenue Allowance was unrestricted for use by the Kent County Water Authority in meeting expense overruns and revenue shortfalls of up to 0.5 percent of the total allowed rate revenue.
- The One half (1/2) of the Operating Revenue Allowance was to be restricted and may only be used to cover shortfalls in total adjusted allowed rate revenue exceeding 0.5 percent of such revenue. If the shortfall exceeded 0.5 percent of the total and adjusted rate revenue, then the Kent County Water Authority could seek recovery of the shortfall.
- The total allowed rate revenues of Docket 3942 were set as allowed revenues and adjusted each year based on the annual change in the Consumer Price Index (CPI) for the Northeast. In addition, any increase in revenues approved for the pass-through of the Providence County Water Supply Board rate increases shall also be recognized.

1. The Kent County Water Authority's total revenue requirements in Docket 3942 was \$19,341,701.
2. The annual change in CPI for the Northeast for 2011 was \$657,618 yielding an authorized 2011 adjusted rate revenue of \$19,999,319.
3. The annual change in CPI for the Northeast for 2012 was \$299,990 yielding an authorized 2012 adjusted rate revenue of \$20,299,309.
4. The Kent County Water Authority's actual rate revenue for fiscal year 2012 was \$19,692,232 yielding a shortfall from the adjusted authorized rate revenue of 2012 of \$607,077.
5. There remains a balance, including accumulated interest, of \$631,987 as of June 30, 2012 in the Restricted Operating Revenue Allowance.

6. A copy of the Kent County Water Authority's Operating Revenue Calculation worksheet for Fiscal Year Ending June 30, 2012 is attached hereto as Exhibit A.

WHEREFORE, your Petitioner prays that the Public Utilities Commission grant the Kent County Water Authority permission to withdraw \$607,077 from the Operating Revenue Allowance, presently restricted, to cover the above referenced revenue shortfall and to further grant other such relief as the Commission deems just.

Kent County Water Authority  
By its Attorney,

A handwritten signature in black ink, appearing to read 'R. Watson', written over a horizontal line.

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**EXHIBIT A.**

Kent County Water Authority  
Docket 4142  
Operating Revenue Allowance Calculation  
Fiscal Year Ending June 30, 2012

Authorized Revenue from Rates Docket 4142	19,341,701
Annual Change CPI Northeast 2011 (3.4%)	657,618
Total Authorized Rate Revenue 2011	19,999,319
Annual Change CPI Northeast 2012 (1.5%)	299,990
Total Authorized Rate Revenue 2012	20,299,309
Actual Rate Revenue Fiscal Year 2012	19,692,232
Difference	607,077

Unrestricted Operating Revenue Allowance 1.5%

Annual Docket 4142	291,657
Monthly	24,305

Restricted Operating Revenue Allowance 1.5%

Annual Docket 4142	291,657
Monthly	24,305

Account Funding Schedule:

	Months Funded	Amount Funded
FYE 2010	May and June 2010	48,609
FYE 2011	July 2010 - June 2011	291,657
FYE 2012	July 2011 - June 2012	291,657
	Interest Accrued	64

**Restricted Total: \$ 631,987**

## CERTIFICATION

I hereby certify that on the 13th day of November, 2012, I provided copies of Petitioner, Kent County Water Authority's Miscellaneous Petition for Relief to the Docket 4142 Rate Application Service List as set forth below:

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