

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: PAWTUCKET WATER SUPPLY BOARD :  
PETITION TO AMEND MULTI-YEAR RATE PLAN : DOCKET NO. 4171

ORDER

WHEREAS, On December 22, 2010, the Public Utilities Commission (“Commission”) granted a revenue increase to Pawtucket Water Supply Board (“PWSB”) and also allowed a multi-year rate plan to increase rates in two separate phases, the first effective on usage on and after January 1, 2011 and January 1, 2012;<sup>1</sup> and

WHEREAS, On December 29, 2011, PWSB advised the Commission that its borrowings were delayed, obviating the need for a rate increase on January 1, 2012;<sup>2</sup> and

WHEREAS, On February 1, 2012, PWSB filed a Petition to Amend Multi-Year Rate Plan with the Commission asserting that because of a delay in borrowings, savings on past capital projects funded through debt, and a decision to shift funding for certain future capital projects from debt funded to capital funded, the PWSB does not have to increase rates specifically for debt service until 2015; and

WHEREAS, PWSB submitted the Pre-Filed Testimony of James L. DeCelles, P.E., Chief Engineer of PWSB, and Robert E. Benson, Chief Financial Officer of PWSB, in support of its Petition; and

WHEREAS, PWSB’s witnesses stated that PWSB may have to file a rate case before 2015 in order to meet increased operation and maintenance expenses or decreased consumption, in which case, PWSB would address the debt service requirements at that time; and

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<sup>1</sup> Order No. 20376 (issued June 9, 2011).

<sup>2</sup> Letter from Joseph A. Keough, Jr., Esq. to Luly Massaro, Commission Clerk dated 12/29/11.

WHEREAS, The Commission issued data requests to PWSB seeking the proposed effective date for the Phase II rates in the event PWSB does not file a rate case prior to 2015 to which PWSB stated new rates would need to be effective for usage on and after July 1, 2015, necessitating the need for a compliance filing by January 1, 2015; and

WHEREAS, On March 14, 2012, the Division of Public Utilities and Carriers (“Division”) filed Comments to PWSB’s Petition asserting that “as a generation principle it is in the best interests of PWSB ratepayers not to be subject to a rate increase at this time....[and] the Division therefore does not object to delay in the effective date of the Phase II rate implementation;” and

WHEREAS, The Division recommended that PWSB make a compliance filing six months prior to the effective date of the Phase II rates provided, however, that if a rate case is filed prior to that time, the Phase II rate increase issue is addressed during that proceeding; and

WHEREAS, On March 29, 2012, at an Open Meeting, the Commission considered the Petition, data responses, and Division Comments and approved the Petition to Amend Multi-Year Rate Plan on the condition that PWSB make a compliance filing six months prior to the effective date of the Phase II rates. In the event PWSB makes a rate filing prior to 2015, it shall address the Phase II rate issue in that filing.

Accordingly, it is hereby

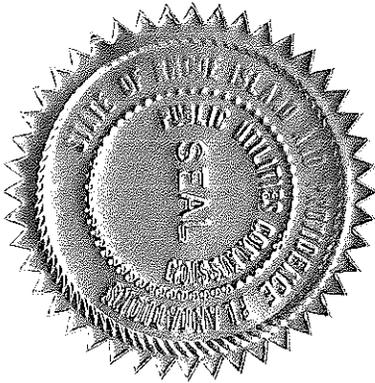
(20692) ORDERED:

1. Pawtucket Water Supply Board’s Petition to Amend Multi-Year Rate Plan is hereby approved.
2. Ordering Paragraph 4 of Order No. 20376 is hereby amended as follows: The Pawtucket Water Supply Board is granted an increase of \$405,149 effective July 1,

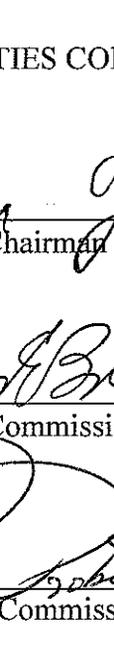
2015 for its Phase II increase, specifically, \$396,661 for New Debt, \$2,500 for Trustee Fees and \$5,987 for its Revenue Stabilization Fund, provided however that Pawtucket Water Supply Board shall make a compliance filing at least six (6) months prior to the effective date with updated projections regarding the debt service issuance, the Trustee Fees and interest rate, provided further that if Pawtucket Water Supply Board makes a rate filing prior to 2015, it shall address the Phase II issue in that filing.

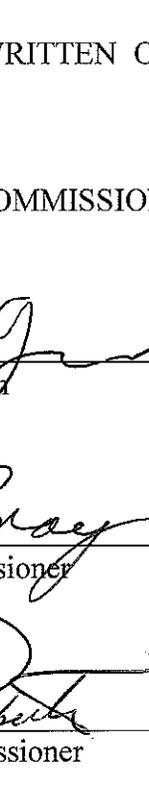
EFFECTIVE AT WARWICK, RHODE ISLAND ON MARCH 29, 2012  
PURSUANT TO AN OPEN MEETING DECISION. WRITTEN ORDER ISSUED  
APRIL 9, 2012.

PUBLIC UTILITIES COMMISSION



  
Elia Germani, Chairman

  
Mary E. Bray, Commissioner

  
Paul J. Roberti, Commissioner