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August 18, 2016

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

**Re: *Newport Water - Docket 4243***  
***Miscellaneous Petition For Relief***

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of the following documents:

1. City of Newport, Utilities Department, Water Division's Response to the Portsmouth Water and Fire District's First Set of Data Requests (Supplemental).

Please note that an electronic copy of these documents has been sent to the service list for Docket 4595, which is Newport Water's current rate filing with the Rhode Island Public Utilities Commission.

Thank you for your attention to these matters.

Sincerely,



Joseph A. Keough Jr.

JAK/kf  
Enclosures  
cc: Service List (via electronic mail)

STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4243  
MISCELLANEOUS PETITION  
FOR RELIEF  
Response Of The City Of Newport,  
Utilities Division, Water Department  
To The Portsmouth Water And  
Fire District's Data Requests  
Set 1

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**PWFD 1-1:** Please provide a breakdown of all actual expenses for FY 2016 in the same format as the revenues requirements filed in Docket 4595 (Mr. Smith's Schedule A-1).

**Response:** As FY 2016 ended June 30, 2016, Newport does not yet have final actual expenses for FY16. Further, Newport Water notes that the caption of the data requests indicate they were issued in "Docket No. 4243 – Phase III – Multi-Year Rate Plan Compliance Filing." Newport does not have a multi-year rate plan compliance filing presently before the Commission. Newport's only filing currently before the Commission related to Docket 4243 is a Miscellaneous Petition For Relief seeking to withdraw funds from the restricted Salary Increase Account.

**Supplemental**

**Response:** As set forth in Newport's original response, Newport does not yet have final actual expenses for FY16 as it only ended June 30, 2016. However, Newport has produced unaudited numbers that have only been reviewed for the purpose of responding to this data request. The attached expenses are not Newport's final actual expenses for FY 2016. The attached information should not be used for any purpose other than to provide a general snapshot of Newport's FY 2016 expenses as of this date. Further, these numbers are not evidence in Newport's pending companion proceeding before the Commission (Docket 4925).

**Prepared by:** Julia Forgue

City of Newport  
 Utilities Department  
 Water Division  
 Actual Expenses FY 2016  
 Revenue Requirements  
 Unreviewed / Unaudited

**O&M COSTS**

**Administration**

		<b>Actual Costs Fiscal Year 2016 PRELIMINARY</b>
50001	Salaries & Wages	\$ 364,223
	AFSCME retro	-
	NEA retro	-
	AFSCME benefits on retro pay	-
	NEA benefits on retro pay	-
50044	Standby Salaries	13,721
50100	Employee Benefits	117,251
50103	Retiree Insurance Coverage	352,096
50105	Workers Compensation	59,790
50175	Annual Leave Buyback	1,708
50207	Advertisement	4,658
50210	Membership Dues & Subscriptions	4,008
50212	Conferences & Training	3,449
50214	Tuition Reimbursement	-
50220	Consultant Fees	156,014
50238	Postage	642
50239	Fire & Liability Insurance	63,980
50251	Telephone & Communication	5,123
50305	Water	1,341
50306	Electricity	8,912
50307	Natural Gas	4,107
50308	Property Taxes	593,284
50266	Legal & Administrative	309,699
50267	Data Processing	143,888
50268	Mileage Allowance	596
50271	Gasoline & Vehicle Allowance	5,835
50275	Repairs & Maintenance	-
50280	Regulatory Expense	243
50281	Regulatory Assessment	94,055
50361	Office Supplies	13,338
50505	Self Insurance	-
50515	Unemployment Claims	581
	<b>Subtotal:</b>	<b>\$ 2,322,542</b>

City of Newport  
 Utilities Department  
 Water Division  
 Actual Expenses FY 2016  
 Revenue Requirements  
 Unreviewed / Unaudited

		<b>Actual Costs Fiscal Year 2016 PRELIMINARY</b>
<b>Customer Service</b>		
50001	Salaries & Wages	\$ 280,697
50002	Overtime	2,238
	Collections	-
50004	Temp Salaries	22,175
50056	Injury Pay	-
50100	Employee Benefits	143,220
50120	Bank Fees (lock box)	15,432
50175	Annual Leave Buyback	4,531
50205	Copying & binding	378
50212	Conferences & Training	-
50225	Support Services	21,743
50238	Postage	71,968
50271	Gasoline & Vehicle Allowance	34,662
50275	Repairs & Maintenance	59,463
50299	Meter Maintenance	9,882
50311	Operating Supplies	4,578
50320	Uniforms & protective Gear	366
50380	Customer Service Supplies	655
	<b>Subtotal:</b>	<b>\$ 671,988</b>
<b>Source of Supply - Island</b>		
50001	Salaries & Wages	\$ 296,469
50002	Overtime	11,742
50004	Temp Salaries	480
50056	Injury Pay	-
50100	Employee Benefits	155,836
50175	Annual Leave Buyback	2,265
50306	Electricity	19,002
50271	Gas/Vehicle Maintenance	62,784
50275	Repairs & Maintenance	3,308
50277	Reservoir Maintenance	14,651
50311	Operating Supplies	3,981
50320	Uniforms & protective Gear	1,189
50335	Chemicals	66,800
	<b>Subtotal:</b>	<b>\$ 638,507</b>
<b>Source of Supply - Mainland</b>		
50002	Overtime	\$ 2,304
50004	Temp Salaries	9,796
50005	Permanent Part time	10,750
50100	Employee Benefits	1,748
50306	Electricity	103,422
50275	Repairs & Maintenance	13,503
50277	Reservoir Maintenance	4,500
50311	Operating Supplies	86
	<b>Subtotal:</b>	<b>\$ 146,109</b>

City of Newport  
 Utilities Department  
 Water Division  
 Actual Expenses FY 2016  
 Revenue Requirements  
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		<b>Actual Costs Fiscal Year 2016 PRELIMINARY</b>
<b>Station One</b>		
50001	Salaries & Wages	\$ 530,526
50002	Overtime	79,140
50003	Holiday Pay	19,127
50045	Lead Plant Operator Stipend	7,939
50100	Employee Benefits	\$ 264,098
50175	Annual Leave Buyback	10,986
50212	Conferences & Training	1,070
50239	Fire & Liability Insurance	33,236
50306	Electricity	\$ 230,686
50307	Natural Gas	26,990
50260	Rental of Equipment	788
50305	Sewer Charge	102,536
50271	Gas/Vehicle Maintenance	11,550
50275	Repairs & Maintenance	\$ 16,415
50311	Operating Supplies	\$ 28,205
50320	Uniforms & protective Gear	30
50335	Chemicals	347,841
	<b>Subtotal:</b>	<b>\$ 1,711,163</b>
<b>Lawton Valley</b>		
50001	Salaries & Wages	\$ 490,046
50002	Overtime	102,650
50003	Holiday Pay	17,119
50045	Lead Plant Operator Stipend	4,122
50100	Employee Benefits	\$ 276,756
50175	Annual Leave Buyback	7,279
50212	Conferences & Training	3,709
50239	Fire & Liability Insurance	51,516
50306	Electricity	\$ 292,049
50307	Natural Gas	26,765
50260	Rental of Equipment	683
50305	Sewer Charge	269,824
50271	Gas/Vehicle Maintenance	6,298
50275	Repairs & Maintenance	\$ 7,493
50311	Operating Supplies	\$ 18,123
50320	Uniforms & protective Gear	-
50335	Chemicals	276,476
	<b>Subtotal:</b>	<b>\$ 1,850,908</b>
<b>Laboratory</b>		
50001	Salaries & Wages	\$ 114,444
50100	Employee Benefits	53,598
50175	Annual Leave Buyback	3,155
50275	Repairs & Maintenance	1,679
50281	Regulatory Assessment	32,933
50339	Laboratory Supplies	23,166
	<b>Subtotal:</b>	<b>\$ 228,975</b>

City of Newport  
 Utilities Department  
 Water Division  
 Actual Expenses FY 2016  
 Revenue Requirements  
 Unreviewed / Unaudited

		<b>Actual Costs Fiscal Year 2016 PRELIMINARY</b>
<b>Transmission &amp; Distribution</b>		
50001	Salaries & Wages	\$ 524,602
50002	Overtime	31,880
50003	Holiday Pay	1,284
50004	Temp Salaries	15,220
50056	Injury Pay	-
50100	Employee Benefits	272,377
50175	Annual Leave Buyback	10,950
50212	Conferences & Training	4,590
50225	Contract Services	10,194
50239	Fire & Liability Insurance	11,051
50306	Electricity	26,151
50260	Heavy Equipment Rental	5,183
50271	Gas/Vehicle Maintenance	85,116
50275	Repairs & Maintenance	20,579
50276	Main Maintenance	80,348
50296	Service Maintenance	33,101
50311	Operating Supplies	6,300
50320	Uniforms & protective Gear	1,611
	<b>Subtotal:</b>	<b>\$ 1,140,537</b>
<b>Fire Protection</b>		
50275	Repair & Maintenance - Equipment	\$ 16,498
	<b>Subtotal:</b>	<b>\$ 16,498</b>
	<b>Total O&amp;M Costs</b>	<b>\$ 8,727,227</b>

City of Newport  
 Utilities Department  
 Water Division  
 Actual Expenses FY 2016  
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**CAPITAL COSTS**

Contribution to Capital Spending Acct.  
 Contribution to Debt Service Acct.  
**Total Capital Costs**

**Operating Revenue Allowance**

**Total Costs before Offsets**

**OFFSETS**

**Nonrate Revenues**

Sundry charges  
 WPC cost share on customer service  
 Middletown cost share on customer service  
 Rental of Property  
 Water Penalty  
 Miscellaneous  
 Investment Interest Income  
 Water Quality Protection Fees  
**Total Nonrate Revenues**

**Net Costs to Be Recovered through Rates**

<b>Actual Costs Fiscal Year 2016 PRELIMINARY</b>	
	\$ 2,500,000
	\$ 6,810,178
	<b>\$ 9,310,178</b>
	\$ 261,817
	<b>\$ 18,299,221</b>
	\$ 120,239
	291,792
	147,785
	89,533
	55,922
	20,847
	964
	20,964
	<b>\$ 748,046</b>
	<b>\$ 17,551,175</b>

STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4243  
MISCELLANEOUS PETITION  
FOR RELIEF  
Response Of The City Of Newport,  
Utilities Division, Water Department  
To The Portsmouth Water And  
Fire District's Data Requests  
Set 1

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**PWFD 1-2:** Please provide a breakdown of actual revenues for FY 2016 in the same format as Mr. Smith's Schedule A-4 in Docket 4595, including:

- a. All miscellaneous revenues in the same format as the current filing
- b. Base charge revenues
- c. Metered sales revenues by class (residential, commercial, Navy, Portsmouth)
- d. Public Fire Protection
- e. Private Fire Protection

**Response:** As FY 2016 ended June 30, 2016,, Newport does not yet have final actual expenses for FY16. Further, Newport Water notes that the caption of the data requests indicate they were issued in "Docket No. 4243 – Phase III – Multi-Year Rate Plan Compliance Filing." Newport does not have a multi-year rate plan compliance filing presently before the Commission. Newport's only filing currently before the Commission related to Docket 4243 is a Miscellaneous Petition For Relief seeking to withdraw funds from the restricted Salary Increase Account.

**Supplemental**

**Response:** As set forth in Newport's original response, Newport does not yet have final actual revenues and expenses for FY16 as it only ended June 30, 2016. However, Newport has produced unaudited numbers that have only been reviewed for the purpose of responding to this data request. The attached revenues and expenses are not Newport's final actual revenues and expenses for FY 2016. The attached information should not be used for any purpose other than to provide a general snapshot of Newport's FY 2016 revenues and expenses as of this date. Further, these numbers are not evidence in Newport's pending companion proceeding before the Commission (Docket 4925).

**Prepared by:** Julia Forgue

City of Newport  
 Utilities Department  
 Water Division  
 Actual Revenues FY 2016  
 Revenue Requirements  
 Unreviewed / Unaudited

	<b>Actual Revenues Fiscal Year 2016 PRELIMINARY</b>
<b>REVENUES</b>	
<b>Water Rates</b>	
Base Charge (Billing Charge)	\$ 924,568
Volume Charge	
Residential	6,237,056
Commercial	4,935,790
Navy	1,259,362
Portsmouth Water & Fire District	2,098,411
Fire Protection	
Public	948,076
Private	405,164
Total Rate Revenues	\$ 16,808,427
<b>Other Operating Revenues</b>	
Sundry charges	120,239
WPC cost share on customer service	291,792
Middletown cost share on customer service	147,785
Rental of Property	89,533
Total Other Operating Revenues	649,349
<b>Total Operating Revenues</b>	<b>\$ 17,457,776</b>
Add: Non-Operating Revenues	
Water Penalty	55,922
Miscellaneous	20,847
Investment Interest Income	964
Water Quality Protection Fees	20,964
<b>Total Non Operating Revenues</b>	<b>\$ 98,697</b>
<b>Total Revenues</b>	<b>\$ 17,556,473</b>
<b>COSTS</b>	
<b>Departmental O&amp;M</b>	<b>(8,727,227)</b>
<b>Capital Costs</b>	
Contribution to Capital Spending Acct.	(2,500,000)
Contribution to Debt Service Acct.	(\$6,810,178)
<b>Total Capital Costs</b>	<b>(9,310,178)</b>
<b>Operating Revenue Allowance</b>	<b>(261,817)</b>
<b>Total Costs</b>	<b>\$ (18,299,221)</b>
<b>Revenue Surplus (Deficit)</b>	<b>\$ (742,748)</b>

STATE OF RHODE ISLAND  
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Response Of The City Of Newport,  
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Set 1

**CERTIFICATION**

I hereby certify that on August 18, 2016, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

<b>Parties/Address</b>	<b>E-mail Distribution</b>	<b>Phone</b>
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STATE OF RHODE ISLAND  
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<p>William McGlinn  Portsmouth Water &amp; Fire District  1944 East Main Rd.  PO Box 99  Portsmouth, RI 02871</p>	<p><a href="mailto:wmcglinn@portsmouthwater.org">wmcglinn@portsmouthwater.org</a>;</p>	<p>401-683-2090  ext. 224</p>
<p>Christopher Woodcock  Woodcock &amp; Associates, Inc.  18 Increase Ward Drive  Northborough, MA 01532</p>	<p><a href="mailto:Woodcock@w-a.com">Woodcock@w-a.com</a>;</p>	<p>508-393-3337</p>
<p>Allison Genco, Esq.  NAVFAC HQ- Building 33  Dept. of the Navy  1322 Patterson Ave SE, Suite 1000  Washington Navy Yard, D.C. 20374-5065</p>	<p><a href="mailto:allison.genco@navy.mil">allison.genco@navy.mil</a>;</p>	
<p>Dr. Kay Davoodi, P.E., Director  Utility Rates and Studies Office  NAVFAC HQ- Building 33  Dept. of the Navy  1322 Patterson Ave SE, Suite 1000  Washington Navy Yard, D.C. 20374-5065</p>	<p><a href="mailto:Khojasteh.davoodi@navy.mil">Khojasteh.davoodi@navy.mil</a>;</p>	
<p>Larry R. Allen, Public Utilities  Specialist  Dept. of the Navy</p>	<p><a href="mailto:Larry.r.allen@navy.mil">Larry.r.allen@navy.mil</a>;</p>	
<p>Maurice Brubaker  Brubaker and Associates, Inc.  PO Box 412000  St. Louis, MO 63141-2000</p>	<p><a href="mailto:mbrubaker@consultbai.com">mbrubaker@consultbai.com</a>;</p>	<p>401-724-3600</p>
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<b>File an original and nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;	401-780-2107
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