

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: CITY OF WOONSOCKET, WATER DIVISION  
REQUEST TO CHANGE RATES**

**MARCH \_\_\_\_, 2012**

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION  
Docket No. \_\_\_\_\_**

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## Tab 1

March 15, 2012

Via Hand Delivery

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

**Re: Woonsocket Water Division; Rate Change Filing  
Pursuant to R.I.G.L. §39-3-11**

Dear Luly:

On behalf of the City of Woonsocket Water Division (“WWD”), please find an original and nine copies of WWD’s revised rate documents. The revised tariff is proposed for effect in thirty (30) days. The new rates are designed to collect additional revenues in a twelve-month period equal to \$8,301,954, and representing an approximate 11.58% increase to a typical residential customer. We have included in this filing pre-filed testimony from witnesses, including supporting schedules that support WWD’s request for raised rates.

WWD has complied with all requirements of the Commission’s Rules of Practice and Procedure and R.I. Gen. Laws § 39-3-12.1. As required by statute, we are providing a copy of this filing to the following communities and organizations:

1. Rhode Island Attorney General
2. Town Clerk of the Town of Cumberland
3. City Clerk of the City of Woonsocket
4. Town Clerk of the Town of North Smithfield
5. Town Clerk of the Town of Bellingham
6. Town Clerk of the Town of Blackstone

We have also included a copy of our proposed notice to be published in the *Providence Journal* and the *Woonsocket Call*. We would respectfully request that the Commission and staff immediately review and approve the enclosed notice so that it might be published within the ten-day period prescribed by law. If we are unable to provide notices of the proposed increase in our billing, we will be sending separate mail notices to all our customers in accordance with Section 2.4 of the Rules of Practice and Procedure.

Ms. Luly Massaro  
March 15, 2012  
Page 2

The following individuals should be added to the Service List:

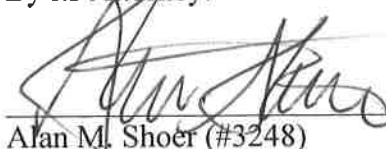
Alan M. Shoer, Esq.  
Adler Pollock & Sheehan P.C.  
2300 Financial Plaza  
Providence, RI 02903  
ashoer@apslaw.com

Sheila McGauvran  
City of Woonsocket  
Department of Public Works  
169 Main Street  
Woonsocket, Rhode Island 02895  
[smcgauvran@woonsocketri.org](mailto:smcgauvran@woonsocketri.org)

Walter E. Edge, Jr.  
David G. Bebyn  
B&E Consulting, LLC  
21 Dryden Lane  
Providence, RI 02904  
wedge@beconsulting.biz  
dbebyn@beconsulting.biz

CITY OF WOONSOCKET WATER DIVISION

By its Attorney:



Alan M. Shoer (#3248)

Enclosures

Tab 2

LEGAL NOTICE OF CHANGE IN RATE  
DOCKET NO. \_\_\_\_\_

Pursuant to Rhode Island General Laws ("R.I.G.L."), Section 39-3-11, and in accordance with the Rules of Practice and Procedure of the Rhode Island Public Utilities Commission, the City of Woonsocket Water Division ("WWD") hereby gives notice of a proposed change in water rates filed and published in conformity with R.I.G.L. 39-3-10.

The new rates, as proposed, are to become effective April 15, 2012. The new rates, as proposed, are designed to collect additional revenues in a twelve month period equal to approximately \$8,301,954 over the current rates and charges. The proposed billing for a retail metered customer who uses 205 gallons per day, 10,000 cubic feet per year would be an increase of \$58.00 or 11.58% annually. The impact on other customers will vary based on consumption.

Please be advised as follows:

- (1) WWD is a body corporate in politic constituting a municipal corporation creating and existing under the laws of the State of Rhode Island with offices located at 169 Main Street, Woonsocket, Rhode Island 02895.
- (2) WWD sells water to customers in the City of Woonsocket, and the Towns of Cumberland and North Smithfield, Rhode Island and the Towns of Blackstone and Bellingham, Massachusetts.
- (3) Correspondence regarding this rate change should be addressed to Sheila McGauvran, Director, Public Works, City of Woonsocket, 169 Main Street, Woonsocket, RI 02895 and Alan M. Shoer, Esq., One Citizens Plaza, 8<sup>th</sup> Floor, Providence, RI 02903-1345.
- (4) A copy of the filing has been sent or delivered to the City of Woonsocket, the Towns of Cumberland and North Smithfield, Rhode Island, the Towns of Blackstone and Bellingham, Massachusetts, the Attorney General for the State of Rhode Island and the State of Rhode Island Water Resources Board. A copy of the filing is also available for examination at the office of the City Clerk, City of Woonsocket, 169 Main Street, Woonsocket, Rhode Island 02895 and the Office of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island 02888.

- (5) Submitted with this request for a rate adjustment are the documents and statements required by R.I. Gen. Laws §39-3-12.1 and the information required by Part II of the Rhode Island Public Utilities Commission.

City of Woonsocket, Water Division  
By Its Attorney,



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Alan M. Shoer, Esquire (#3248)  
Adler Pollock & Sheehan P.C.  
One Citizens Plaza, 8<sup>th</sup> Floor  
Providence, Rhode Island 02903  
Tel: (401) 274-7200  
Fax: (401) 751-0604



## Tab 3

## **INTENDED NOTICE TO CUSTOMERS**

On March 15, 2012 and pursuant to R.I. Gen. Laws §39-3-11 and Part II of the Rhode Island Public Utilities Commission's ("Commission") Rules of Practice and Procedure, the city of Woonsocket, Water Division hereby gives notice that it has filed with the Commission an application to increase its rates, as follows:

### **NOTICE OF A PROPOSED CHANGE IN RATE**

Pursuant to Rhode Island General Laws ("R.I.G.L."), Section 39-3-11, and in accordance with the Rules of Practice and Procedure of the Rhode Island Public Utilities Commission, the City of Woonsocket Water Division ("WWD") hereby gives notice of a proposed change in water rates filed and published in conformity with R.I.G.L. 39-3-10.

The new rates, as proposed, are to become effective April 15, 2012. However, the Public Utilities Commission may suspend the proposed rates for a longer period for the purpose of conducting investigations and hearings. The new rates are designed to collect additional revenues in a twelve-month period equal to approximately \$8,301,954 over the current rates and charges.

The proposed rate on a per 100 cubic feet basis for a retail metered customer is \$563.00. As filed, the bill impact for a typical retail customer using 10,000 cubic feet per year would be an increase of \$58.00 or 11.58% for a typical one-year billing period.

In accordance with the Rules of Practice and Procedure of the Rhode Island Public Utilities Commission, the documents encompassing the rate filing are available for review between 8:30 a.m. and 4:00 p.m., Monday through Friday at the Office of the City Clerk, City of Woonsocket, 169 Main Street, Woonsocket, Rhode Island, or at the Clerk's Office of the cities and towns we service. The filing is also available for review at the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island. The Commission will hold a public hearing at Woonsocket City Hall on \_\_\_\_\_, 2012 at 7:00 p.m. to take comment regarding the filing. Evidentiary hearings will be held on \_\_\_\_\_, 2012 at the offices of the Commission, commencing at 10:00 a.m. These hearings are open to the public.

City of Woonsocket, Water Division  
169 Main Street  
Woonsocket, Rhode Island 02895

Tab 4

March 15, 2012

John Hagopian, Esquire  
Special Assistant Attorney General  
Department of Attorney General  
150 South Main Street  
Providence, RI 02903

**Re: Woonsocket Water Division  
Application For Rate Change with The Public Utilities Commission**

Dear John:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the City of Woonsocket has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request for a change in water rates.

Sincerely,



ALAN M. SHOER

Attorney for Woonsocket Water Division

Enclosure

March 15, 2012

Ms. Andrea Bicki, City Clerk  
City of Woonsocket  
169 Main Street  
Woonsocket, RI 02895

**Re: Woonsocket Water Division  
Application For Rate Change With The Public Utilities Commission**


Dear Ms. Bicki:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the Woonsocket Water Division has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request to change rates. Copies of these documents are to be filed with the governing council of your community. Please notify them of this filing and that you are in possession of the complete document. You may also wish to leave it out for public display.

Thank you for your assistance.

Very truly yours,

WOONSOCKET WATER DIVISION  
By its Attorney,

  
\_\_\_\_\_  
Alan M. Shoer

Enclosure

400938.1

March 15, 2012

Ms. Sandra Giovanelli, Town Clerk  
Town of Cumberland  
45 Broad Street  
Cumberland, RI 02864

**Re: Woonsocket Water Division  
Application For Rate Change With The Public Utilities Commission**


Dear Ms. Giovanelli:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the Woonsocket Water Division has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request to change rates. Copies of these documents are to be filed with the governing council of your community. Please notify them of this filing and that you are in possession of the complete document. You may also wish to leave it out for public display.

Thank you for your assistance.

Very truly yours,

WOONSOCKET WATER DIVISION  
By its Attorney,

  
\_\_\_\_\_  
Alan M. Shoer

Enclosure

March 15, 2012

Town Clerk  
Town of Blackstone  
15 St. Paul Street  
Blackstone, MA 01504

**Re: Woonsocket Water Division  
Application For Rate Change With The Public Utilities Commission**


Ladies and Gentlemen:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the Woonsocket Water Division has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request to change rates. Copies of these documents are to be filed with the governing council of your community. Please notify them of this filing and that you are in possession of the complete document. You may also wish to leave it out for public display.

Thank you for your assistance.

Very truly yours,

WOONSOCKET WATER DIVISION  
By its Attorney,

  
\_\_\_\_\_  
Alan M. Shoer

Enclosure

March 15, 2012

Town Clerk  
Town of Bellingham  
2 Mechanic Street  
Bellingham, MA 02019

**Re: Woonsocket Water Division  
Application For Rate Change With The Public Utilities Commission**

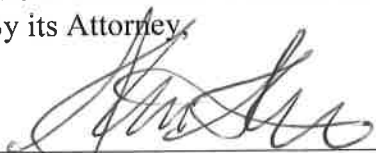
Ladies and Gentlemen:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the Woonsocket Water Division has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request to change rates. Copies of these documents are to be filed with the governing council of your community. Please notify them of this filing and that you are in possession of the complete document. You may also wish to leave it out for public display.

Thank you for your assistance.

Very truly yours,

WOONSOCKET WATER DIVISION  
By its Attorney,

  
\_\_\_\_\_  
Alan M. Shoer

Enclosure



March 15, 2012

Dianne L. Ady, MPA  
Town of North Smithfield  
Memorial Town Hall  
1 Main Street  
Slatersville, RI 02876

**Re: Woonsocket Water Division  
Application For Rate Change With The Public Utilities Commission**

Dear Ms. Ady:

Pursuant to Section 39-3-11 of the General Laws of the State of Rhode Island, the Woonsocket Water Division has filed the enclosed document with the Rhode Island Public Utilities Commission in support of its request to change rates. Copies of these documents are to be filed with the governing council of your community. Please notify them of this filing and that you are in possession of the complete document. You may also wish to leave it out for public display.

Thank you for your assistance.

Very truly yours,

WOONSOCKET WATER DIVISION

By its Attorney,



Alan M. Shoer

Enclosure

# Tab 5

**Prefiled Direct Testimony  
of  
Sheila McGauvran**

**Woonsocket Water Division  
Docket \_\_\_\_\_**

**March 2012**

1 INTRODUCTION

2  
3 **Q. Please provide your full name, title and address.**

4 A. My name is Sheila McGauvran. I am employed by the City of Woonsocket as the Director  
5 of Public Works, which has responsibility for managing both the City's Water Division and  
6 Wastewater Divisions. My office address is 169 Main Street, Woonsocket, RI.

7  
8 **Q. How long have you held this position?**

9 A. I began my appointment as Director of Public Works on January 17, 2011.  
10

11 **Q. Please describe your background, experience and education.**

12 A. Before my appointment as Director of Public Works, I served as the Director of Inspections  
13 and Standards for the City of Providence, from January 2009 to January 2011. Prior to that, I  
14 served as the City Engineer for the City of Woonsocket for approximately 6 months. For the 20  
15 years prior, I served as the Director of Public Works/ Town Engineer for the Town of Coventry.  
16 In the 1980's, I worked for 8 years as a Project Engineer for Maguire Group in their  
17 Environmental division.  
18

19 **Q. Please describe your educational background and professional associations or**  
20 **memberships.**

21 A. I have a Master's in Public Administration from Walden University, and a Bachelor of  
22 Science in Civil and Environmental Engineering. I am a registered Professional Engineer in the  
23 State of Rhode Island, and I am a member of the American Water Works Association (AWWA),  
24 American Public Works Association (APWA), National Society of Professional Engineers  
25 (NSPE), and I serve on the URI Civil and Environmental Engineering Advisory Council.  
26

27 **Q. Please summarize your testimony.**

28 A. My testimony is intended support this rate adjustment request of the City of Woonsocket,  
29 Water Division. The Commission last established rates for the Water Division in Docket 3800,  
30 as explained in the Commission's written Order dated August 8, 2007. Since that time, with the

1 benefit of several years of data on the utility's revenues and expenses, it is clear that a rate  
2 adjustment is necessary to account for the utility's revenue shortfall due to actual consumption  
3 and water sales data and given the utility's expense requirements. For the details on the utility's  
4 recent rate history, rate year revenue requirements, normalized test year, rate design and impacts  
5 to ratepayers I refer the Commission to the testimony of Walter E. Edge Jr. and David G. Bebyn,  
6 as well as their supporting schedules.

7  
8 **Q. Can you summarize what the Water Division is seeking in terms of new rates and the**  
9 **focus of your testimony on behalf of the Water Division?**

10 A. Yes. The City is seeking a revenue requirement increase in the amount of \$813,326, which  
11 will represent an increase in total rate year revenues to \$8,301,954. As Mr. Edge explains in  
12 more detail, in order to secure these additional revenues from ratepayers a typical residential  
13 ratepayer would see a rate increase of about 11.58% and an annual bill increase from \$505 to  
14 \$563. My testimony will provide the Commission with an update on the City's plans to address  
15 the need to replace the existing water treatment plant, certain other infrastructure activities and  
16 other updates.

17  
18 **WATER TREATMENT PLANT**

19  
20 **Q. Please describe what steps the City and/or Woonsocket Water have taken towards the**  
21 **construction of a new water treatment facility since Docket 3800.**

22 A. In Docket 3800, Carol Lariviere, the Water Division Superintendent, provided the  
23 Commission an overview of the status of the water treatment plant. The City was moving  
24 forward on a new site for a treatment plant (the former Ocean State finishing property), but that  
25 deal fell through due to complications on the status of the property with certain environmental  
26 conditions. With a new Mayor and Council the City recently completed its review of other  
27 options, that I describe below. All the while the City has worked with environmental regulators  
28 to ensure that water quality is maintained. In short, the city has continued to pursue steps to  
29 address the problems with the age and filter backwash requirements that were identified in our  
30 last rate case. At the same time we have been moving forward with a new design, build and

1 construction of a wastewater treatment facility, and associated financing, which is now awaiting  
2 responses to an RFP. Both projects are still moving forward, although on different timetables,  
3 and despite the difficult economic circumstances that Woonsocket is facing.

4  
5 **Q. Have you been updating the Commission on these activities related to the water  
6 treatment plant ?**

7 A. Yes. We recently updated the Commission and staff in an on-site tour that was timed just  
8 after Council action in late 2011. We have recently responded to specific Division data  
9 questions. We have also provided the Commission with regular updates on the status of new  
10 treatment plant actions, as explained in our four-month reporting documents, and in on site tours.

11  
12 **Q. Can you summarize the options that the Water Advisory Committee looked at?**

13 A. Yes. After Mayor Fontaine was elected he formed an Advisory Committee to analyze and  
14 report on a preferred option for Water Treatment Facility, with the assistance and guidance of the  
15 City's consulting engineers at Camp Dresser and McKee ("CDM"). With CDM's guidance,  
16 several options have been explored, including 1) an option to supply interconnection with PWSB  
17 and/or construction of smaller facility on existing site; 2) construct a new facility on site of  
18 police firing range in North Smithfield; or 3) pursue acquisition of another site in the City. The  
19 Mayor and Council determined that the best option was to continue to pursue acquisition of a site  
20 within the City of Woonsocket. At the same time, the City has worked cooperatively with  
21 RIDEM on seeking modifications to the existing consent agreement, to address the filter  
22 backwash issues that remain an on-going concern.

23  
24 **Q. Can you describe the more recent activities that have occurred?**

25 A. Yes. On October of 2011 the City Council held workshops and to adopt resolutions to move  
26 this process forward. Specifically, on October 3, 2011 the City Council adopted a resolution  
27 authorizing the Mayor to negotiate the terms of Purchase and Sale Agreement for property in the  
28 City for a new water treatment facility. Then, on October 17, 2011 the City Council further  
29 authorized the City to initiate process with the Department of Health and Clean Water Finance to  
30 borrow funds for the acquisition of and initial design and procurement activities for a new

1 treatment plant. This process is underway. The City recently received written approval from  
2 EPA for the purchase of the site recommended by the Water Advisory Committee. We have also  
3 developed a new project schedule which will be presented to RIDEM for use in the development  
4 of a revised Consent Agreement.

5 We will be providing the Commission with much more detail on the financing aspects of this  
6 new treatment plant, when we provide the details on costs associated with design, construction  
7 and operation and any associated debt service costs. These will be the main subjects of our next  
8 series of rate filings with the Commission. For purposes of this rate filing our primary concern is  
9 the need to adjust our revenue requirements, given the more accurate consumption data that we  
10 have now from the last few years. We also needed to adjust rates for the changes to the public  
11 hydrant laws; however, that was just recently accomplished in Docket 4309.

12

13 **Q. In Docket 3800, Woonsocket Water testified that a new treatment plan would allow it to**  
14 **meet certain stricter water quality standards. Is the current treatment plant able to meet**  
15 **these water quality standards?**

16 A. Yes. The current treatment plant meets continues to meet all applicable water quality  
17 standards. Following the Commission's written Order in Docket 3800 the City and RIDEM  
18 entered into a Consent Agreement, dated June 27, 2008. In that Agreement RIDEM imposed  
19 certain regulatory requirements, related to total suspended solids and the discharge of filter  
20 backwash into the river, which, according to the current Consent Agreement, must be met by  
21 March 1, 2013. The Consent Agreement also contained interim milestone requirements  
22 regarding certain pH limitations. To meet these requirements CDM designed a pH adjustment  
23 system for backwash from the treatment plant, and WWD awarded the installation job to the  
24 lowest bidder.

25

26

### **INFRASTRUCTURE REPLACEMENT UPDATE**

27

28 **Q. Please provide the Commission an update of your Infrastructure Replacement Plan.**

29 A. As a public water supplier we continue to work very closely with the Department of Health  
30 and its implementation of strategies to improve the infrastructure that is used to provide safe and

1 high quality drinking water to our customers. As the Commission recalls, our original IFR plan  
2 was approved by the Department of Health in 1999. Working from that plan the City  
3 rehabilitated its source dams, high service area booster pump stations, many of its storage tanks  
4 and the major transmission mains in the system. At the time of our last rate case in Docket 3800,  
5 as explained in testimony and since that time (as summarized above) the City has continued to  
6 explore options to address the replacement of the existing treatment plant, and potential for  
7 replacement of the plant with a new facility at a different site. The remaining IFR components  
8 involve the transmission and distribution system, which required a more thorough evaluation of  
9 existing infrastructure.

10  
11 **Q. Has a review of the City's transmission and distribution system, and an updated IFR**  
12 **Plan occurred since Docket 3800?**

13 A. Yes. Since our last rate filing, in Docket 3800, Woonsocket Water's IFR plan was updated,  
14 and approved by the Department of Health, as required under state law. This updated plan is  
15 described in more detail in CDM's November 2007 "Water Distribution System Evaluation."  
16 CDM prepared this report in order to assess the condition of the existing water distribution  
17 system and its hydraulic capabilities, and to provide further suggestions as our update to the 1999  
18 infrastructure plan and to suggest improvements to improve the City's ability to provide safe and  
19 quality water to its customers.

20  
21 **Q. Please summarize the improvements to infrastructure that CDM recommended in this**  
22 **2007 Report.**

23 A. CDM pointed out that the City's water supply is basically self-contained, meaning that there  
24 are no nearby communities with sufficient transmission or supply connections for redundancy or  
25 back-up. The City has been working on this problem, to provide interconnections with other  
26 nearby communities, such as the interconnection with the Lincoln Water Commission. We are  
27 currently reviewing plans and specs to bid out the construction of a new interconnection with the  
28 Town of Cumberland. And, at CDM's recommendation, the City is also pursuing a possible  
29 future connection with the Town of North Smithfield.



1 One major project recommended by CDM was recently completed, that of cleaning and lining or  
2 replacing approximately 4400 linear feet of existing transmission and distribution piping on  
3 Manville Road.

4 **REPORTING REQUIREMENTS**

5  
6 **Q. The Commission's Order in Docket 3800 set forth a number of reporting requirements.  
7 Has Woonsocket complied with these requirements?**

8 A. Yes. The Commission requires the Water Division to provide annual financials, semi-annual  
9 financials, and four month periodic reports, including a status report on the progress towards  
10 completion of a new treatment plant. These have been provided to staff and the Commission.  
11 We appreciate the importance of these reports to keep the Commission apprised of the utility's  
12 finances and status, especially given the difficult financial issues that the City is facing. We are  
13 not seeking any alterations at this time in the type of reporting that the City provides to the  
14 Commission and the Division.

15  
16 **Q. Can you provide the Commission with an update as to the status of the Water  
17 Superintendent's position?**

18 A. Yes. Since our last rate filing in Docket 3800, our Water Division Superintendent, Carol  
19 Lariviere, has initiated steps to retire, after many years with the water utility. Carol has agreed to  
20 stay on under the 75 day rule to help make the transition. The City will be appointing a new  
21 Acting Water Division Superintendent who has the required distribution and treatment  
22 certifications.

23  
24 **Q. Does this conclude your testimony?**

25 A. Yes.

Tab 6

**RATE FILING**  
**For**  
**THE CITY OF WOONSOCKET WATER DIVISION**

**DIRECT TESTIMONY**  
**OF**  
**WALTER E. EDGE Jr. MBA CPA**  
**PRESIDENT, B&E CONSULTING LLC**

**DOCKET # \_\_\_\_\_**

**March 2012**

1 **Q. Good morning Mr. Edge. Would you please give your name and business**  
2 **address for the record?**

3 A. Certainly, my full name is Walter Edward Edge Jr. MBA CPA. I work for the  
4 accounting/consulting firm of B&E Consulting LLC (B&E). My office is located at 21  
5 Dryden Lane, Providence, RI 02904. B&E is a certified public accounting firm that  
6 specializes in business, education and utility accounting/consulting.

7  
8 **Q. Are you the same Walter E. Edge Jr. who has testified as an expert accounting**  
9 **and rate witness in previous rate filings before the Rhode Island Public Utilities**  
10 **Commission (PUC)?**

11 A. Yes. I have provided direct and rebuttal testimony in Woonsocket Water Division's  
12 (WWD) last rate filing Docket #3800. In addition, I have provided expert accounting  
13 and rate testimony for Narragansett Bay Commission, Interstate Navigation Company,  
14 Block Island Power Company, Providence Water Supply Board, Pawtucket Water Supply  
15 Board, Newport Water, Prudence Ferry, and Stone Bridge Fire District. I have also  
16 provided accounting and rate testimonies for intervention in PUC filings for Interstate  
17 Navigation (IHSF filing), the Town of North Smithfield (Woonsocket Water filing) and  
18 Osram Sylvania (Pawtucket Water filing).

19  
20 Further, I have completed rate studies for non-regulated utilities such as Warwick Water,  
21 Warwick Sewer, East Providence Water, Greenville Water and Harrisville Fire District.

22  
23 **Q. What is the purpose of your testimony in this docket?**

24 A. WWD hired B&E to develop a normalized test year FYE June 30, 2011 and a rate  
25 year, FYE June 30, 2013. B&E was engaged to prepare expert testimony in support of  
26 both the test year and the rate year, which included all the schedules and exhibits required  
27 by the rules and regulations of the PUC. In addition, B&E was asked to prepare and  
28 present any appropriate rate design testimony. Mr. Bebyn, Vice President of B&E, will  
29 present the test year and rate design testimony. My testimony will address the recent rate  
30 history and the rate year revenue requirement.

1 **Q. Before starting your explanation of the rate year revenue requirement, would**  
2 **you please give the Division and the PUC an update as to the status of rate issues**  
3 **raised and settled with some adjustment by the Commission in the last full rate**  
4 **filing?**

5 A. Certainly. The last full rate filing (Docket No. 3800) was filed on December 8, 2006  
6 for implementation January 8<sup>th</sup> 2007. After Commission suspension and subsequent  
7 review and hearings the rates went into effect for the rate year, FYE June 30, 2008. The  
8 major financial issues were as follows:

9

| Account                          | Dollars     |
|----------------------------------|-------------|
| 1. Revenues Reduction            | \$(199,006) |
| 2. Salary Increases              | 221,967     |
| 3. Longevity                     | 6,232       |
| 4. Payroll Taxes (FICA)          | 22,752      |
| 5. Maintenance (Roads and Walks) | 53,722      |
| 6. Light and Power               | 50,828      |
| 7. Property Taxes                | 10,903      |
| 8. Engineering Services          | 60,084      |
| 9. Health Insurances             | 230,970     |
| 10. Chemicals                    | 82,116      |
| 11. Operating Reserve            | 127,440     |
| 12. Infrastructure Replacement   | 444,570     |
| 13. Rate Case Expense            | 51,364      |
| 14. Debt Service                 | 229,136     |

10

11 **Q. Mr. Edge how were the financial issues ultimately settled?**

12 A. WWD proposed a revenue adjustment (item 1 above) which is a projected reduction  
13 of revenue in the amount of \$199,006 in the rate year. This adjustment was rejected by  
14 the Division's consultant Andrea C. Crane. Instead the Division proposed a combined  
15 "averaging and test year approach" for estimating the rate year consumption. The result  
16 was a projected revenue increase for the rate year of \$164,312 instead of WWD's  
17 projected decrease of \$199,006. This resulted in a Division adjustment of \$363,318.  
18 A settlement was reached by the parties on this issue as one of the remaining two issues  
19 in the case. The settlement used Ms. Crane's approach for projecting rate year revenue

1 resulting in increasing the projected rate year revenue at then current rates resulting in a  
2 \$363,318 reduction in the rate increase.

3  
4 **Q. What was Ms. Crane's approach?**

5 A. Her approach was a 2 year average for residential customer consumption and the use  
6 of the test year consumption for commercial customers. WWD was concerned that this  
7 approach would result in an under collection of revenue in the rate year but accepted this  
8 approach as a temporary analysis until the next rate case, which at the time was expected  
9 to be filed soon. WWD agreed to the Division's approach.

10  
11 **Q. In retrospect was this revenue settlement a good decision?**

12 A. No. The settlement amount for pro-forma rate year actual revenue turned out to be  
13 grossly overstated, resulting in the WWD under collecting revenue for the last four years.  
14 This is the most important issue that must be addressed in this filing.

15  
16 **Q. How were the other financial issues resolved?**

17 A. The Division agreed with WWD's position for items 2, 3, 4, 5, 7, 10, and 14 listed  
18 above. This left only the Division recommended adjustments: Light and Power (6),  
19 Engineering Services (8), Health Insurance (9), Operating Reserve (11), Infrastructure  
20 Replacement (12), and Rate Case Expense (13).

21  
22 In my rebuttal testimony in Docket 3800 WWD accepted adjustments for Light and  
23 Power (6), Engineering Services (8), Operating Reserve (11), Infrastructure Replacement  
24 (12), and Rate Case Expense (13). Therefore, there were only two items that remained in  
25 dispute; 1) Operating Revenues (discussed above) and 9) Health Insurance. With just  
26 two items remaining in dispute the parties were able to come to a settlement resolving all  
27 financial issues identified in the filing. The end result was WWD's initial request for a  
28 24.9% rate increase was reduced by the settlement and Commission decision to an  
29 increase of \$1,091,664 (15.30%) and total revenue for the rate year of \$8,227,316.  
30 Had the settlement proposal included the WWD projection of revenue the amount  
31 approved would have been \$1,454,982 or about (20.4%). The 20.4% rate increase would

1 have addressed much of the subsequent actual shortfall in revenue and allowed for a  
2 better funding of the restricted IFR fund.

3  
4 **Q. Were there any non-financial issues addressed during Docket #3800?**

5 A. Yes there were a number of non-financial issues that were discussed during the  
6 hearings. Ms. Carol C. Lariviere, Water Division Superintendent provided detail  
7 testimony regarding regionalization, curb to curb paving, funding of prior year salary  
8 increases, and the status of funds required for a “New Treatment Plant”.

9  
10 **Q. What were the results of the discussions relating to regionalization, curb to curb  
11 paving, and funding prior year salary increases?**

12 A. All three issues were resolved to the Commission’s satisfaction and are no longer  
13 issues to be addressed in this filing.

14  
15 **Q. What is the status of the “New Treatment Plant”?**

16 A. In Docket #3800 WWD explained that it was “under the gun” to address the new,  
17 updated Rhode Island Department of Environmental Management (RIDEM) state-wide  
18 requirements for the treatment of filter backwash. The WWD backwash had been  
19 historically discharged into the Blackstone River which under the new requirements was  
20 not acceptable. WWD determined that the new backwash requirements could not be  
21 accommodated at the current treatment plant location.

22  
23 Therefore, the City signed a “Consent Agreement” with the Rhode Island Department of  
24 Environmental Management (RIDEM) to allow the City a period of time to comply with  
25 the new requirements such as through a design and construction of a new treatment plant.  
26 At that time, (during Docket #3800), WWD was working closely with RIDEM on the  
27 project. It was understood by all, at that time, that the project had to be “significantly  
28 underway” in 2011 for WWD to be in compliance. Hence in 2007 WWD was actively  
29 and aggressively moving forward with this project.

30 **Q. In Docket #3800 were there any costs approved relating to the “New Treatment  
31 Plant?”**

1 A. Yes, the Commission approved the debt service for the borrowing of \$1,000,000 to  
2 start the project and to acquire the land. Unfortunately, WWD's efforts to identify and  
3 buy an appropriate piece of property hit obstacles at every turn. It wasn't until recently  
4 that the City identified and entered into an understanding to buy land that is acceptable  
5 for building the "New Treatment Plant". Some of the details of this are explained in the  
6 WWD's 4 month updates in their reports to the PUC.

7  
8 **Q. Since the new Treatment Plant is neither designed nor built and the land has**  
9 **not yet been purchased is the WWD out of compliance with the RIDEM consent**  
10 **agreement?**

11 A. No. The RIDEM has continued to work closely with the WWD and its consultants  
12 (CDM and the Eisenhardt Group) and is aware of all of the issues that the City faced with  
13 finding and acquiring an acceptable piece of property and therefore the RIDEM has  
14 extended the agreement date on the permit from 2011 until 2013.

15  
16 **Q. Is it correct to say that the WWD is currently in a similar position as it was in**  
17 **2007 in that it has time constraints relating to the purchase of land and building of a**  
18 **new treatment plant and a pending compliance date that must be satisfied in just a**  
19 **few years?**

20 A. Yes. However, after exploring several other options, this time the WWD is very  
21 close to purchasing a suitable building site for the new plant.

22  
23 **Q. Are there any revenues requested in this filing that will be used for the new**  
24 **treatment plant project?**

25 A. Yes, but these additional revenues do not increase the revenue requirement needed in  
26 this filing. (See the rate year adjustments section of this testimony for more detail.)  
27 However, WWD is expecting to file at least two additional rate filings (within the next  
28 three years) relating to the cost associated with the design, build and operation of the new  
29 treatment plant.

30 The first filing is expected to seek rate relief for the debt service costs of the new plant  
31 (this may be a multi-year filing with subsequent compliance filings). It is possible that



1 the compliance filings may qualify as abbreviated filings status because they will be  
2 dealing exclusively with debt service costs.

3  
4 The second rate filing is expected to seek Commission approvals to adjust the base rates  
5 to reflect the cost of operating the new treatment plant instead of the current old treatment  
6 plant. WWD expects that some line item costs will increase while others may decrease,  
7 but the net change will most likely be an increase in rates. This second rate filing will  
8 address all of the expenses, line by line, and take into consideration rate design.

9  
10 **Q. Has B&E been involved with any other water utility rate filings for new  
11 treatment facilities?**

12 A. Yes, many years ago Mr. Edge testified in three rate filings relating to the Newport  
13 Water Department's then new treatment facility, and more recently, Mr. Bebyn was  
14 involved in four rate filings relating to Pawtucket Water Supply Board's new treatment  
15 facility.

16  
17 **Q. What revenue requirement increase is WWD requesting in this docket?**

18 A. WWD is requesting additional revenue in the amount of \$813,326 that will increase  
19 total rate year revenue to \$8,301,954. This represents a revenue requirement increase of  
20 10.86%.

21  
22 **Q. Will all rates increase by 10.86% if the filing is approved as filed?**

23 A. No, Mr. Bebyn has taken the rate year revenue requirement and using the cost  
24 allocation model approved in the last filing to calculate new rates for all customer classes.  
25 (See Schedule DGB-12 for the ratepayer impacts)

26  
27 **Q. Mr. Edge, have you eliminated the public hydrant rates for the City of  
28 Woonsocket as a result of this filing?**

29 A. No. Although it was WWD's initial intent to file a combined full rate filing and an  
30 adjustment to eliminate the hydrant fees for the City of Woonsocket the opportunity arose  
31 for the WWD to file a Tariff Advice to reclassify the Woonsocket City public hydrant fee

1 to the in-city ratepayers. WWD took advantage of this opportunity and filed for the  
2 reclassification separately (Docket 4309). The current rates in the filing reflect the  
3 elimination of the Woonsocket public hydrant rate and the increased in-city customer  
4 charge.

5  
6 **RATE YEAR (FYE JUNE 30, 2013)**

7  
8 **Q. Mr. Edge, how would you like to proceed with your rate year testimony?**

9 A. To reduce the number of issues in this docket and to save the PUC and DPUC time  
10 and ratepayer money, I have reviewed the test year revenue and expense accounts to  
11 determine the best approach for addressing each. I noticed that certain accounts could be  
12 grouped into six loosely related account groups which could then be reviewed and  
13 evaluated together. My goal was to reduce the number of accounts that needed to be  
14 analyzed separately.

15  
16 The seven groups are as follows:

- 17  
18 1. Revenue accounts (12 accounts ranging in account number from account  
19 #41010 to account #42320). See Schedule WEE 2a.  
20  
21 2. Personnel expense accounts (12 accounts; two of which have zero balances).  
22 These accounts are all payroll and payroll related accounts. See Schedules  
23 WEE-4, 4a and 4b.  
24  
25 3. Smaller dollar value expense accounts that do not justify individual review  
26 and were left at test year levels for the rate year. Also, there were a few other  
27 more substantial accounts that were reviewed and evaluated and it was  
28 determined that the test year amount for these accounts was the most  
29 reasonable amount for the projected rate year. See Schedule WEE-5.  
30  
31 4. Utilities (Light and Power). See Schedules WEE-6 and 6a.  
32  
33 5. Property Taxes. See Schedule WEE-7.  
34  
35 6. Insurance Accounts. See Schedule WEE-8.  
36  
37 7. Restricted Accounts. See Schedules WEE-9, 10, 11, 12, 12a and 13.  
38

1 **REVENUES:**

2  
3 **Q. Mr. Edge, how did you project rate year revenues?**

4 A. I have left all revenue accounts at the test year levels.

5  
6 **Q. Given the multi-year downward trend in revenues are the test year levels**  
7 **adequate?**

8 A. I believe so. Although it is true, that the WWD has been suffering for the past many  
9 years from decreasing revenues, I am not sure if the downward trend will continue.

10 However, WWD will be filing rate increases annually for the next two or three years to  
11 address the operating and debt service costs relating to its new treatment plant and its  
12 aging distribution system. Therefore, if the trend continues beyond the test year, WWD  
13 the Division and the Public Utilities Commission will have the opportunity to address the  
14 actual results in a timely manner. Further, using the test year levels for all revenue  
15 accounts is far better than the approach adopted in Docket #3800.

16  
17 **Q. Mr. Edge, is it management's responsibility to operate the WWD efficiently and**  
18 **maintain a balanced budget?**

19 A. Yes, it is management's responsibility to manage the operations of the WWD with a  
20 balanced budget. However, revenue projections must be reasonable because once the  
21 rates are set the revenue for the rate year is beyond the WWD's control.

22  
23 In Docket #3800 the projected revenue was set at \$8,227,317 which was never reached.  
24 In the rate year (FY 2008) the actual cash flow revenue was only \$7,533,797 which  
25 resulted in a revenue shortfall of \$693,520. The following years also resulted in revenue  
26 shortfalls as follows: FY2009 shortfall of \$663,746, FY2010 shortfall of \$390,286 and  
27 FY2011 shortfall of \$887,363. The total revenue shortfalls for 4 years were \$2,634,915.  
28 The fact that the revenues came up short every year resulted in less funding of the IFR  
29 restricted account and the non-funding of the operating reserve. All bills were paid and  
30 the other restricted accounts funded in full.

1 **Q. Mr. Edge, did the WWD spend in excess of its approved operating budget set in**  
2 **Docket #3800?**

3 A. No. The operating budget amount set in Docket #3800 was \$3,859,946. The WWD  
4 spent \$3,552,885 in the rate year (FY 2008); \$3,714,328 in FY 2009; \$3,831,663 in FY  
5 2010 and \$3,830,440 in FY 2011. Clearly, the WWD controlled operating costs during  
6 the last four years but the shortfalls in revenue resulted in the underfunding of the IFR  
7 restricted account and no operating reserve allowance for four years.

8  
9 **Q. Besides the IFR restricted account were the other restricted accounts funded to**  
10 **the level approved in Docket #3800?**

11 A. At a minimum. In certain cases (such as chemicals in 2009) the restricted accounts  
12 required additional funds to pay bills. Therefore, the WWD transferred more funds to  
13 some restricted accounts than was required in Docket #3800 during the four years.

14  
15 **Q. Why didn't WWD file for an increase in rates prior to this filing?**

16 A. Until WWD could move forward with the new treatment plant filing for new rates  
17 seemed fruitless. WWD felt that all of its attention had to remain on the building a new  
18 treatment plant and the distraction of filing for a rate increase was not truly considered.  
19 After all, WWD was paying its operating bills and adequately funding all of its restricted  
20 accounts with the exception of the IFR restricted account.

21  
22 In addition to WWD's own financial issues the region and the City were faced with a  
23 financial crisis situation which has lasted through today. The City's financial issues  
24 required and require significant attention. To some extent the City's issues have slowed  
25 down the progress of the WWD's new treatment plant.

26  
27 **Q. Does that complete your review of revenues for the rate year?**

28 A. Yes it does.

29  
30 **EXPENSES:**

31

1 **Q. How would you like to proceed with your review of expenses?**

2 A. As I stated above, many expense accounts are insignificant (each less than one  
3 percent of the total requested revenue requirement for the rate year). In addition, the net  
4 adjustment for all of these accounts from the prior year to the test year would have been  
5 less than 1%. Therefore, I have left these accounts at test year levels (See Schedule  
6 WEE-5). The remaining accounts and groups of accounts will be reviewed in the order  
7 they are listed on Schedule WEE-3 Expense Summary-Rate Year (whenever possible).  
8 The first group of accounts, after the revenue accounts, is the personnel expense accounts.

9

10 **Q. How did you calculate the rate year level of expense for the Personnel Expense**  
11 **accounts?**

12 A. In order to calculate the rate year level of the first two personnel expense accounts, 1)  
13 permanent service (salaries) and 2) longevity, I prepared Schedule WEE-4. This  
14 schedule lists all of the positions paid in the test year and/or projected to be in place in the  
15 rate year. In support of the rate year salary levels on Schedule WEE-4, I completed  
16 Schedule WEE-4a.

17

18 **Q. Mr. Edge can you explain Schedule WEE-4a for us?**

19 A. Yes. Schedule WEE-4a shows the rate year salary levels for all of the positions  
20 expected to be employed in the rate year. My schedule starts with salary paid for all  
21 positions in the test year and progresses through the interim year salary levels (see  
22 Schedule WEE-4b for detail adjustments regarding the medical co-share). I then  
23 increased the interim year salaries by zero percent to arrive at the rate year salary levels.

24

25 **Q. How did you calculate the longevity adjustment for the rate year?**

26 A. Longevity pay is calculated as a function of salary and years of service. On Schedule  
27 WEE-4, I calculated the longevity pay for the rate year for all employees by multiplying  
28 the rate year salary for each employee times the appropriate longevity percentage.

29

30 **Q. Are there any other adjustments calculated on your Schedule WEE-4?**

1 A. Yes. FICA is a function of personnel expense and I have calculated the rate year  
2 FICA expense by multiplying the total personnel expense times 7.65% to arrive at the  
3 Employer FICA/Medicare payroll tax. Also, I calculated the pension expense which is a  
4 function of the salaries plus longevity times the pension rate provided by the State.

5

6 **Q. Have you adjusted any of the other personnel expense accounts?**

7 A. No. The remaining personnel accounts are minor dollar amounts and were left at  
8 the test year levels.

9

10 **Q. What is the next account or group of accounts that you would like to discuss?**

11 A. Light and Power. I completed two schedules to show my calculations for the rate  
12 year projections for light and power. Schedule WEE-6 is a summary schedule while  
13 Schedule WEE-6a shows the detail calculations to project the rate year cost of Light and  
14 Power.

15

16 **Q. Schedule WEE-6a is quite complex, can you simplify it for us?**

17 A. Yes. First I calculated the test year expense by multiplying the consumption by the  
18 weighted rates for each item listed before the energy charge. I then added the energy  
19 charge and the LPC Hess charge. Lastly, I made adjustment for Gross Receipts Tax  
20 (GRT).

21

22 For the rate year I determined that the consumption levels are anticipated to remain the  
23 same as the test year consistent with my revenue growth adjustment of zero. The energy  
24 charges of between 6.877 and 7.071 cents per KWH in the test year increased to between  
25 7.090 and 7.290 cents per KWH in the rate year.

26

27 The other charges remained the same with the exception of three small changes in the  
28 G32 rates. My rate year projections are reflected in the last column of Schedule WEE-6a  
29 and then carried forward to the summary Schedule WEE-6.

30

1 **Q. Looking down your Schedule WEE-3, the next account that you adjusted for**  
2 **the rate year is Property Tax. Could you explain what you have done?**

3 A. Certainly. My Schedule WEE-7 shows that I started with the test year property tax  
4 expense for the six communities to whom WWD pays property taxes. I then obtained the  
5 interim bills and posted the interim level cost to my Schedule WEE-7. Lastly, I  
6 calculated the rate year expense for property taxes using the interim year increases/  
7 (decreases) times the interim level costs. The result was a small increase in property  
8 taxes about 4% a year on average. If the rate year increases are known by the hearing  
9 dates or when I do my rebuttal testimony I will update this adjustment.

10

11 **Q. What accounts did you review next?**

12 A. All insurance accounts including Health and Dental have been reviewed on my  
13 Schedule WEE-8.

14

15 **Q. Please Explain.**

16 A. To start, I had the test year and interim year costs. To project the rate year cost I  
17 multiplied the interim year cost by the actual percentage increase between the interim  
18 year and the test year. Health insurance was increased by 9.66 % for the interim and rate  
19 years. Worker's Comp and Dental insurance increased by 10% or more while the other  
20 insurance expenses remained at the interim year levels.

21

22 **Q. It appears that we have reached the restricted accounts. Are there any changes**  
23 **needed for the restricted accounts?**

24 A. Yes there are. After reviewing the restricted accounts (See Schedules WEE-9-12), I  
25 determined that the current funding levels for Chemicals, IFR and Rate Case Expense are  
26 reasonable and can be left at the test year levels. The remaining two restricted accounts,  
27 Debt Service and Renewal/Replacement, were reviewed in detail and found to have  
28 funding levels that could be reduced. Therefore, the Debt Service funding was reduced  
29 from \$1,832,067 to \$1,630,000, saving the ratepayers \$202,067, and the Renewal/  
30 Replacement funding was reduced from \$150,000 to \$120,000, saving the ratepayers  
31 \$30,000.

1 It is important to point out that these accounts are restricted accounts and therefore self  
2 correcting. Overfunding or underfunding can be corrected for the ratepayers by under-  
3 funding or adding funding in subsequent years. In other words if we are off a bit it  
4 doesn't hurt the ratepayers.

5  
6 **Q. What have you done with the chemical restricted account for the rate year?**

7 A. The chemical restricted fund had become over-funded and in the last docket we  
8 phased out the overfunding so that the carryforward into the interim year was only  
9 \$20,466. On my Schedule WEE-9 I calculated a surplus in the interim year of \$94,332  
10 which was quickly erased in the rate year because WWD has scheduled a carbon  
11 replacement in one of its filters. The rate year deficit of \$136,401 is then offset by  
12 savings in actual expenditures in 2014 and 2015.

13  
14 **Q. What is the appropriate allowance for chemicals in the rate year?**

15 A. I have calculated that the appropriate allowance for the restricted chemical account  
16 should remain at \$296,000 per year which will result in the carry-forward balance of only  
17 \$11,331 by FY 2015. Please see Schedule WEE-9 for the details of the chemical  
18 restricted account.

19  
20 **Q. Mr. Edge have you reviewed every restricted account in detail?**

21 A. Yes I did and my results are reflected on my Schedules WEE 9-13. I believe that the  
22 schedules are self explanatory. For each restricted account I have estimated the cost for  
23 the rate year and two subsequent years as has been done in the past. I then calculated the  
24 amount of funding that would result in reasonable positive balances after three years.

25  
26 **Q. Mr. Edge did you calculate an allowance for net operating reserve?**

27 A. Yes I calculated the allowance to be \$122,689. The reserve was calculated by  
28 multiplying the total operating expense times 1.5%.

29  
30 **Q. Does that conclude your rate year analysis?**

31 A. Yes.



**Schedule WEE-1**

**RATE YEAR SUMMARY**  
**WOONSOCKET WATER DIVISION**

**Schedule WEE-1**

|            | <b>Adjusted<br/>Test Year</b> | <b>Adjustments</b> | <b>Rate Year<br/>Old rates</b> | <b>Rate Increase</b> | <b>Rate Year<br/>New rates</b> |        |
|------------|-------------------------------|--------------------|--------------------------------|----------------------|--------------------------------|--------|
| Revenue    | \$ 7,488,628                  | \$ -               | \$ 7,488,629                   | \$ 813,326           | \$ 8,301,954                   | 10.86% |
| Expenses   | 8,150,743                     | 151,211            | 8,301,954                      | -                    | 8,301,954                      |        |
| Net Profit | \$ (662,115)                  | \$ (151,211)       | \$ (813,326)                   | \$ 813,326           | \$ -                           | *      |

\* Net operating reserve of \$ 122,689 is already included in the Rate Year Expenses

**Schedule WEE-2**

**STATEMENT OF REVENUE - RATE YEAR  
WOONSOCKET WATER DIVISION**

Schedule WEE-2

| ACCT. #                               | BUDGET ACCOUNT DESCRIPTION      | ADJUSTED<br>TEST YEAR | RATE YEAR<br>ADJUSTMENTS | RATE YEAR<br>6/30/13 |
|---------------------------------------|---------------------------------|-----------------------|--------------------------|----------------------|
| <b>REVENUE</b>                        |                                 |                       |                          |                      |
| <i>Revenue from Rates and Charges</i> |                                 |                       |                          |                      |
| 41010                                 | Water Sales                     | \$ 5,795,350          | TY -                     | \$ 5,795,350         |
|                                       | Wholesale Sales                 | 193,146               | TY -                     | 193,146              |
|                                       | Customer Service Revenue        | 1,162,655             | TY -                     | 1,162,655            |
|                                       | Public Fire Service Revenue     | 21,374                | TY -                     | 21,375               |
|                                       | Private Fire Service Revenue    | 71,171                | TY -                     | 71,171               |
|                                       |                                 | 7,243,696             | -                        | 7,243,696            |
| <i>Miscellaneous Revenue</i>          |                                 |                       |                          |                      |
| 41030                                 | Service & Extentions            | 57,709                | TY                       | 57,709               |
| 41035                                 | Repairs                         | 6,017                 | TY                       | 6,017                |
| 41040                                 | Miscellaneous Income            | 41,335                | TY                       | 41,335               |
| 41070                                 | Water Surcharge                 | 21,787                | TY                       | 21,787               |
| 42310                                 | Interest on Bills               | 117,635               | TY                       | 117,635              |
| 42320                                 | Interest on Investments         | 449                   | TY                       | 449                  |
|                                       | Interest on Restricted Accounts | 0                     |                          | 0                    |
|                                       |                                 | 244,932               | -                        | 244,932              |
|                                       | <b>TOTAL REVENUE</b>            | \$ 7,488,628          | \$ -                     | \$ 7,488,629         |

**Schedule WEE-2(a)**

DETAIL OF REVENUE BY SOURCE, TARIFF & RATE CLASS  
WOONSOCKET WATER DIVISION

Schedule WEE-2a

|   |                            | Count or Usage | Current     | Rate Year Revenue   |
|---|----------------------------|----------------|-------------|---------------------|
| <b><u>Public Fire Protection</u></b>  |                            |                |             |                     |
| <b><u>City of Woonsocket</u></b>  |                            |                |             |                     |
| 4   | Inch                       | 20             | \$ -        | \$ -                |
| 6   | Inch                       | 1,488          | \$ -        | \$ -                |
|   |                            |                |             | <u>\$ -</u>         |
| <b><u>Other</u></b>   |                            |                |             |                     |
| 4   | Inch                       | 9              | \$ 130.74   | \$ 1,177            |
| 6   | Inch                       | 53             | \$ 379.76   | \$ 20,127           |
|   | Per Bill                   | 9              | \$ 7.84     | \$ 71               |
|   |                            |                |             | <u>\$ 21,375</u>    |
| <b><u>Total</u></b>   |                            |                |             | <u>\$ 21,375</u>    |
| <b><u>Private Fire Protection</u></b>   |                            |                |             |                     |
| 2   | Inch                       | 11             | \$ 39.04    | \$ 429              |
| 3   | Inch                       | 6              | \$ 83.08    | \$ 498              |
| 4   | Inch                       | 62             | \$ 159.68   | \$ 9,900            |
| 6   | Inch                       | 90             | \$ 424.84   | \$ 38,236           |
| 8   | Inch                       | 18             | \$ 882.24   | \$ 15,880           |
| 10  | Inch                       | 4              | \$ 1,556.64 | \$ 6,227            |
|   |                            |                |             | <u>\$ 71,171</u>    |
| <b><u>Minimum Service Charge</u></b>  |                            |                |             |                     |
| <b><u>Customer Service Charge All Ratepayers</u></b>                                  |                            |                |             |                     |
| 5/8   | Inch                       | 33,732         | \$ 14.57    | \$ 491,475          |
| 3/4   | Inch                       | 1,068          | \$ 17.39    | \$ 18,573           |
| 1   | Inch                       | 1,464          | \$ 19.67    | \$ 28,797           |
| 1 1/2   | Inch                       | 272            | \$ 29.77    | \$ 8,097            |
| 2   | Inch                       | 536            | \$ 38.62    | \$ 20,700           |
| 3   | Inch                       | 32             | \$ 50.23    | \$ 1,607            |
| 4   | Inch                       | 60             | \$ 72.27    | \$ 4,336            |
| 6   | Inch                       | 44             | \$ 121.55   | \$ 5,348            |
| 8   | Inch                       | 72             | \$ 206.73   | \$ 14,885           |
| 10  | Inch                       | 4              | \$ 293.12   | \$ 1,172            |
|   |                            |                |             | <u>\$ 594,991</u>   |
| <b><u>Additional Fire Protection Service Charge Only Ratepayers in Woonsocket</u></b> |                            |                |             |                     |
| 5/8   | Inch                       | 31,476         | \$ 13.58    | \$ 427,452          |
| 3/4   | Inch                       | 964            | \$ 19.29    | \$ 18,596           |
| 1   | Inch                       | 1,352          | \$ 23.88    | \$ 32,279           |
| 1 1/2   | Inch                       | 252            | \$ 44.28    | \$ 11,159           |
| 2   | Inch                       | 516            | \$ 62.14    | \$ 32,063           |
| 3   | Inch                       | 32             | \$ 85.56    | \$ 2,738            |
| 4   | Inch                       | 60             | \$ 130.06   | \$ 7,803            |
| 6   | Inch                       | 40             | \$ 229.53   | \$ 9,181            |
| 8   | Inch                       | 60             | \$ 401.47   | \$ 24,088           |
| 10  | Inch                       | 4              | \$ 575.86   | \$ 2,303            |
|   |                            |                |             | <u>\$ 567,664</u>   |
|   |                            |                |             | <u>\$ 1,162,655</u> |
| <b><u>Metered Rates</u></b>   |                            |                |             |                     |
| Wholesale   | Rate per 1,000,000 gallons | 52             | \$ 3,748.14 | \$ 193,146          |
| Retail  | Rate per 100 Cubic Feet    | 1,478,406      | \$ 3.92     | \$ 5,795,350        |
|   |                            |                |             | <u>\$ 5,988,496</u> |
| <b>Total Rates and Charges</b>  |                            |                |             | <b>\$ 7,243,696</b> |

**Schedule WEE-3**

**EXPENSE SUMMARY - RATE YEAR  
WOONSOCKET WATER DIVISION**

**Schedule WEE-3**

| <b>ACCT. #</b>                                    | <b>BUDGET ACCOUNT DESCRIPTION</b>  | <b>ADJUSTED<br/>TEST YEAR</b> | <b>RATE YEAR<br/>ADJUSTMENTS</b> | <b>RATE YEAR<br/>6/30/13</b> |
|---|------------------------------------|-------------------------------|----------------------------------|------------------------------|
| <b>EXPENSES</b>                                   |                                    |                               |                                  |                              |
| <i>Personnel Expense</i>                          |                                    |                               |                                  |                              |
| 51110   | Permanent Services                 | \$ 1,111,665                  | (1) \$ 105,356                   | \$ 1,217,021                 |
| 51122   | Temporary Labor                    | 14,075                        | TY -                             | 14,075                       |
| 51141   | Overtime Pay                       | 157,108                       | TY -                             | 157,108                      |
| 51144   | Out of Class                       | 1,094                         | TY -                             | 1,094                        |
| 51145   | Longevity Pay                      | 52,299                        | (1) (4,413)                      | 47,886                       |
| 51146   | Medical Buy Back                   | -                             | TY -                             | -                            |
| 51147   | Sick Leave Reimbursement           | 59                            | TY -                             | 59                           |
| 51148   | Comp Time Reimbursement            | -                             | TY -                             | -                            |
| 51149   | Shift Differential                 | 8,424                         | TY                               | 8,424                        |
| 51153   | Non-sick/Injury Bonus              | 500                           | TY                               | 500                          |
| 51155   | Bonus for Course                   | 19,395                        | TY                               | 19,395                       |
| 51160   | Retirement                         | 32,110                        | TY                               | 32,110                       |
| <i>Total Personnel Expenses</i>                   |                                    | 1,396,729                     | 100,943                          | 1,497,672                    |
| <i>Maintenance &amp; Servicing Expenses</i>       |                                    |                               |                                  |                              |
| 52211   | Postage                            | 16,055                        | TY                               | 16,055                       |
| 52212   | Telephone                          | 20,105                        | TY -                             | 20,105                       |
| 52213   | Dues & Subscriptions               | 1,414                         | TY -                             | 1,414                        |
| 52214   | Advertising                        | 2,382                         | TY -                             | 2,382                        |
| 52216   | Travel Out of City                 | 174                           | TY -                             | 174                          |
| 52219   | Educational Training               | 6,761                         | TY -                             | 6,761                        |
| 52221   | Printing & Reproducing             | 13,573                        | TY -                             | 13,573                       |
| 52231   | General Maint. & Upkeep            | 27,041                        | TY -                             | 27,041                       |
| 52234   | Vehicle & Outside Equip. Upkeep    | 21,119                        | TY -                             | 21,119                       |
| 52236   | Maintenance - Office Equipment     | 406                           | TY -                             | 406                          |
| 52238   | Maintenance - Roads & Walks        | 88,129                        | TY -                             | 88,129                       |
| 52239   | Computer Software                  | 19,057                        | TY -                             | 19,057                       |
| 52244   | Land Rental Charges                | 2,043                         | TY                               | 2,043                        |
| 52249   | Other Rentals                      | 6,685                         | TY                               | 6,685                        |
| 52251   | Heating                            | 16,093                        | TY -                             | 16,093                       |
| 52252   | Light & Power                      | 254,087                       | (2) 7,794                        | 261,881                      |
| 52255   | Property & Fire Taxes              | 160,127                       | (3) 10,903                       | 171,030                      |
| 52256   | Sewer Assessment                   | 53,771                        | TY -                             | 53,771                       |
| 52258   | State Pollution Monitoring Program | 13,183                        | TY -                             | 13,183                       |
| 52260   | Regulatory Assessments             | 34,556                        | TY -                             | 34,556                       |
| 52261   | Conservation Services              | 2,070                         | TY                               | 2,070                        |
| 52266   | Police Details                     | 6,029                         | TY -                             | 6,029                        |
| 52281   | Other Independent Service          | 65,623                        | TY -                             | 65,623                       |
| 52282   | Audit Service                      | 7,500                         | TY                               | 7,500                        |
| 52283   | Legal Service                      | 37,778                        | TY                               | 37,778                       |
| 52289   | Medical Examinations               | -                             | TY -                             | -                            |
| 52290   | Engineering Service                | 4,063                         | TY -                             | 4,063                        |
| <i>Total Maintenance &amp; Servicing Expenses</i> |                                    | 879,820                       | 18,698                           | 898,518                      |
| <i>Operating Supplies &amp; Expenses</i>          |                                    |                               |                                  |                              |
| 53311   | Office Supplies                    | 3,552                         | TY -                             | 3,552                        |
| 53321   | Gas & Diesel                       | 28,357                        | TY -                             | 28,357                       |
| 53322   | Tires & Batteries                  | 541                           | TY -                             | 541                          |



**EXPENSE SUMMARY - RATE YEAR  
WOONSOCKET WATER DIVISION**

Schedule WEE-3

| ACCT. #  | BUDGET ACCOUNT DESCRIPTION       | ADJUSTED<br>TEST YEAR | RATE YEAR<br>ADJUSTMENTS |            | RATE YEAR<br>6/30/13 |
|--|----------------------------------|-----------------------|--------------------------|------------|----------------------|
| 53336  | Chemicals - Water Supply         | -                     | TY                       | -          | -                    |
| <i>Operating Supplies &amp; Expenses (Continued)</i> |                                  |                       |                          |            |                      |
| 53344  | Tools & Implements               | 5,476                 | TY                       | -          | 5,476                |
| 53346  | Cleaning & Housekeeping Supplies | 1,616                 | TY                       | -          | 1,616                |
| 53349  | Other Supplies                   | 33,055                | TY                       | -          | 33,055               |
| 53351  | Lab Supplies                     | 22,542                | TY                       | -          | 22,542               |
| 53363  | Clothing & Footware              | 5,406                 | TY                       |            | 5,406                |
| 53366  | Drug & Medical Supplies          | 1,098                 | TY                       |            | 1,098                |
| 53369  | Clothing Allowance               | 4,490                 | TY                       | -          | 4,490                |
| <i>Total Operating Supplies &amp; Expenses</i>       |                                  | 106,133               |                          | -          | 106,133              |
| <i>General Expenses</i>                              |                                  |                       |                          |            |                      |
| 54413  | Fiscal Certification             | -                     | TY                       |            | -                    |
| 54433  | Pensions                         | 10,949                | (1)                      | 32,564     | 43,513               |
| 54434  | FICA Employer Cost               | 98,336                | (1)                      | 16,236     | 114,572              |
| 54446  | City Service Charges             | 320,453               | TY                       |            | 320,453              |
| 54451  | Insurance - Vehicles & Equipment | 78,280                | (4)                      | -          | 78,280               |
| 54452  | Insurance - Workmen's Comp       | 112,935               | (4)                      | 23,717     | 136,652              |
| 54453  | Insurance - Liability            | 126,822               | (4)                      | -          | 126,822              |
| 54456  | Insurance - Group Life           | 7,563                 | (4)                      | -          | 7,563                |
| 54471  | Health Insurance                 | 611,882               | (4)                      | 123,947    | 735,829              |
| 54472  | Dental Insurance                 | 33,469                | (4)                      | 7,925      | 41,394               |
| 54493  | Bad Debt Exp                     | -                     |                          |            | -                    |
| <i>Total General Expenses</i>                        |                                  | 1,400,690             |                          | 204,389    | 1,605,078            |
| <i>Restricted Account Expenses</i>                   |                                  |                       |                          |            |                      |
| 53336  | Chemicals - Water Supply         | 296,000               | (5)                      | -          | 296,000              |
| 54417  | Operating Resrve                 | 63,440                | (6)                      | 59,249     | 122,689              |
| 54463  | Infrastructure Replacement       | 1,956,000             | (7)                      | -          | 1,956,000            |
| 54464  | Rate Case Expense                | 69,864                | (8)                      | -          | 69,864               |
| 54467  | Debt Service Reimbursement       | 1,832,067             | (9)                      | (202,067)  | 1,630,000            |
| 54473  | Renewal & Replace Fund           | 150,000               | (10)                     | (30,000)   | 120,000              |
| <i>Total Other Miscellaneous Expenses</i>            |                                  | 4,367,371             |                          | (172,818)  | 4,194,553            |
| <b>TOTAL EXPENSES</b>                                |                                  | \$ 8,150,743          |                          | \$ 151,211 | \$ 8,301,954         |

TY = Item left at Test Year level for the Rate Year WEE-5.

(1) = Payroll adjustment WEE-4.

(2) = Light & Power adjustment WEE-6.

(3) = Property Tax adjustment WEE-7.

(4) = Insurance adjustment WEE-8.

(5) = Chemical adjustment WEE-9.

(6) = Operating Reserve calculated at 1.5% of Total Expense before operating reserve.

(7) = IFR adjustment WEE-10.

(8) = Rate Case adjustment WEE-11.

(9) = Debt Service adjustment WEE-12.

(10) = Renewal & Replacement adjustment WEE-13.

**Schedule WEE-4**

**LABOR EXPENSE SUMMARY - RATE YEAR**  
**WOONSOCKET WATER DIVISION**

Schedule WEE-4

| POSITIONS                   | (a)              |                       |                   | LONGEVITY PERCENTAGE | RATE YEAR Longevity |
|-----------------------------|------------------|-----------------------|-------------------|----------------------|---------------------|
|                             | TEST YEAR        | RATE YEAR ADJUSTMENTS | RATE YEAR 6/30/13 |                      |                     |
| SUPERINTENDENT              | 60,544           | 10,575                | 71,119            | 0.0%                 | -                   |
| ASST SUPERINTENDENT         | -                | -                     | -                 | 0.0%                 | -                   |
| PUB WORKS ACCT CLERK        | 28,787           | -                     | 28,787            | 5.0%                 | 1,439               |
| PRINCIPAL CLERK TYPIST      | 31,373           | -                     | 31,373            | 4.0%                 | 1,255               |
| PLANT EQUIP OPERATOR        | 39,441           | -                     | 39,441            | 4.5%                 | 1,775               |
| WATER WORKS CLERK           | 17,618           | 8,017                 | 25,635            | 4.5%                 | 1,154               |
| CHEMIST/BACTERIOLOGIST      | 58,733           | -                     | 58,733            | 5.0%                 | 2,937               |
| WATER DIV ENGINEER          | 42,143           | (42,143)              | -                 | 0.0%                 | -                   |
| WATER DIV ENGINEER AIDE     | 40,711           | -                     | 40,711            | 5.0%                 | 2,036               |
| WATER TREAT PLANT OPERATOR  | 277,199          | 30,611                | 307,811           | 3.4%                 | 10,515              |
| WATER T/D SUP               | 58,733           | -                     | 58,733            | 5.5%                 | 3,230               |
| SR WATER FOREPERSON         | 46,383           | -                     | 46,383            | 5.0%                 | 2,319               |
| WATER FOREPERSON            | 6,146            | 27,142                | 33,288            | 5.0%                 | 1,664               |
| UTILITY PERSON              | 101,180          | 26,772                | 127,952           | 3.8%                 | 4,892               |
| METER FOREPERSON            | 26,550           | 5,310                 | 31,860            | 5.5%                 | 1,752               |
| METER READERS               | 44,939           | 39,372                | 84,311            | 1.8%                 | 1,482               |
| HEAVY EQUIPMENT OPERATORS   | 72,096           | -                     | 72,096            | 6.6%                 | 4,791               |
| PLANT MASTER MAINT MECHANIC | 47,107           | -                     | 47,107            | 6.0%                 | 2,826               |
| WATER SUPPLY INSPECTOR      | 30,977           | -                     | 30,977            | 5.0%                 | 1,549               |
| MANAGERIAL ACCOUNTANT       | 50,435           | -                     | 50,435            | 4.5%                 | 2,270               |
| DATA ENTRY OPERATOR         | -                | -                     | -                 | 0.0%                 | -                   |
| SR WATER DIV ACCT CLERK     | 30,269           | -                     | 30,269            | 4.5%                 | -                   |
| WATER TREAT LAB TECH        | -                | -                     | -                 | 4.5%                 | -                   |
| <b>TOTAL SALARIES</b>       | <b>1,111,365</b> | <b>105,657</b>        | <b>1,217,021</b>  |                      | <b>47,886</b>       |

|   |                                       |
|---|---------------------------------------|
| <i>Total Personnel Expenses</i>             | 1,497,672 (c)                         |
|   | 7.65%                                 |
| 54434 FICA Employer                         | 114,572                               |
| <i>Total Permanent Services + Longevity</i> | 1,264,907                             |
|   | 3.44% (Test Year rate was only 0.67%) |
| 54433 Pensions                              | 43,513                                |

(a) obtained from WEE-4a  
 (b) obtained from WEE-4b  
 (c) obtained from WEE-3

**Schedule WEE-4(a)**

LABOR EXPENSE - RATE YEAR  
WOONSOCKET WATER DIVISION

| POSITIONS                   | Test Year # | TEST YEAR        | Interim Year # | INTERIM YEAR     | Rate Year # | FY 2013 increase PERCENTAGE | increase | RATE YEAR 6/30/13 |
|-----------------------------|-------------|------------------|----------------|------------------|-------------|-----------------------------|----------|-------------------|
| SUPERINTENDENT              | 1           | 60,544           | 0              | -                | 1           | 0.0%                        | -        | 71,119            |
| ASST SUPERINTENDENT         | 0           | -                | 0              | -                | 0           | 0.0%                        | -        | -                 |
| PUB WORKS ACCT CLERK        | 1           | 28,787           | 1              | 28,787           | 1           | 0.0%                        | -        | 28,787            |
| PRINCIPAL CLERK TYPIST      | 1           | 31,373           | 1              | 31,373           | 1           | 0.0%                        | -        | 31,373            |
| PLANT EQUIP OPERATOR        | 1           | 39,441           | 1              | 39,441           | 1           | 0.0%                        | -        | 39,441            |
| WATER WORKS CLERK           | 1           | 17,618           | 1              | 25,635           | 1           | 0.0%                        | -        | 25,635            |
| CHEMIST/BACTERIOLOGIST      | 1           | 58,733           | 1              | 58,733           | 1           | 0.0%                        | -        | 58,733            |
| WATER DIV ENGINEER          | 1           | 42,143           | 0              | -                | 0           | 0.0%                        | -        | -                 |
| WATER DIV ENGINEER AIDE     | 1           | 40,711           | 1              | 40,711           | 1           | 0.0%                        | -        | 40,711            |
| WATER TREAT PLANT OPERATOR  | 7.2         | 277,199          | 8              | 307,811          | 8           | 0.0%                        | -        | 307,811           |
| WATER T/D SUP               | 1           | 58,733           | 1              | 58,733           | 1           | 0.0%                        | -        | 58,733            |
| SR WATER FOREPERSON         | 1           | 46,383           | 1              | 46,383           | 1           | 0.0%                        | -        | 46,383            |
| WATER FOREPERSON            | 1           | 6,146            | 1              | 33,288           | 1           | 0.0%                        | -        | 33,288            |
| UTILITY PERSON              | 3.1         | 101,180          | 4              | 127,952          | 4           | 0.0%                        | -        | 127,952           |
| METER FOREPERSON            | 0.8         | 26,550           | 1              | 31,860           | 1           | 0.0%                        | -        | 31,860            |
| METER READERS               | 1.5         | 44,939           | 3              | 84,311           | 3           | 0.0%                        | -        | 84,311            |
| HEAVY EQUIPMENT OPERATORS   | 2           | 72,096           | 2              | 72,096           | 2           | 0.0%                        | -        | 72,096            |
| PLANT MASTER MAINT MECHANIC | 1           | 47,107           | 1              | 47,107           | 1           | 0.0%                        | -        | 47,107            |
| WATER SUPPLY INSPECTOR      | 1           | 30,977           | 1              | 30,977           | 1           | 0.0%                        | -        | 30,977            |
| MANAGERIAL ACCOUNTANT       | 1           | 50,435           | 1              | 50,435           | 1           | 0.0%                        | -        | 50,435            |
| DATA ENTRY OPERATOR         | 1           | -                | 0              | -                | 0           | 0.0%                        | -        | -                 |
| SR WATER DIV ACCT CLERK     | 1           | 30,269           | 1              | 30,269           | 1           | 0.0%                        | -        | 30,269            |
| WATER TREAT LAB TECH        | 0           | -                | 0              | -                | 0           | 0.0%                        | -        | -                 |
| <b>TOTAL SALARIES</b>       | <b>30.6</b> | <b>1,111,365</b> | <b>31</b>      | <b>1,145,902</b> | <b>32</b>   |                             |          | <b>1,217,021</b>  |

Test Year

During the Test Year the number of positions varied from 28 to 31 per the Annual Report which did include the retiring Superintendent. The retiring Superintendent as cover for the last two months during the Test Year which as covered by outside contractors..

Interim Year

Has all position filled as of the end of June 2011 fully funded for the year and FY has no contactual increases.

Rate Year

The Superintendent's position is expected to be filled by a new hiring.

**Schedule WEE-4(b)**

**LABOR EXPENSE - INTERIM YEAR BUDGET**  
**WOONSOCKET WATER DIVISION**

Schedule WEE-4b

| POSITIONS                   | Interim Year # | Base Salary      | Medical Coshare | INTERIM YEAR 6/30/2012 | LONGEVITY PERCENTAGE |
|-----------------------------|----------------|------------------|-----------------|------------------------|----------------------|
| SUPERINTENDENT              | 0              | -                | -               | -                      | 0.0%                 |
| ASST SUPERINTENDENT         | 0              | -                | -               | -                      | 0.0%                 |
| PUB WORKS ACCT CLERK        | 1              | 29,515           | (728)           | 28,787                 | 5.0%                 |
| PRINCIPAL CLERK TYPIST      | 1              | 32,101           | (728)           | 31,373                 | 4.0%                 |
| PLANT EQUIP OPERATOR        | 1              | 40,169           | (728)           | 39,441                 | 4.5%                 |
| WATER WORKS CLERK           | 1              | 27,975           | (2,340)         | 25,635                 | 4.5%                 |
| CHEMIST/BACTERIOLOGIST      | 1              | 60,189           | (1,456)         | 58,733                 | 5.0%                 |
| WATER DIV ENGINEER          | 0              | -                | -               | -                      | 0.0%                 |
| WATER DIV ENGINEER AIDE     | 1              | 42,167           | (1,456)         | 40,711                 | 5.0%                 |
| WATER TREAT PLANT OPERATOR  | 8              | 316,859          | (9,048)         | 307,811                | 3.4%                 |
| WATER T/D SUP               | 1              | 60,189           | (1,456)         | 58,733                 | 5.5%                 |
| SR WATER FOREPERSON         | 1              | 47,111           | (728)           | 46,383                 | 5.0%                 |
| WATER FOREPERSON            | 1              | 35,628           | (2,340)         | 33,288                 | 5.0%                 |
| UTILITY PERSON              | 4              | 132,476          | (4,524)         | 127,952                | 3.8%                 |
| METER FOREPERSON            | 1              | 34,200           | (2,340)         | 31,860                 | 5.5%                 |
| METER READERS               | 3              | 89,719           | (5,408)         | 84,311                 | 1.8%                 |
| HEAVY EQUIPMENT OPERATORS   | 2              | 73,552           | (1,456)         | 72,096                 | 6.6%                 |
| PLANT MASTER MAINT MECHANIC | 1              | 47,835           | (728)           | 47,107                 | 6.0%                 |
| WATER SUPPLY INSPECTOR      | 1              | 31,705           | (728)           | 30,977                 | 5.0%                 |
| MANAGERIAL ACCOUNTANT       | 1              | 51,891           | (1,456)         | 50,435                 | 4.5%                 |
| DATA ENTRY OPERATOR         | 0              | -                | -               | -                      | 0.0%                 |
| SR WATER DIV ACCT CLERK     | 1              | 30,997           | (728)           | 30,269                 | 4.5%                 |
| WATER TREAT LAB TECH        | 0              | -                | -               | -                      | 4.5%                 |
| <b>TOTAL SALARIES</b>       | <b>31</b>      | <b>1,184,278</b> | <b>(38,376)</b> | <b>1,145,902</b>       |                      |

**Schedule WEE-5**



**EXPENSES LEFT AT TEST YEAR LEVELS**  
**WOONSOCKET WATER DIVISION**

**Schedule WEE-5**

| ACCT. #   | BUDGET ACCOUNT DESCRIPTION         | FY 2008 ACTUAL EXPENSES | FY 2009 ACTUAL EXPENSES | FY 2010 ACTUAL EXPENSES | ADJUSTED TEST YEAR |
|---|------------------------------------|-------------------------|-------------------------|-------------------------|--------------------|
| <b>EXPENSES</b>                                   |                                    |                         |                         |                         |                    |
| <i>Personnel Expense</i>                          |                                    |                         |                         |                         |                    |
| 51121   | Temporary Clerical                 | \$ 17,546               | \$ 23,973               | \$ -                    | \$ -               |
| 51122   | Temporary Labor                    | 21,986                  | 19,467                  | 12,853                  | 14,075             |
| 51141   | Overtime Pay                       | 116,358                 | 140,766                 | 145,961                 | 157,108            |
| 51144   | Out of Class                       | 4,227                   | 3,613                   | 865                     | 1,094              |
| 51146   | Medical Buy Back                   | 2,977                   | (2,977)                 | 3,456                   | -                  |
| 51147   | Sick Leave Reimbursement           | 4,146                   | 1,767                   | 1,457                   | 59                 |
| 51148   | Comp Time Reimbursement            | 1,336                   | 275                     | -                       | -                  |
| 51149   | Shift Differential                 | 10,978                  | 9,684                   | 9,516                   | 8,424              |
| 51153   | Non-sick/Injury Bonus              | 1,250                   | 250                     | 250                     | 500                |
| 51155   | Bonus for Course                   | 20,675                  | 21,017                  | 21,751                  | 19,395             |
| 51160   | Retirement                         | 46,502                  | -                       | 38,431                  | 32,110             |
| <i>Total Personnel Expenses</i>                   |                                    | 247,980                 | 217,836                 | 234,541                 | 232,765            |
| <i>Maintenance &amp; Servicing Expenses</i>       |                                    |                         |                         |                         |                    |
| 52211   | Postage                            | 17,664                  | 16,401                  | 21,545                  | 16,055             |
| 52212   | Telephone                          | 28,273                  | 23,701                  | 19,476                  | 20,105             |
| 52213   | Dues & Subscriptions               | 490                     | 1,647                   | 1,831                   | 1,414              |
| 52214   | Advertising                        | 2,099                   | 5,818                   | 3,051                   | 2,382              |
| 52216   | Travel Out of City                 | 26                      | 403                     | 476                     | 174                |
| 52219   | Educational Training               | 4,988                   | 7,041                   | 5,756                   | 6,761              |
| 52221   | Printing & Reproducing             | 14,717                  | 12,842                  | 18,744                  | 13,573             |
| 52231   | General Maint. & Upkeep            | 59,300                  | 36,314                  | 27,747                  | 27,041             |
| 52234   | Vehicle & Outside Equip. Upkeep    | 8,536                   | 19,883                  | 27,667                  | 21,119             |
| 52236   | Maintenance - Office Equipment     | 580                     | 1,891                   | 461                     | 406                |
| 52238   | Maintenance - Roads & Walks        | 72,795                  | 74,058                  | 25,998                  | 88,129             |
| 52239   | Computer Software                  | 14,796                  | 15,041                  | 26,192                  | 19,057             |
| 52244   | Land Rental Charges                | 314                     | 2,043                   | 2,043                   | 2,043              |
| 52249   | Other Rentals                      | 6,904                   | 6,686                   | 6,553                   | 6,685              |
| 52251   | Heating                            | 28,358                  | 17,340                  | 18,700                  | 16,093             |
| 52256   | Sewer Assessment                   | 66,695                  | 56,752                  | 59,899                  | 53,771             |
| 52258   | State Pollution Monitoring Program | 22,744                  | 21,203                  | 15,663                  | 13,183             |
| 52260   | Regulatory Assessments             | 54,006                  | 32,779                  | 34,954                  | 34,556             |
| 52261   | Conservation Services              | 1,045                   | 1,040                   | 5,162                   | 2,070              |
| 52266   | Police Details                     | 8,368                   | 21,624                  | 7,714                   | 6,029              |
| 52281   | Other Independent Service          | 34,604                  | 71,809                  | 65,092                  | 65,623             |
| 52282   | Audit Service                      | 11,640                  | 7,480                   | 7,740                   | 7,500              |
| 52289   | Medical Examinations               | 156                     | -                       | -                       | -                  |
| 52290   | Engineering Service                | -                       | 12,600                  | 4,900                   | 4,063              |
| <i>Total Maintenance &amp; Servicing Expenses</i> |                                    | 459,097                 | 466,395                 | 407,363                 | 427,828            |
| <i>Operating Supplies &amp; Expenses</i>          |                                    |                         |                         |                         |                    |
| 53311   | Office Supplies                    | 2,643                   | 5,212                   | 7,850                   | 3,552              |
| 53321   | Gas & Diesel                       | 32,069                  | 24,562                  | 23,949                  | 28,357             |
| 53322   | Tires & Batteries                  | 2,188                   | 1,206                   | 3,419                   | 541                |
| 53336   | Chemicals - Water Supply           | 183                     | 14                      | -                       | -                  |
| 53344   | Tools & Implements                 | 3,819                   | 6,247                   | 7,363                   | 5,476              |
| 53346   | Cleaning & Housekeeping Supplies   | 1,725                   | 1,215                   | 1,502                   | 1,616              |

**EXPENSES LEFT AT TEST YEAR LEVELS  
WOONSOCKET WATER DIVISION**

**Schedule WEE-5**

| ACCT. #  | BUDGET ACCOUNT<br>DESCRIPTION | FY 2008<br>ACTUAL<br>EXPENSES | FY 2009<br>ACTUAL<br>EXPENSES | FY 2010<br>ACTUAL<br>EXPENSES | ADJUSTED<br>TEST YEAR |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|
| <i>Operating Supplies &amp; Expenses (Continued)</i> |                               |                               |                               |                               |                       |
| 53349  | Other Supplies                | 10,712                        | 27,751                        | 27,066                        | 33,055                |
| 53351  | Lab Supplies                  | 25,535                        | 23,929                        | 24,809                        | 22,542                |
| 53363  | Clothing & Footware           | 6,776                         | 13,332                        | 10,312                        | 5,406                 |
| 53366  | Drug & Medical Supplies       | 1,084                         | 1,216                         | 1,743                         | 1,098                 |
| 53369  | Clothing Allowance            | 4,690                         | 4,360                         | 4,770                         | 4,490                 |
| <i>Total Operating Supplies &amp; Expenses</i>       |                               | 88,780                        | 103,832                       | 104,932                       | 102,581               |
| <i>General Expenses</i>                              |                               |                               |                               |                               |                       |
| 54413  | Fiscal Certification          | -                             | -                             | -                             | -                     |
| 54446  | City Service Charges          | 335,273                       | 320,453                       | 320,453                       | 320,453               |
| 54493  | Bad Debt Exp                  | 30,000                        | 170,000                       | -                             | -                     |
| <i>Total General Expenses</i>                        |                               | 365,273                       | 490,453                       | 320,453                       | 320,453               |
| <b>TOTAL EXPENSES</b>                                |                               | <b>\$ 1,161,130</b>           | <b>\$ 1,278,515</b>           | <b>\$ 1,067,288</b>           | <b>\$ 1,083,628</b>   |

**Schedule WEE-6**

**ANALYSIS OF LIGHT & POWER EXPENSE  
WOONSOCKET WATER DIVISION**

**Schedule WEE-6**

**Light & Power**

- 11 Small C&S Accounts (Rate C06)*
- 3 Small C&S Accounts subject to RISVC tax (Rate C06)*
- 3 General C&S Accounts (Rate G02)*
- 1 200KW Account (Rate G32)*
- Late Charges

**Total**

| Adjusted Test<br>Year | adjustment | Rate Year  |
|-----------------------|------------|------------|
|                       |            |            |
| \$ 32,804             | \$ 538     | \$ 33,342  |
| 398                   | 2          | 399        |
| 28,805                | 383        | 29,189     |
| 190,877               | 6,871      | 197,748    |
| 1,202                 | -          | 1,202      |
| \$ 254,087            | \$ 7,794   | \$ 261,881 |
|                       |            |            |

**Schedule WEE-6(a)**

**ANALYSIS OF LIGHT & POWER EXPENSE  
WOONSOCKET WATER DIVISION**

Schedule WEE-6a

**13 Small C&S Accounts (Rate C06)**

|                                     |           |              |           |
|-------------------------------------|-----------|--------------|-----------|
| Customer Service Charge             | \$ 8.00   | 156          | \$ 1,248  |
| Distribution Charge                 | 0.03366   | 236,236 Kwh  | 7,952     |
| Transmission Charge                 | 0.01755   | 236,236 Kwh  | 4,146     |
| Transition Charge                   | (0.00031) | 236,236 Kwh  | (73)      |
| Energy Eff                          | 0.00556   | 236,236 Kwh  | 1,313     |
| Customer Credit                     | -         | 236,236 Kwh  | -         |
| Energy Charge (Hess \$)             | 0.07071   | 236,236 Kwh  | 16,705    |
| LPC Hess Charge                     | -         | \$ 201.00    | 201       |
|                                     | -         | 236,236 Kwh  | -         |
| GRT (does not include CNE Settlem.) | 4.17%     | \$ 31,491.84 | 1,312     |
| <b>Total</b>                        |           |              | \$ 32,804 |

**3 Small C&S Accounts no LPC charge (Rate C06)**

|                                     |           |           |        |
|-------------------------------------|-----------|-----------|--------|
| Customer Service Charge             | \$ 8.00   | 36        | \$ 288 |
| Distribution Charge                 | 0.03366   | 738 Kwh   | 25     |
| Transmission Charge                 | 0.01755   | 738 Kwh   | 13     |
| Transition Charge                   | (0.00031) | 738 Kwh   | (0)    |
| Energy Eff                          | 0.00556   | 738 Kwh   | 4      |
| Customer Credit                     | -         | 738 Kwh   | -      |
| Energy Charge (Hess \$)             | 0.07071   | 738 Kwh   | 52     |
| LPC Hess Charge                     | -         | \$ -      | -      |
|                                     | -         | 738 Kwh   | -      |
| GRT (does not include CNE Settlem.) | 4.17%     | \$ 381.85 | 16     |
| <b>Total</b>                        |           |           | \$ 398 |

**2 General C&S Accounts (Rate G02)**

|                                     |             |              |           |
|-------------------------------------|-------------|--------------|-----------|
| Customer Service Charge             | \$ 125.00   | 24           | \$ 3,000  |
| Distribution Energy                 | 0.00744     | 173,086 Kwh  | 1,288     |
| Distribution Charge                 | 4.54000     | 1,151 KW     | 5,225     |
| Transmission Charge                 | 2.64000     | 1,427 KW     | 3,767     |
| Transmission Adjustment             | 0.00825     | 173,086 Kwh  | 1,428     |
| Transition Charge                   | (0.00031)   | 173,086 Kwh  | (54)      |
| Energy Eff                          | 0.00556     | 173,086 Kwh  | 962       |
| Customer Credit                     | -           | 173,086 Kwh  | -         |
| Energy Charge (Hess \$)             | 0.06877     | 173,086 Kwh  | 11,904    |
| LPC Hess Charge                     | -           | \$ 133.20    | 133       |
|                                     | -           | 218,473 Kwh  | -         |
| GRT (does not include CNE Settlem.) | \$ 0.041666 | \$ 27,653.16 | 1,152     |
| <b>Total</b>                        |             |              | \$ 28,805 |

**1 200KW Account (Rate G32)**

|                                     |           |               |            |
|-------------------------------------|-----------|---------------|------------|
| Customer Service Charge             | \$ 750.00 | 12            | \$ 9,000   |
| Distribution Energy                 | 0.00873   | 1,773,600 Kwh | 15,484     |
| Distribution Charge                 | 2.00000   | 2,646 KW      | 5,292      |
| Transmission Charge                 | 2.28000   | 4,869 KW      | 11,100     |
| Transmission Adjustment             | 0.00678   | 1,773,600 Kwh | 12,025     |
| Transition Charge                   | (0.00031) | 1,773,600 Kwh | (550)      |
| Energy Eff                          | 0.00556   | 1,773,600 Kwh | 9,861      |
| High Voltage Mtr Disc               | (53.15)   | 12            | (638)      |
| High Voltage Del Disc               | (0.42000) | 4,869 KW      | (2,045)    |
| Customer Credit                     | -         | 1,773,600 Kwh | -          |
| Energy Charge (Hess \$)             | 0.06877   | 1,773,600 Kwh | 121,976    |
| LPC Hess Charge                     | -         | \$ 1,589.04   | 1,589      |
|                                     | -         | 1,773,600 Kwh | -          |
| GRT (does not include CNE Settlem.) | 4.17%     | \$ 183,094.64 | 7,629      |
| Energy Profiler                     | \$ 12.83  | 12            | 154        |
| <b>Total</b>                        |           |               | \$ 190,877 |

| Rate Year<br>RATE<br>(Weighted) | Usage        | Rate Year |
|---------------------------------|--------------|-----------|
| \$ 8.00                         | 156          | \$ 1,248  |
| 0.03366                         | 236,236 Kwh  | 7,952     |
| 0.01755                         | 236,236 Kwh  | 4,146     |
| (0.00031)                       | 236,236 Kwh  | (73)      |
| 0.00556                         | 236,236 Kwh  | 1,313     |
| -                               | 236,236 Kwh  | -         |
| 0.07290                         | 236,236 Kwh  | 17,222    |
| -                               | \$ 201.00    | 201       |
| -                               | 236,236 Kwh  | -         |
| 4.17%                           | \$ 32,008.49 | 1,334     |
|                                 |              | \$ 33,342 |

|           |           |        |
|-----------|-----------|--------|
| \$ 8.00   | 36        | \$ 288 |
| 0.03366   | 738 Kwh   | 25     |
| 0.01755   | 738 Kwh   | 13     |
| (0.00031) | 738 Kwh   | (0)    |
| 0.00556   | 738 Kwh   | 4      |
| -         | 738 Kwh   | -      |
| 0.07290   | 738 Kwh   | 54     |
| -         | \$ -      | -      |
| -         | 738 Kwh   | -      |
| 4.17%     | \$ 383.47 | 16     |
|           | \$ 399.45 | -      |
|           |           | \$ 399 |

|             |              |           |
|-------------|--------------|-----------|
| \$ 125.00   | 24           | \$ 3,000  |
| 0.00744     | 173,086 Kwh  | 1,288     |
| 4.54000     | 1,151 KW     | 5,225     |
| 2.64000     | 1,427 KW     | 3,767     |
| 0.00825     | 173,086 Kwh  | 1,428     |
| (0.00031)   | 173,086 Kwh  | (54)      |
| 0.00556     | 173,086 Kwh  | 962       |
| -           | 173,086 Kwh  | -         |
| 0.07090     | 173,086 Kwh  | 12,272    |
| -           | \$ 133.20    | 133       |
| -           | 218,473 Kwh  | -         |
| \$ 0.041666 | \$ 28,021.31 | 1,168     |
|             |              | \$ 29,189 |

|           |               |            |
|-----------|---------------|------------|
| \$ 750.00 | 12            | \$ 9,000   |
| 0.00873   | 1,773,600 Kwh | 15,501     |
| 2.03000   | 2,646 KW      | 5,371      |
| 2.84000   | 4,869 KW      | 13,827     |
| 0.00678   | 1,773,600 Kwh | 12,025     |
| (0.00031) | 1,773,600 Kwh | (550)      |
| 0.00556   | 1,773,600 Kwh | 9,861      |
| (53.15)   | 12            | (638)      |
| (0.42000) | 4,869 KW      | (2,045)    |
| -         | 1,773,600 Kwh | -          |
| 0.07090   | 1,773,600 Kwh | 125,748    |
| -         | \$ 1,589.04   | 1,589      |
| -         | 1,773,600 Kwh | -          |
| 4.17%     | \$ 189,690.64 | 7,904      |
| \$ 12.83  | 12            | 154        |
|           |               | \$ 197,748 |

**Schedule WEE-7**

**ANALYSIS OF PROPERTY TAX EXPENSE  
WOONSOCKET WATER DIVISION**

**PROPERTY TAXES**  
NORTH SMITHFIELD  
BLACKSTONE  
LINCOLN  
SMITHFIELD  
MANVILLE  
ALBION

*Total*

| Adjusted Test Year | Interim Year | Rate Year  | Percentage over Interim Year |
|--------------------|--------------|------------|------------------------------|
| \$ 109,464         | \$ 112,699   | \$ 116,029 | 2.96%                        |
| 19,554             | 19,491       | 19,428     | -0.32%                       |
| 15,324             | 15,324       | 15,324     | 0.00%                        |
| 14,653             | 14,897       | 15,145     | 1.66%                        |
| 386                | 386          | 386        | 0.00%                        |
| 744                | 744          | 744        | 0.00%                        |
| \$ 160,127         | \$ 163,543   | \$ 167,059 |                              |

Interim year was obtained from FY 2012 property tax bills except for Manville and Albion. Manville and Albion uses the same tax rolls from Lincoln and had the same percentage increase as Lincoln for FY 2009 to FY 2010. Manville and Albion interim year used the known Lincoln increase of 0% for Test Year to Interim Year.

**PROPERTY TAXES**  
NORTH SMITHFIELD  
BLACKSTONE  
LINCOLN  
SMITHFIELD  
MANVILLE  
ALBION

*Total*

| Adjusted Test Year | adjustment | Rate Year  |
|--------------------|------------|------------|
| \$ 109,464         | \$ 6,565   | \$ 116,029 |
| 19,554             | (126)      | 19,428     |
| 15,324             | -          | 15,324     |
| 14,653             | 492        | 15,145     |
| 386                | -          | 386        |
| 744                | 0          | 744        |
| \$ 160,127         | \$ 6,932   | \$ 167,059 |



**Schedule WEE-8**

**ANALYSIS OF INSURANCE EXPENSES**  
**WOONSOCKET WATER DIVISION**

*Insurance*  
 54451 Insurance - Vehicles & Equipment  
 54452 Insurance - Workmen's Comp  
 54453 Insurance - Liability  
 54456 Insurance - Group Life  
 54471 Health Insurance  
 54472 Dental Insurance

| Adjusted Test Year | Interim Year | Rate Year | Percentage over Interim Year |
|--------------------|--------------|-----------|------------------------------|
| \$ 78,280          | \$ 78,280    | \$ 78,280 | 0.00%                        |
| 112,935            | 124,229      | 136,652   | 10.00%                       |
| 126,822            | 126,822      | 126,822   | 0.00%                        |
| 7,563              | 7,563        | 7,563     | 0.00%                        |
| 611,882            | 671,000      | 735,829   | 9.66%                        |
| 33,469             | 37,221       | 41,394    | 11.21%                       |

Interim year was obtained from FY 2012 Budget Report

*Insurance*  
 54451 Insurance - Vehicles & Equipment  
 54452 Insurance - Workmen's Comp  
 54453 Insurance - Liability  
 54456 Insurance - Group Life  
 54471 Health Insurance  
 54472 Dental Insurance

| Adjusted Test Year | adjustment | Rate Year |
|--------------------|------------|-----------|
| \$ 78,280          | \$ -       | \$ 78,280 |
| 112,935            | 23,717     | 136,652   |
| 126,822            | -          | 126,822   |
| 7,563              | -          | 7,563     |
| 611,882            | 123,947    | 735,829   |
| 33,469             | 7,925      | 41,394    |

**Schedule WEE-9**

**Woonsocket Water Division  
Chemical  
Sources and Uses of Funds  
Projected FY 2012 - FY 2015**

**Schedule WEE-9**

| Source of Funds                           | <u>Fy 2011</u>         | <u>Interim<br/>Fy 2012</u> | <u>Rate Year<br/>Fy 2013</u> | <u>Fy 2014</u>           | <u>Fy 2015</u>         |
|---|------------------------|----------------------------|------------------------------|--------------------------|------------------------|
| D3800                                     | 296,000                | 296,000                    | -                            | -                        | -                      |
| cover by Water O&M fund                   | 153,872                |                            |                              |                          |                        |
| New Docket effective 7/1/12 proposed      |                        |                            | 296,000                      | 296,000                  | 296,000                |
| Interest                                  | -                      | -                          | -                            | -                        | -                      |
| Carryover funds from prior year estimated | 93,212                 | 20,466                     | 94,332                       | (136,401)                | (62,535)               |
|   | -                      | -                          | -                            | -                        | -                      |
| <b>Total Sources</b>                      | <b>543,084</b>         | <b>316,466</b>             | <b>390,332</b>               | <b>159,599</b>           | <b>233,465</b>         |
| <b>Less obligated uses of funds</b>       |                        |                            |                              |                          |                        |
| Chemicals                                 | 218,018                | 222,134                    | 222,134                      | 222,134                  | 222,134                |
| Carbon                                    | 304,600                |                            | 304,600                      |                          |                        |
|   | -                      | -                          | -                            | -                        | -                      |
| <b>Total Uses</b>                         | <b>522,618</b>         | <b>222,134</b>             | <b>526,734</b>               | <b>222,134</b>           | <b>222,134</b>         |
| <b>Total</b>                              | <b><u>\$20,466</u></b> | <b><u>\$94,332</u></b>     | <b><u>(\$136,401)</u></b>    | <b><u>(\$62,535)</u></b> | <b><u>\$11,331</u></b> |

|                                  | <u>FY 2008</u> | <u>FY 2009</u> | <u>FY 2010</u> | <u>FY 2011</u> | <u>Interim Year</u>        |
|----------------------------------|----------------|----------------|----------------|----------------|----------------------------|
| Water Production                 | 1,847,137      | 1,744,933      | 1,712,535      | 1,736,195      | 1,736,195                  |
| Cost of Chemicals Less Carbon \$ | 144,421.47     | \$ 187,959.00  | \$227,597.00   | \$ 213,526.00  | \$ 222,133.71              |
| Cost per produced \$             | 0.08           | \$ 0.11        | \$ 0.13        | \$ 0.12        | \$ 0.13<br>2 year weighted |

**Schedule WEE-10**

**Woonsocket Water Division  
Infrastructure Replacement Fund  
Sources and Uses of Funds  
Projected FY 2012 - FY 2015**

**Schedule WEE-10**

| Source of Funds  | <u>Fy 2011</u>            | <u>Interim<br/>Fy 2012</u> | <u>Rate Year<br/>Fy 2013</u> | <u>Fy 2014</u>            | <u>Fy 2015</u>            |
|--|---------------------------|----------------------------|------------------------------|---------------------------|---------------------------|
| D3800  | 1,956,000                 | 1,956,000                  | -                            | -                         | -                         |
| Revenue Shortfall                                      | (714,599)                 | (794,417)                  |                              |                           |                           |
| New Docket effective 7/1/12 proposed                   | -                         | -                          | 1,956,000                    | 1,956,000                 | 1,956,000                 |
| Interest   | 2,455                     | 62                         | 316                          | -                         | -                         |
| Carryover funds from prior year estimated              | <u>5,746,580</u>          | <u>5,791,096</u>           | <u>2,945,019</u>             | <u>2,812,060</u>          | <u>2,678,785</u>          |
| <b>Total Sources</b>                                   | <b>6,990,436</b>          | <b>6,952,741</b>           | <b>4,901,335</b>             | <b>4,768,060</b>          | <b>4,634,785</b>          |
| <b>Less obligated uses of funds:</b>                   |                           |                            |                              |                           |                           |
| Studies - Flushing                                     |                           | 95,000                     |                              |                           |                           |
| Plant Improvements                                     | 1,043                     |                            |                              |                           |                           |
| T&D Improvements                                       | 11,256                    |                            |                              |                           |                           |
| Mains - Cumb/Woon Interconnect                         | 364,472                   |                            |                              |                           |                           |
| Mains - Pawt/Woon Interconnect                         | 195,908                   | -                          |                              |                           |                           |
| Cady Street  | 12,384                    | 63,119                     |                              |                           |                           |
| Storage Tank Mount St Charles                          |                           |                            | -                            |                           |                           |
| New WTP  | 81,408                    | 191,183                    |                              |                           |                           |
| Treatment Facility - Study                             | -                         |                            |                              |                           |                           |
| Holly Lane   | 2,014                     |                            |                              |                           |                           |
| Distribution - (\$8,357,100 over 4 years) (2007 start) |                           | 2,089,275                  | 2,089,275                    | 2,089,275                 | 2,089,275                 |
| Distribution - (\$8,357,100 over 4 years) (2012 start) |                           |                            |                              |                           | -                         |
| Transmission Mains - WTP to Logee St                   | -                         | -                          | -                            | -                         | -                         |
| 2007 \$2.1M WTP TransMain-Manville Rd                  | 530,856                   | 203,843                    |                              |                           |                           |
| 2008 \$2.1M WTP TransMain-Remaining                    |                           | 1,365,301                  |                              |                           |                           |
| Transmission Mains - others                            | -                         | -                          | -                            | -                         | -                         |
| <b>Total Uses</b>                                      | <b>1,199,340</b>          | <b>4,007,722</b>           | <b>2,089,275</b>             | <b>2,089,275</b>          | <b>2,089,275</b>          |
| <b>Total</b>   | <b><u>\$5,791,096</u></b> | <b><u>\$2,945,019</u></b>  | <b><u>\$2,812,060</u></b>    | <b><u>\$2,678,785</u></b> | <b><u>\$2,545,510</u></b> |

**Schedule WEE-11**

**Woonsocket Water Division  
Rate Case  
Sources and Uses of Funds  
Projected FY 2012 - FY 2015**

**Schedule WEE-11**

| <b>Source of Funds</b>                    | <b><u>Fy 2011</u></b> | <b><u>Interim<br/>Fy 2012</u></b> | <b><u>Rate Year<br/>Fy 2013</u></b> | <b><u>Fy 2014</u></b>    |
|---|-----------------------|-----------------------------------|-------------------------------------|--------------------------|
| D3800                                     | 69,864                | 69,864                            | -                                   | -                        |
| cover by Water O&M fund                   |                       |                                   |                                     |                          |
| New Docket effective 7/1/12 proposed      | -                     | -                                 | 69,864                              | 69,864                   |
| Interest                                  | -                     |                                   |                                     |                          |
| Carryover funds from prior year estimated | (42,451)              | 3,701                             | (163,743)                           | (93,879)                 |
|   | <u>-</u>              | <u>-</u>                          | <u>-</u>                            | <u>-</u>                 |
| <b>Total Sources</b>                      | <b><u>27,413</u></b>  | <b><u>73,565</u></b>              | <b><u>(93,879)</u></b>              | <b><u>(24,015)</u></b>   |
| <br>                                      |                       |                                   |                                     |                          |
| <b>Less obligated uses of funds</b>       |                       |                                   |                                     |                          |
| Existing services                         | 23,712                | 10,000                            | -                                   | -                        |
| New Rate Case                             | -                     | 227,308                           | -                                   | -                        |
|   | -                     | -                                 | -                                   | -                        |
|   | <u>-</u>              | <u>-</u>                          | <u>-</u>                            | <u>-</u>                 |
| <b>Total Uses</b>                         | <b><u>23,712</u></b>  | <b><u>237,308</u></b>             | <b><u>-</u></b>                     | <b><u>-</u></b>          |
| <br>                                      |                       |                                   |                                     |                          |
| <b>Total</b>                              | <b><u>\$3,701</u></b> | <b><u>(\$163,743)</u></b>         | <b><u>(\$93,879)</u></b>            | <b><u>(\$24,015)</u></b> |

|  |                 |
|--|-----------------|
| Legal  | 100,000         |
| Consultants (Testimony, Data Request, Hearings)      | 80,000          |
| Notification (#of bills @ \$0.45)                    | 4,308           |
| Division/Commission                                  | 35,000          |
| Transcripts  | 8,000           |
|  | <u>227,308</u>  |
| Expense covered by Current Funds (less Interim Year) | <u>(63,565)</u> |
|  | <u>163,743</u>  |
| <br>   |                 |
| 2 year Amortization                                  | 81,872          |



**Schedule WEE-12**

**Woonsocket Water Division  
Debt Service  
Sources and Uses of Funds  
Projected FY 2012 - FY 2015**

**Schedule WEE-12**

| Source of Funds                           | <u>Fy 2011</u>   | Interim<br><u>Fy 2012</u> | Rate Year<br><u>Fy 2013</u> | <u>Fy 2014</u>   | <u>Fy 2015</u>   |
|---|------------------|---------------------------|-----------------------------|------------------|------------------|
| D3800                                     | 1,832,067        | 1,832,067                 | -                           | -                | -                |
| True-up to reconcile to cash              | (133,730)        |                           |                             |                  |                  |
| New Docket effective 7/1/12 proposed      |                  |                           | 1,630,000                   | 1,630,000        | 1,630,000        |
| Interest                                  | -                | -                         | -                           | -                | -                |
| Carryover funds from prior year estimated | (18,827)         | 151,345                   | 436,781                     | 363,669          | 290,556          |
|   | -                | -                         | -                           | -                | -                |
| <b>Total Sources</b>                      | <u>1,679,510</u> | <u>1,983,412</u>          | <u>2,066,781</u>            | <u>1,993,669</u> | <u>1,920,556</u> |
| <b>Less obligated uses of funds</b>       |                  |                           |                             |                  |                  |
| Principal                                 | 1,010,000        | 1,050,000                 | 1,084,000                   | 1,084,000        | 1,084,000        |
| Interest                                  | 518,165          | 496,631                   | 619,112                     | 619,112          | 619,112          |
|   | -                | -                         | -                           | -                | -                |
| Due from Water O&M fund                   | -                | -                         | -                           | -                | -                |
| <b>Total Uses</b>                         | <u>1,528,165</u> | <u>1,546,631</u>          | <u>1,703,112</u>            | <u>1,703,112</u> | <u>1,703,112</u> |
| <b>Total</b>                              | <u>\$151,345</u> | <u>\$436,781</u>          | <u>\$363,669</u>            | <u>\$290,556</u> | <u>\$217,444</u> |

**Schedule WEE-12(a)**

**DEBT SERVICE SUMMARY - RATE YEAR**  
**WOONSOCKET WATER DIVISION**

Schedule WEE-12a

| Debt Service -- Principal & Interest Amounts Due to Bondholders* | Test Year<br>(FY 11) | Rate Year<br>(FY 13) | GO-Debt    |              | RICWFA  |     |
|--|----------------------|----------------------|------------|--------------|---------|-----|
|  |                      |                      | Non-IFR    | IFR          | Non-IFR | IFR |
| 2005 GO Bond Issue (\$3,775,000)<br>(refinanced 1994 \$6.4 m)    | \$ 425,000           | \$ 460,000           | \$ 460,000 | \$ 460,000   |         |     |
| Issued---5/26/05....Maturity---3/1/14                            | 75,450               | 45,000               | 45,000     | 45,000       |         |     |
| Interest 3.25%-5.0%  | 500,450              | 505,000              | 505,000    | 505,000      |         |     |
| <b>Total Due</b>   |                      |                      |            |              |         |     |
| 2003 RICWFA Bond (\$10,165,250)<br>(IFR)                         | 420,000              | 450,000              |            |              | 450,000 |     |
| Issued---5/13/03....Maturity---9/1/24                            | 342,789              | 311,208              |            |              | 311,208 |     |
| Interest 3.4945%   | 762,789              | 761,208              |            |              | 761,208 |     |
| <b>Total Due</b>   |                      |                      |            |              |         |     |
| 2005 RICWFA Bond (\$4,000,000)<br>(IFR)                          | 165,000              | 174,000              |            |              | 174,000 |     |
| Issued---3/23/05....Maturity---9/1/25                            | 113,696              | 102,905              |            |              | 102,905 |     |
| Interest 3.4945%   | 278,696              | 276,905              |            |              | 276,905 |     |
| <b>Total Due</b>   |                      |                      |            |              |         |     |
| WTP RICWFA Bond (Beg. Contract)<br>(IFR) (\$2,000,000)           |                      | 50,000               |            |              | 50,000  |     |
| Principal Due  |                      | 50,000               |            |              | 50,000  |     |
| Interest & Fees Due  |                      | 50,000               |            |              | 50,000  |     |
| <b>Total Due</b>   |                      |                      |            |              |         |     |
| WTP RICWFA Bond (Interconnect)<br>(IFR) (\$4,400,000)            |                      | 110,000              |            |              | 110,000 |     |
| Principal Due  |                      | 110,000              |            |              | 110,000 |     |
| Interest & Fees Due  |                      | 110,000              |            |              | 110,000 |     |
| <b>Total Due</b>   |                      |                      |            |              |         |     |
| <b>Total - All Bond Issues</b>                                   | \$ 1,010,000         | \$ 1,084,000         | \$ 460,000 | \$ 624,000   |         |     |
| Interest & CWFA Fees Due   | \$ 531,935           | \$ 619,112           | \$ 45,000  | \$ 574,112   |         |     |
| <b>Total Due</b>   | \$ 1,541,935         | \$ 1,703,112         | \$ 505,000 | \$ 1,198,112 |         |     |

**Footnote on security pledged on borrowing**

All GO debt is secured by the City of Woonsocket.  
All RICWFA debt is secured by the Water Division's Revenue. Each year the WWD must certify they will obtain sufficient revenues to cover 125% of the annual Debt service payment.

**Schedule WEE-13**

**Woonsocket Water Division  
Renewal & Replacement  
Sources and Uses of Funds  
Projected FY 2012 - FY 2015**

**Schedule WEE-13**

| <b>Source of Funds</b>                    | <b><u>Fy 2011</u></b>   | <b><u>Interim<br/>Fy 2012</u></b> | <b><u>Rate Year<br/>Fy 2013</u></b> | <b><u>Fy 2014</u></b>   | <b><u>Fy 2015</u></b>  |
|---|-------------------------|-----------------------------------|-------------------------------------|-------------------------|------------------------|
| D3800                                     | 150,000                 | 150,000                           | -                                   | -                       | -                      |
| True-up to reconcile to cash              | (100,000)               |                                   |                                     |                         |                        |
| New Docket effective 7/1/12 proposed      |                         |                                   | 120,000                             | 120,000                 | 120,000                |
| Interest                                  | 119                     | -                                 | -                                   | -                       | -                      |
| Carryover funds from prior year estimated | 174,331                 | 104,258                           | 124,258                             | 114,258                 | 104,258                |
|   | -                       | -                                 | -                                   | -                       | -                      |
| <b>Total Sources</b>                      | <b>224,450</b>          | <b>254,258</b>                    | <b>244,258</b>                      | <b>234,258</b>          | <b>224,258</b>         |
| <b>Less obligated uses of funds</b>       |                         |                                   |                                     |                         |                        |
| Vehicles                                  | 0                       |                                   |                                     |                         |                        |
| Equipment                                 | 9,035                   | 15,000                            | 15,000                              | 15,000                  | 15,000                 |
| Furniture                                 | -                       | -                                 | -                                   | -                       | -                      |
| Building Improvement                      | 1,977                   | 20,000                            | 20,000                              | 20,000                  | 20,000                 |
| Plant Improvements                        | 64,339                  | 60,000                            | 60,000                              | 60,000                  | 60,000                 |
| T&D Improvements                          | 3,032                   | 20,000                            | 20,000                              | 20,000                  | 20,000                 |
| Meters                                    | 29,902                  | 10,000                            | 10,000                              | 10,000                  | 10,000                 |
| Pump Station                              | 11,908                  | 5,000                             | 5,000                               | 5,000                   | 5,000                  |
|   | -                       | -                                 | -                                   | -                       | -                      |
| <b>Total Uses</b>                         | <b>120,192</b>          | <b>130,000</b>                    | <b>130,000</b>                      | <b>130,000</b>          | <b>130,000</b>         |
| <b>Total</b>                              | <b><u>\$104,258</u></b> | <b><u>\$124,258</u></b>           | <b><u>\$114,258</u></b>             | <b><u>\$104,258</u></b> | <b><u>\$94,258</u></b> |

## Tab 7

**Prefiled Direct Testimony  
of  
David G. Bebyn, CPA**

**Woonsocket Water Division  
Docket \_\_\_\_\_**

**March 2012**



1 **INTRODUCTION**

2

3 **Q. Please state your name and business address for the record.**

4 A. My name is David G. Bebyn CPA and my business address is 21 Dryden Lane,  
5 Providence, Rhode Island 02904.

6

7 **Q. By whom are you employed and in what capacity?**

8 A. I am the Vice President of B&E Consulting LLC (B&E). B&E is a CPA firm that  
9 specializes in utility regulation, expert rate and accounting testimony, school budget  
10 reviews and accounting services.

11

12 **Q. Mr. Bebyn, have you testified as an expert accounting witness prior to this  
13 docket?**

14 A. Yes. I have provided testimony on rate related matters before utility commissions in  
15 Rhode Island and Connecticut. Regarding the Rhode Island Public Utilities Commission, I  
16 have prepared testimony and testified in the Woonsocket Water Division (WWD) last rate  
17 filing Dockets #3800 in support for the adjusted test year and rate design. I also prepared  
18 testimony and calculated the Fire Protection Service Charge in Docket #4309. I prepared  
19 testimony and testified in the Pawtucket Water Supply Board's (PWSB) last four rate  
20 filings, Dockets #3378, #3497, #3674 & #3945, and the Providence Water Supply Board's  
21 rate filing Docket #3832 in support of the adjusted test year. In addition to adjusted test  
22 year testimony, I prepared testimony and testified on behalf of the Block Island Power  
23 Company in Docket #3900 in support of the working capital allowance.

24

25 **Q. What is your educational background?**

26 A. I received my Bachelors of Science Degree in Accounting (BSA) from Rhode Island  
27 College. I became a Certified Public Accountant in 2000 after successfully passing the  
28 CPA exam.

29

30 **Q. What is the purpose of your testimony?**

1 A. B&E was engaged by Woonsocket Water Division (WWD) to provide testimony in  
2 support of its rate request. My testimony includes a presentation of the normalized test  
3 year (June 30, 2011), rate design, and revenue check and ratepayer impact associated with  
4 this rate request.

5

6 **Q. Does that conclude your introduction?**

7 A. Yes.

8

9

**TEST YEAR (June 30, 2011)**

10

11 **Q. Mr. Bebyn, was the test year audited?**

12 A. Yes. The fiscal year ending June 30, 2011 was audited by Braver PC.

13

14 **Q. Please provide the Commission with the detailed steps you took to develop the**  
15 **test year.**

16 A. I obtained the detailed trial balances for June 30, 2011 for all water accounts. I  
17 reviewed all the year-end audit adjustments and general ledger account balances to assure  
18 that corresponding FY 2011 entries were properly recorded. The adjusted balances were  
19 used to prepare the FY 2011 Annual Report filed with the Public Utilities Commission and  
20 the Test Year used in this rate filing.

21

22 **Q. What adjustments did you make to convert the June 30, 2011 financial**  
23 **statements prepared on a Generally Accepted Accounting Principles (GAAP) basis to**  
24 **arrive at a normalized “rate making basis” test year?**

25 A. I made nine adjustments to the test year prepared on a GAAP basis in order to present  
26 the test year on a normalized “rate making basis” as follows:

27

28 A. Adjusted the public fire service revenue from hydrants in the City of Woonsocket to  
29 move it to customer service revenue reflecting the newly approved fire protection

1 service charge for ratepayers in Woonsocket. This rate was approved in Docket  
2 #4309 which was subsequent to June 30, 2011.

3 B. Removed interest income earned on monies held in the restricted accounts required  
4 by the Rhode Island Public Utilities Commission (RIPUC). The restricted accounts  
5 required by the RIPUC cover IFR, Debt service, Chemicals, Rate Case and Renewal  
6 & Replacement reserve.

7 C. Increased postage and printing expenses to reflect four quarters of billings. The  
8 fiscal year-end balance only booked three quarters of expenses.

9 D. Added the capitalized expenditures paid for by water fund revenues for Road  
10 Resurfacing and Legal to the test year because WWD is regulated on a cash basis.

11 E. Normalized engineering services to reflect a four year average of \$4,063. The fiscal  
12 year 2012 year to date balance as of December 2011 was \$6,800.

13 F. Removed all depreciation expense from the test year, once again because WWD is  
14 regulated on a cash basis.

15 G. Removed non-recurring item for a credit to bad debt expense which as the result of a  
16 change in the accounts receivable allowance for uncollectible.

17 H. Increased the Chemicals reserve expense level to reflect the amount authorized in  
18 docket 3800.

19 I. Increased the O&M reserve expense level to reflect the amount authorized in docket  
20 3800.

21 J. Increased the IFR reserve expense for capitalized expenditures and to reflect level  
22 authorized in docket 3800.

23 K. Increased the Rate Case reserve expense level to reflect the amount authorized in  
24 docket 3800.

25 L. Increased the Debt service reserve for principal payments and expense to reflect  
26 level authorized in docket 3800 and restricted per bond covenants and Commission  
27 order.

28 M. Increased Renewal & Replacement reserve expense for capitalized expenditures and  
29 to reflect level authorized in docket 3800.

30

1 **Q. Mr. Bebyn, in your professional opinion does your adjusted test year present a**  
2 **proper normalized test year?**

3 A. Yes, I believe that the adjusted, normalized test year that I have prepared for this filing  
4 (DGB-1) fairly presents the operations of WWD in a normal year on a ratemaking basis  
5 with currently approved rates.

6

7 **Q. Did you complete any other reviews to prepare your test year adjustments?**

8 A. Yes, I did. I prepared a four-year analysis of the actual (audited) revenue and expenses  
9 for the years 2008, 2009, 2010 & 2011. Major variances were investigated to determine if  
10 an adjustment was needed. If so, I discussed these items with Mr. Edge to decide if it  
11 required a test year or rate year adjustment.

12

13 **Q. Did you include a schedule of the four-year comparison with this testimony?**

14 A. Yes, see DGB-2.

15

16 **Q. Did you prepare any other schedules in support of the test year?**

17 A. Yes, I did. I prepared schedule DGB-1a to detail the Test Year revenues by source,  
18 tariff and rate class. Sales volumes and customer counts by rate class for the Test Year  
19 were also presented. I also prepared schedule DGB-1b to detail the Adjusted Test Year  
20 revenues by source which reflect the rates approved subsequent to the Test Year in Docket  
21 #4309.

22

23 **Q. Does that conclude your testimony of the test year?**

24 A. Yes.

25

26 **Q. What would you like to discuss next?**

27 A. I would like to review my schedules for Rate Design.

28

**Rate Design**

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**Q. Mr. Bebyn, are you proposing a change in rate design for this case?**

A. Yes. While I am not proposing any major change to the general structure of the rates, the changes to individual rates and charges vary by different percentages. The adjustment I am proposing is the way that IFR costs are allocated. The remaining cost allocations are in conformance with those approved in Dockets 3800. The change to fire protection service charge was addressed in the recent Docket 4309. The proposed rates are based on the cost allocation study included in Schedules DGB-3 and DGB-4.

**Q. Please explain the change in rate design for IFR costs?**

A. At the time of the Docket 3800, Rhode Island legislation required all IFR related costs to be recovered through use based charges and not fixed charges like service charges and fire protection fees. Subsequent legislation has removed that restriction and IFR costs can now be allocated to cost components or tariff that is best associated with those costs. As a result, IFR related costs on Schedules DGB-3 and DGB-4 were allocated in the same manner as non-IFR capital expenditures.

**Q. Please describe your Rate Design schedules.**

A. There are eight main schedules, several of which include supporting schedules. These schedules are:

- **Schedule DGB-3** This schedule presents the allocation of the rate year expenses (Schedule WEE-1, WEE-2 & WEE-3 from Mr. Edge’s Testimony) to the various cost functions. As indicated earlier, this generally follows the allocations approved in the prior dockets.
  - **Schedule DGB-3A** This schedule presents the derivation of various allocation symbols or allocators that were used in the prior schedules. For the most part these are the same or derived in the same manner as the allocators used in the prior dockets.

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- **Schedule DGB-3B** This presents the development of the Misc. Revenue allocation based upon all other expenses.
- **Schedule DGB-3C** This presents the allocation of the labor expenses to cost functions. The overall labor allocation is used to allocate certain labor related costs.
- **Schedule DGB-3D** This presents the allocation of Water Department assets to cost functions. The allocation of assets is used to allocate some of the capital related items.
  
- **Schedule DGB-4** This schedule presents the allocation of the Functional Costs to the various Rate Schedule Elements.
  - **Schedule DGB-4A** This schedule presents the derivation of the allocators used on Schedule DGB-4. Again they are the same or derived in the same manner as the prior dockets
  - **Schedule DGB-4B** This presents the development of the T&D allocation based upon Inch-Feet of Pipe.
  - **Schedule DGB-4C** This presents the development of the Pumping allocation based upon production from each pumping station.
  - **Schedule DGB-4D** This presents the development of the General & Administrative allocation based upon all other expenses.
  
- **Schedule DGB-5** This schedule presents the units of service including the number of meters by size and billing frequency, the number of billings, the number of private and public fire services by size of connection, and water production and sales.
  
- **Schedule DGB-6** This presents the calculation of the metered retail and wholesale rates.

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- **Schedule DGB-7** This schedule presents the derivation of the fire service charges. The public hydrant revenues from hydrants in the City of Woonsocket are further allocated to DGB-9 to calculate the fire protection service charge.
- **Schedule DGB-8** This presents the calculation of the service charges on a quarterly basis only.
- **Schedule DGB-9** This presents the calculation of the fire protection service charges on a quarterly basis only.

**Q. What information have you used for water use, numbers of meters, and fire services?**

A. This information is presented on Schedule DGB-5. The water meter counts and fire services are the most recent information and reflect the accounts as of June 31, 2011. The water use data for metered sales and wholesale consumption is for the fiscal year ending June 30, 2011 (the test year).

**Q. Have you prepared any other schedules?**

A. I have prepared a schedule summarizing current rate and proposed rates (See DGB-10). I have also included a revenue check schedule incorporating overall increase of 10.86% (See DGB-11) and a schedule calculating the impact on each ratepayer class (See DGB-12).

**Q. What is the overall impact of the proposed rates on a typical residential customer?**

A. Schedule DGB-12 presents the impacts on various customers and types of services. A typical residential customer who uses 205 gallons per day, 10,000 cubic feet per year will see their water bill increase by 11.58% from \$505 to \$563 per year. This would represent

1 only a \$5 increase per month. The smaller customer's increase was smaller than the overall  
2 increase due to the proposed reduction in the service charge which is a large portion of  
3 their total bill. These savings are reduced as the volume of consumption increases.

4

5 **Q. Why is the increase of retail rates proposed for ratepayers in the City of**  
6 **Woonsocket .5% to 2.5% higher than what ratepayers are seeing in other**  
7 **communities serviced by Woonsocket Water?**

8 A. As a consequence of the Commission's approval of the City's tariff advice in Docket  
9 4309, the City of Woonsocket is now required to collect hydrant revenues from ratepayers  
10 in the City with a separate customer service charge. In addition, there was an increased  
11 allocation of expenses to fire service in this docket since IFR expenditures can now be  
12 recovered from fixed rates including service and fire protection. The result of these two  
13 factors resulted in this higher increase to retail ratepayers in the City of Woonsocket.

14

15 **Q. Does that conclude your testimony?**

16 A. Yes.



**Schedule DGB-1**

ADJUSTED TEST YEAR  
WOONSOCKET WATER DIVISION

Schedule DGB-1

| ACCT. #                               | BUDGET ACCOUNT DESCRIPTION      | TEST YEAR<br>6/30/11 | TEST YEAR<br>ADJUSTMENTS | ADJUSTED<br>TEST YEAR |
|---------------------------------------|---------------------------------|----------------------|--------------------------|-----------------------|
| <b>REVENUE</b>                        |                                 |                      |                          |                       |
| <i>Revenue from Rates and Charges</i> |                                 |                      |                          |                       |
| 41010                                 | Water Sales                     | \$ 5,795,350         | -                        | \$ 5,795,350          |
|                                       | Wholesale Sales                 | 193,146              | -                        | 193,146               |
|                                       | Customer Service Revenue        | 594,991              | A 567,664                | 1,162,655             |
|                                       | Public Fire Service Revenue     | 589,064              | A (567,690)              | 21,375                |
|                                       | Private Fire Service Revenue    | 71,171               | -                        | 71,171                |
|                                       |                                 | 7,243,722            | (26)                     | 7,243,696             |
| <i>Miscellaneous Revenue</i>          |                                 |                      |                          |                       |
| 41030                                 | Service & Extentions            | 57,709               |                          | 57,709                |
| 41035                                 | Repairs                         | 6,017                |                          | 6,017                 |
| 41040                                 | Miscellaneous Income            | 41,335               |                          | 41,335                |
| 41070                                 | Water Surcharge                 | 21,787               |                          | 21,787                |
| 42310                                 | Interest on Bills               | 117,635              |                          | 117,635               |
| 42320                                 | Interest on Investments         | 449                  |                          | 449                   |
|                                       | Interest on Restricted Accounts | 2,573                | B (2,573)                | 0                     |
|                                       |                                 | 247,505              | (2,573)                  | 244,932               |
|                                       | <b>TOTAL REVENUE</b>            | \$ 7,491,227         | (2,599)                  | \$ 7,488,628          |

ADJUSTED TEST YEAR  
WOONSOCKET WATER DIVISION

Schedule DGB-1

| ACCT. #   | BUDGET ACCOUNT DESCRIPTION         | TEST YEAR<br>6/30/11 | TEST YEAR<br>ADJUSTMENTS | ADJUSTED<br>TEST YEAR |
|---|------------------------------------|----------------------|--------------------------|-----------------------|
| <b>EXPENSES</b>                                   |                                    |                      |                          |                       |
| <i>Personnel Expense</i>                          |                                    |                      |                          |                       |
| 51110   | Permanent Services                 | \$ 1,111,665         |                          | \$ 1,111,665          |
| 51122   | Temporary Labor                    | 14,075               |                          | 14,075                |
| 51141   | Overtime Pay                       | 157,108              |                          | 157,108               |
| 51144   | Out of Class                       | 1,094                |                          | 1,094                 |
| 51145   | Longevity Pay                      | 52,299               |                          | 52,299                |
| 51146   | Medical Buy Back                   | -                    |                          | -                     |
| 51147   | Sick Leave Reimbursement           | 59                   |                          | 59                    |
| 51148   | Comp Time Reimbursement            | -                    |                          | -                     |
| 51149   | Shift Differential                 | 8,424                |                          | 8,424                 |
| 51153   | Non-sick/Injury Bonus              | 500                  |                          | 500                   |
| 51155   | Bonus for Course                   | 19,395               |                          | 19,395                |
| 51160   | Retirement                         | 32,110               |                          | 32,110                |
| <i>Total Personnel Expenses</i>                   |                                    | 1,396,729            | -                        | 1,396,729             |
| <i>Maintenance &amp; Servicing Expenses</i>       |                                    |                      |                          |                       |
| 52211   | Postage                            | 8,609                | C 7,445                  | 16,055                |
| 52212   | Telephone                          | 20,105               |                          | 20,105                |
| 52213   | Dues & Subscriptions               | 1,414                |                          | 1,414                 |
| 52214   | Advertising                        | 2,382                |                          | 2,382                 |
| 52216   | Travel Out of City                 | 174                  |                          | 174                   |
| 52219   | Educational Training               | 6,761                |                          | 6,761                 |
| 52221   | Printing & Reproducing             | 7,988                | C 5,585                  | 13,573                |
| 52231   | General Maint. & Upkeep            | 27,041               |                          | 27,041                |
| 52234   | Vehicle & Outside Equip. Upkeep    | 21,119               |                          | 21,119                |
| 52236   | Maintenance - Office Equipment     | 406                  |                          | 406                   |
| 52238   | Maintenance - Roads & Walks        | 13,075               | D 75,054                 | 88,129                |
| 52239   | Computer Software                  | 19,057               |                          | 19,057                |
| 52244   | Land Rental Charges                | 2,043                |                          | 2,043                 |
| 52249   | Other Rentals                      | 6,685                |                          | 6,685                 |
| 52251   | Heating                            | 16,093               |                          | 16,093                |
| 52252   | Light & Power                      | 254,087              |                          | 254,087               |
| 52255   | Property & Fire Taxes              | 160,127              |                          | 160,127               |
| 52256   | Sewer Assessment                   | 53,771               |                          | 53,771                |
| 52258   | State Pollution Monitoring Program | 13,183               |                          | 13,183                |
| 52260   | Regulatory Assessments             | 34,556               |                          | 34,556                |
| 52261   | Conservation Services              | 2,070                |                          | 2,070                 |
| 52266   | Police Details                     | 6,029                |                          | 6,029                 |
| 52281   | Other Independent Service          | 65,623               |                          | 65,623                |
| 52282   | Audit Service                      | 7,500                |                          | 7,500                 |
| 52283   | Legal Service                      | 34,001               | D 3,777                  | 37,778                |
| 52289   | Medical Examinations               | -                    |                          | -                     |
| 52290   | Engineering Service                | (1,250)              | E 5,313                  | 4,063                 |
| <i>Total Maintenance &amp; Servicing Expenses</i> |                                    | 782,647              | 97,173                   | 879,820               |
| <i>Operating Supplies &amp; Expenses</i>          |                                    |                      |                          |                       |
| 53311   | Office Supplies                    | 3,552                |                          | 3,552                 |
| 53321   | Gas & Diesel                       | 28,357               |                          | 28,357                |
| 53322   | Tires & Batteries                  | 541                  |                          | 541                   |
| 53336   | Chemicals - Water Supply           | -                    |                          | -                     |

**ADJUSTED TEST YEAR  
WOONSOCKET WATER DIVISION**

**Schedule DGB-1**

| ACCT. #  | BUDGET ACCOUNT DESCRIPTION       | TEST YEAR<br>6/30/11 | TEST YEAR<br>ADJUSTMENTS | ADJUSTED<br>TEST YEAR |
|--|----------------------------------|----------------------|--------------------------|-----------------------|
| <i>Operating Supplies &amp; Expenses (Continued)</i> |                                  |                      |                          |                       |
| 53344  | Tools & Implements               | 5,476                |                          | 5,476                 |
| 53346  | Cleaning & Housekeeping Supplies | 1,616                |                          | 1,616                 |
| 53349  | Other Supplies                   | 33,055               |                          | 33,055                |
| 53351  | Lab Supplies                     | 22,542               |                          | 22,542                |
| 53363  | Clothing & Footware              | 5,406                |                          | 5,406                 |
| 53366  | Drug & Medical Supplies          | 1,098                |                          | 1,098                 |
| 53369  | Clothing Allowance               | 4,490                |                          | 4,490                 |
| <i>Total Operating Supplies &amp; Expenses</i>       |                                  | 106,133              | -                        | 106,133               |
| <i>General Expenses</i>                              |                                  |                      |                          |                       |
| 54413  | Fiscal Certification             | -                    |                          | -                     |
| 54415  | Depreciation                     | 660,056              | F (660,056)              | -                     |
| 54433  | Pensions                         | 10,949               |                          | 10,949                |
| 54434  | FICA Employer Cost               | 98,336               |                          | 98,336                |
| 54446  | City Service Charges             | 320,453              |                          | 320,453               |
| 54451  | Insurance - Vehicles & Equipment | 78,280               |                          | 78,280                |
| 54452  | Insurance - Workmen's Comp       | 112,935              |                          | 112,935               |
| 54453  | Insurance - Liability            | 126,822              |                          | 126,822               |
| 54456  | Insurance - Group Life           | 7,563                |                          | 7,563                 |
| 54471  | Health Insurance                 | 611,882              |                          | 611,882               |
| 54472  | Dental Insurance                 | 33,469               |                          | 33,469                |
| 54493  | Bad Debt Exp                     | (130,000)            | G 130,000                | -                     |
| <i>Total General Expenses</i>                        |                                  | 1,930,746            | (530,056)                | 1,400,690             |
| <i>Restricted Account Expenses</i>                   |                                  |                      |                          |                       |
| 53336  | Chemicals - Water Supply         | 213,526              | H 82,474                 | 296,000               |
| 54417  | Operating Resrve                 | -                    | I 63,440                 | 63,440                |
| 54463  | Infrastructure Replacement       | 6,621                | J 1,949,379              | 1,956,000             |
| 54464  | Rate Case Expense                | 21,074               | K 48,790                 | 69,864                |
| 54467  | Debt Service Reimbursement       | 532,046              | L 1,300,021              | 1,832,067             |
| 54473  | Renewal & Replace Fund           | 21,523               | M 128,477                | 150,000               |
| <i>Total Other Miscellaneous Expenses</i>            |                                  | 794,790              | 3,572,581                | 4,367,371             |
| <b>TOTAL EXPENSES</b>                                |                                  | \$ 5,011,045         | 3,139,698                | \$ 8,150,743          |
| <b>NET INCOME/(LOSS)</b>                             |                                  | \$ 2,480,182         | (3,142,297)              | \$ (662,115)          |

- (A) = Adjusted City of Woonsocket hydrant revnue to service charge to reflect fire protection service charges (Docket 4309)
- (B) = Remove interest income on restricted accounts
- (C) = Increased Postage and Printing to reflect 4 quarters of billing expenditures.
- (D) = Added the capitalized expenses to the test year (Road Resurfacing and Legal)
- (E) = Normalized Engineering Services to reflect 4 year average. FY 2012 YTD Balance as of Dec 2011 was \$6800.
- (F) = Remove Depreciation
- (G) = Remove non-recurring revenues
- (H) = Increased the Chemical expenditure to reflect the level granted in Docket 3800
- (I) = Adjusted the O&M Reserve expense level to reflect the amount granted in docket 3800
- (J) = Increased the IFR expenditure for Capitalized expenditures and to reflect the level granted in Docket 3800 (SEE DGB-1b)
- (K) = Increased the Rate Case expenditure to reflect the level granted in Docket 3800
- (L) = Adjusted the Debt Service Reserve for principal paymts and to reflect the amount granted in docket 3800 (SEE DGB-1c)
- (M) = Increased the R&R expenditure for Capitalized expenditures and to reflect the level granted in Docket 3800 (SEE DGB-1d)

**Schedule DGB-1(a)**

Detail of Revenues by Source, Tariff & Rate Class  
Woonsocket Water Division

Schedule DGB-1a

|  |                            | Count or Usage | Current     | FY 2011<br>Revenue         |
|--|----------------------------|----------------|-------------|----------------------------|
| <b><u>Public Fire Protection</u></b>   |                            |                |             |                            |
| <i>City of Woonsocket</i>  |                            |                |             |                            |
| 4  | Inch                       | 20             | \$ 130.74   | \$ 2,615                   |
| 6  | Inch                       | 1,488          | \$ 379.76   | \$ 565,083                 |
|  |                            |                |             | <u>\$ 567,698</u>          |
| <i>Other</i>   |                            |                |             |                            |
| 4  | Inch                       | 9              | \$ 130.74   | \$ 1,177                   |
| 6  | Inch                       | 53             | \$ 379.76   | \$ 20,127                  |
|  | Per Bill                   | 8              | \$ 7.84     | \$ 63                      |
|  |                            |                |             | <u>\$ 21,367</u>           |
| <b>Total</b>   |                            |                |             | <u><u>\$ 589,064</u></u>   |
| <b><u>Private Fire Protection</u></b>  |                            |                |             |                            |
| 2  | Inch                       | 11             | \$ 39.04    | \$ 429                     |
| 3  | Inch                       | 6              | \$ 83.08    | \$ 498                     |
| 4  | Inch                       | 62             | \$ 159.68   | \$ 9,900                   |
| 6  | Inch                       | 90             | \$ 424.84   | \$ 38,236                  |
| 8  | Inch                       | 18             | \$ 882.24   | \$ 15,880                  |
| 10   | Inch                       | 4              | \$ 1,556.64 | \$ 6,227                   |
|  |                            |                |             | <u>\$ 71,171</u>           |
| <b><u>Minimum Service Charge</u></b>   |                            |                |             |                            |
| <i>Customer Service Charge All Ratepayers in Woonsocket</i>                    |                            |                |             |                            |
| 5/8  | Inch                       | 33,732         | \$ 14.57    | \$ 491,475                 |
| 3/4  | Inch                       | 1,068          | \$ 17.39    | \$ 18,573                  |
| 1  | Inch                       | 1,464          | \$ 19.67    | \$ 28,797                  |
| 1 1/2  | Inch                       | 272            | \$ 29.77    | \$ 8,097                   |
| 2  | Inch                       | 536            | \$ 38.62    | \$ 20,700                  |
| 3  | Inch                       | 32             | \$ 50.23    | \$ 1,607                   |
| 4  | Inch                       | 60             | \$ 72.27    | \$ 4,336                   |
| 6  | Inch                       | 44             | \$ 121.55   | \$ 5,348                   |
| 8  | Inch                       | 72             | \$ 206.73   | \$ 14,885                  |
| 10   | Inch                       | 4              | \$ 293.12   | \$ 1,172                   |
|  |                            |                |             | <u>\$ 594,991</u>          |
| <i>Additional Fire Protection Service Charge Only Ratepayers in Woonsocket</i> |                            |                |             |                            |
| 5/8  | Inch                       | -              | \$ -        | \$ -                       |
| 3/4  | Inch                       | -              | \$ -        | \$ -                       |
| 1  | Inch                       | -              | \$ -        | \$ -                       |
| 1 1/2  | Inch                       | -              | \$ -        | \$ -                       |
| 2  | Inch                       | -              | \$ -        | \$ -                       |
| 3  | Inch                       | -              | \$ -        | \$ -                       |
| 4  | Inch                       | -              | \$ -        | \$ -                       |
| 6  | Inch                       | -              | \$ -        | \$ -                       |
| 8  | Inch                       | -              | \$ -        | \$ -                       |
| 10   | Inch                       | -              | \$ -        | \$ -                       |
|  |                            |                |             | <u>\$ -</u>                |
|  |                            |                |             | <u><u>\$ 594,991</u></u>   |
| <b><u>Metered Rates</u></b>  |                            |                |             |                            |
| Wholesale  | Rate per 1,000,000 gallons | 52             | \$ 3,748.14 | \$ 193,146                 |
| Retail   | Rate per 100 Cubic Feet    | 1,478,406      | \$ 3.92     | \$ 5,795,350               |
|  |                            |                |             | <u>\$ 5,988,496</u>        |
| <b>Total Rates and Charges</b>   |                            |                |             | <u><u>\$ 7,243,722</u></u> |

**Schedule DGB-1(b)**

Detail of Revenues by Source,  
Tariff & Rate Class Adjusted for New Hydrant Tariff  
Woonsocket Water Division

Schedule DGB-1b

|  |                            | Count or Usage | Current     | Test Year Revenue |
|--|----------------------------|----------------|-------------|-------------------|
| <b><u>Public Fire Protection</u></b>   |                            |                |             |                   |
| <i>City of Woonsocket</i>  |                            |                |             |                   |
| 4  | Inch                       | 20             | \$ -        | \$ -              |
| 6  | Inch                       | 1,488          | \$ -        | \$ -              |
|  |                            |                |             | \$ -              |
| <i>Other</i>   |                            |                |             |                   |
| 4  | Inch                       | 9              | \$ 130.74   | \$ 1,177          |
| 6  | Inch                       | 53             | \$ 379.76   | \$ 20,127         |
|  | Per Bill                   | 9              | \$ 7.84     | \$ 71             |
|  |                            |                |             | \$ 21,375         |
| <b>Total</b>   |                            |                |             | \$ 21,375         |
| <b><u>Private Fire Protection</u></b>  |                            |                |             |                   |
| 2  | Inch                       | 11             | \$ 39.04    | \$ 429            |
| 3  | Inch                       | 6              | \$ 83.08    | \$ 498            |
| 4  | Inch                       | 62             | \$ 159.68   | \$ 9,900          |
| 6  | Inch                       | 90             | \$ 424.84   | \$ 38,236         |
| 8  | Inch                       | 18             | \$ 882.24   | \$ 15,880         |
| 10   | Inch                       | 4              | \$ 1,556.64 | \$ 6,227          |
|  |                            |                |             | \$ 71,171         |
| <b><u>Minimum Service Charge</u></b>   |                            |                |             |                   |
| <i>Customer Service Charge All Ratepayers</i>                                  |                            |                |             |                   |
| 5/8  | Inch                       | 33,732         | \$ 14.57    | \$ 491,475        |
| 3/4  | Inch                       | 1,068          | \$ 17.39    | \$ 18,573         |
| 1  | Inch                       | 1,464          | \$ 19.67    | \$ 28,797         |
| 1 1/2  | Inch                       | 272            | \$ 29.77    | \$ 8,097          |
| 2  | Inch                       | 536            | \$ 38.62    | \$ 20,700         |
| 3  | Inch                       | 32             | \$ 50.23    | \$ 1,607          |
| 4  | Inch                       | 60             | \$ 72.27    | \$ 4,336          |
| 6  | Inch                       | 44             | \$ 121.55   | \$ 5,348          |
| 8  | Inch                       | 72             | \$ 206.73   | \$ 14,885         |
| 10   | Inch                       | 4              | \$ 293.12   | \$ 1,172          |
|  |                            |                |             | \$ 594,991        |
| <i>Additional Fire Protection Service Charge Only Ratepayers in Woonsocket</i> |                            |                |             |                   |
| 5/8  | Inch                       | 31,476         | \$ 13.58    | \$ 427,452        |
| 3/4  | Inch                       | 964            | \$ 19.29    | \$ 18,596         |
| 1  | Inch                       | 1,352          | \$ 23.88    | \$ 32,279         |
| 1 1/2  | Inch                       | 252            | \$ 44.28    | \$ 11,159         |
| 2  | Inch                       | 516            | \$ 62.14    | \$ 32,063         |
| 3  | Inch                       | 32             | \$ 85.56    | \$ 2,738          |
| 4  | Inch                       | 60             | \$ 130.06   | \$ 7,803          |
| 6  | Inch                       | 40             | \$ 229.53   | \$ 9,181          |
| 8  | Inch                       | 60             | \$ 401.47   | \$ 24,088         |
| 10   | Inch                       | 4              | \$ 575.86   | \$ 2,303          |
|  |                            |                |             | \$ 567,664        |
|  |                            |                |             | \$ 1,162,655      |
| <b><u>Metered Rates</u></b>  |                            |                |             |                   |
| Wholesale  | Rate per 1,000,000 gallons | 52             | \$ 3,748.14 | \$ 193,146        |
| Retail   | Rate per 100 Cubic Feet    | 1,478,406      | \$ 3.92     | \$ 5,795,350      |
|  |                            |                |             | \$ 5,988,496      |
| <b>Total Rates and Charges</b>   |                            |                |             | \$ 7,243,696      |



EXPENSE ANALYSIS--IFR RESERVE  
WOONSOCKET WATER DIVISION

Schedule DGB-1b

|   | <u>Test Year</u>    |
|---|---------------------|
| <i>IFR Purchases Capitalized</i>                                    | \$ 1,262,232        |
| <i>Adjustment to gross up for<br/>Approved (Restricted Balance)</i> | <u>687,147</u>      |
| <i>Test Year Adjustment (G)</i>                                     | <u>\$ 1,949,379</u> |
| <br>  |                     |
| <i>IFR approved Docket 3800</i>                                     | \$ 1,956,000        |
| <br>  |                     |
| <i>Total FY 2011 IFR Reserve Expensed</i>                           | <u>6,621</u>        |
| <br>  |                     |
| <i>Test Year Adjustment (G)</i>                                     | <u>\$ 1,949,379</u> |

**Schedule DGB-1(c)**

EXPENSE ANALYSIS-DEBT SERVICE RESERVE  
WOONSOCKET WATER DIVISION

Schedule DGB-1c

Test Year

**Principal Paid**

|  |         |           |
|--|---------|-----------|
| <b>1998 GO Bond Issue (\$2,097,510) Paid off in FY2010</b> | \$ -    |           |
| <b>2005 GO Bond Issue (\$3,775,000)</b>                    | 425,000 |           |
| <b>2003 RICWFA Bond (\$10,165,250)</b>                     | 420,000 |           |
| <b>2005 RICWFA Bond (\$4,000,000)</b>                      | 165,000 |           |
| <b>WTP RICWFA Bond (Beg.Contract)</b>                      | -       |           |
|  | <hr/>   | 1,010,000 |

|   |  |               |
|---|--|---------------|
| <b>Adjustment to gross up for Approved (Restricted Balance)</b> |  | <hr/> 290,021 |
|---|--|---------------|

|                                 |  |                            |
|---------------------------------|--|----------------------------|
| <b>Test Year Adjustment (I)</b> |  | <u><u>\$ 1,300,021</u></u> |
|---------------------------------|--|----------------------------|

|  |  |              |
|--|--|--------------|
| <b>Debt Service approved Docket 3800</b> |  | \$ 1,832,067 |
|--|--|--------------|

|  |  |               |
|--|--|---------------|
| <b>Total FY 2011 Debt Service Reserve Expensed</b> |  | <hr/> 532,046 |
|--|--|---------------|

|                                 |  |                            |
|---------------------------------|--|----------------------------|
| <b>Test Year Adjustment (I)</b> |  | <u><u>\$ 1,300,021</u></u> |
|---------------------------------|--|----------------------------|

**Schedule DGB-1(d)**

EXPENSE ANALYSIS--R&R RESERVE  
WOONSOCKET WATER DIVISION

Schedule DGB-1d

|   | <u>Test Year</u>  |
|---|-------------------|
| <i>R&amp;R Purchases Capitalized</i>                                | \$ 65,624         |
| <i>Adjustment to gross up for<br/>Approved (Restricted Balance)</i> | <u>62,853</u>     |
| <i>Test Year Adjustment (J)</i>                                     | <u>\$ 128,477</u> |
| <br>  |                   |
| <i>R&amp;R approved Docket 3800</i>                                 | \$ 150,000        |
| <i>Total FY 2011 R&amp;R Reserve Expensed</i>                       | <u>21,523</u>     |
| <i>Test Year Adjustment (J)</i>                                     | <u>\$ 128,477</u> |

**Schedule DGB-2**

FOUR YEARS OF FISCAL YEAR  
ACTUAL REVENUE & EXPENSES  
WOONSOCKET WATER DIVISION

Schedule DGB-2

| ACCT. # | BUDGET ACCOUNT DESCRIPTION | FY 2008 ACTUAL REVENUES | FY 2009 ACTUAL REVENUES | FY 2010 ACTUAL REVENUES | FY 2011 ACTUAL REVENUES |
|---------|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|---------|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|

**REVENUE**

|       |                                 |                     |                     |                     |                     |
|-------|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| 41010 | Water Sales                     | \$ 6,506,768        | \$ 5,860,284        | \$ 5,644,728        | \$ 5,795,350        |
|       | Wholesale Sales                 | 214,306             | 171,424             | 173,135             | 193,146             |
|       | Customer Service Revenue        | 601,079             | 596,416             | 598,086             | 594,991             |
|       | Public Fire Service Revenue     | 587,304             | 588,615             | 589,064             | 589,064             |
|       | Private Fire Service Revenue    | 78,356              | 74,796              | 73,345              | 71,171              |
| 41030 | Service & Extentions            | 36,550              | 67,359              | 50,303              | 57,709              |
| 41035 | Repairs                         | 10,150              | 234                 | -                   | 6,017               |
| 41040 | Miscellaneous Income            | 2,635               | 29,871              | 42,220              | 41,335              |
| 41070 | Water Surcharge                 | 26,271              | 21,529              | 20,691              | 21,787              |
| 42310 | Interest on Bills               | 83,373              | 135,407             | 135,616             | 117,635             |
| 42320 | Interest on Investments         | 35,459              | 12,163              | 3,562               | 449                 |
| 44998 | Interest on Restricted Accounts | 35,442              | 15,355              | 10,508              | 2,573               |
| 49999 | Revenue Adjustment              | -                   | -                   | -                   | -                   |
|       | <b>TOTAL REVENUE</b>            | <b>\$ 8,217,693</b> | <b>\$ 7,573,453</b> | <b>\$ 7,341,258</b> | <b>\$ 7,491,227</b> |

FOUR YEARS OF FISCAL YEAR  
ACTUAL REVENUE & EXPENSES  
WOONSOCKET WATER DIVISION

Schedule DGB-2

| ACCT. #   | BUDGET ACCOUNT DESCRIPTION         | FY 2008<br>ACTUAL<br>EXPENSES | FY 2009<br>ACTUAL<br>EXPENSES | FY 2010<br>ACTUAL<br>EXPENSES | FY 2011<br>ACTUAL<br>EXPENSES |
|---|------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>EXPENSES</b>                                   |                                    |                               |                               |                               |                               |
| <i>Personnel Expense</i>                          |                                    |                               |                               |                               |                               |
| 51110   | Permanent Services                 | \$ 1,147,449                  | \$ 1,250,368                  | \$ 1,117,557                  | \$ 1,111,665                  |
| 51121   | Temporary Clerical                 | 17,546                        | 23,973                        | -                             | -                             |
| 51122   | Temporary Labor                    | 21,986                        | 19,467                        | 12,853                        | 14,075                        |
| 51141   | Overtime Pay                       | 116,358                       | 140,766                       | 145,961                       | 157,108                       |
| 51144   | Out of Class                       | 4,227                         | 3,613                         | 865                           | 1,094                         |
| 51145   | Longevity Pay                      | 47,291                        | 46,627                        | 54,735                        | 52,299                        |
| 51146   | Medical Buy Back                   | 2,977                         | (2,977)                       | 3,456                         | -                             |
| 51147   | Sick Leave Reimbursement           | 4,146                         | 1,767                         | 1,457                         | 59                            |
| 51148   | Comp Time Reimbursement            | 1,336                         | 275                           | -                             | -                             |
| 51149   | Shift Differential                 | 10,978                        | 9,684                         | 9,516                         | 8,424                         |
| 51153   | Non-sick/Injury Bonus              | 1,250                         | 250                           | 250                           | 500                           |
| 51155   | Bonus for Course                   | 20,675                        | 21,017                        | 21,751                        | 19,395                        |
|   | OPEB Funding                       |                               |                               | 337,772                       |                               |
| 51160   | Retirement                         | 46,502                        | -                             | 38,431                        | 32,110                        |
| <i>Total Personnel Expenses</i>                   |                                    | 1,442,719                     | 1,514,831                     | 1,744,605                     | 1,396,729                     |
| <i>Maintenance &amp; Servicing Expenses</i>       |                                    |                               |                               |                               |                               |
| 52211   | Postage                            | 17,664                        | 16,401                        | 21,545                        | 8,609                         |
| 52212   | Telephone                          | 28,273                        | 23,701                        | 19,476                        | 20,105                        |
| 52213   | Dues & Subscriptions               | 490                           | 1,647                         | 1,831                         | 1,414                         |
| 52214   | Advertising                        | 2,099                         | 5,818                         | 3,051                         | 2,382                         |
| 52216   | Travel Out of City                 | 26                            | 403                           | 476                           | 174                           |
| 52219   | Educational Training               | 4,988                         | 7,041                         | 5,756                         | 6,761                         |
| 52221   | Printing & Reproducing             | 14,717                        | 12,842                        | 18,744                        | 7,988                         |
| 52231   | General Maint. & Upkeep            | 59,300                        | 36,314                        | 27,747                        | 27,041                        |
| 52234   | Vehicle & Outside Equip. Upkeep    | 8,536                         | 19,883                        | 27,667                        | 21,119                        |
| 52236   | Maintenance - Office Equipment     | 580                           | 1,891                         | 461                           | 406                           |
| 52238   | Maintenance - Roads & Walks        | 72,795                        | 74,058                        | 25,998                        | 13,075                        |
| 52239   | Computer Software                  | 14,796                        | 15,041                        | 26,192                        | 19,057                        |
| 52244   | Land Rental Charges                | 314                           | 2,043                         | 2,043                         | 2,043                         |
| 52249   | Other Rentals                      | 6,904                         | 6,686                         | 6,553                         | 6,685                         |
| 52251   | Heating                            | 28,358                        | 17,340                        | 18,700                        | 16,093                        |
| 52252   | Light & Power                      | 276,107                       | 250,680                       | 269,091                       | 254,087                       |
| 52255   | Property & Fire Taxes              | 124,021                       | 160,738                       | 159,792                       | 160,127                       |
| 52256   | Sewer Assessment                   | 66,695                        | 56,752                        | 59,899                        | 53,771                        |
| 52258   | State Pollution Monitoring Program | 22,744                        | 21,203                        | 15,663                        | 13,183                        |
| 52260   | Regulatory Assessments             | 54,006                        | 32,779                        | 34,954                        | 34,556                        |
| 52261   | Conservation Services              | 1,045                         | 1,040                         | 5,162                         | 2,070                         |
| 52266   | Police Details                     | 8,368                         | 21,624                        | 7,714                         | 6,029                         |
| 52281   | Other Independent Service          | 34,604                        | 71,809                        | 65,092                        | 65,623                        |
| 52282   | Audit Service                      | 11,640                        | 7,480                         | 7,740                         | 7,500                         |
| 52283   | Legal Service                      | 31,892                        | 9,150                         | 4,438                         | 34,001                        |
| 52289   | Medical Examinations               | 156                           | -                             | -                             | -                             |
| 52290   | Engineering Service                | -                             | 12,600                        | 4,900                         | (1,250)                       |
| <i>Total Maintenance &amp; Servicing Expenses</i> |                                    | 891,117                       | 886,963                       | 840,682                       | 782,647                       |
| <i>Operating Supplies &amp; Expenses</i>          |                                    |                               |                               |                               |                               |
| 53311   | Office Supplies                    | 2,643                         | 5,212                         | 7,850                         | 3,552                         |



FOUR YEARS OF FISCAL YEAR  
ACTUAL REVENUE & EXPENSES  
WOONSOCKET WATER DIVISION

Schedule DGB-2

| ACCT. #  | BUDGET ACCOUNT DESCRIPTION       | FY 2008<br>ACTUAL<br>EXPENSES | FY 2009<br>ACTUAL<br>EXPENSES | FY 2010<br>ACTUAL<br>EXPENSES | FY 2011<br>ACTUAL<br>EXPENSES |
|--|----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 53321  | Gas & Diesel                     | 32,069                        | 24,562                        | 23,949                        | 28,357                        |
| <i>Operating Supplies &amp; Expenses (Continued)</i> |                                  |                               |                               |                               |                               |
| 53322  | Tires & Batteries                | 2,188                         | 1,206                         | 3,419                         | 541                           |
| 53336  | Chemicals - Water Supply         | 183                           | 14                            | -                             | -                             |
| 53344  | Tools & Implements               | 3,819                         | 6,247                         | 7,363                         | 5,476                         |
| 53346  | Cleaning & Housekeeping Supplies | 1,725                         | 1,215                         | 1,502                         | 1,616                         |
| 53349  | Other Supplies                   | 10,712                        | 27,751                        | 27,066                        | 33,055                        |
| 53351  | Lab Supplies                     | 25,535                        | 23,929                        | 24,809                        | 22,542                        |
| 53363  | Clothing & Footware              | 6,776                         | 13,332                        | 10,312                        | 5,406                         |
| 53366  | Drug & Medical Supplies          | 1,084                         | 1,216                         | 1,743                         | 1,098                         |
| 53369  | Clothing Allowance               | 4,690                         | 4,360                         | 4,770                         | 4,490                         |
| <i>Total Operating Supplies &amp; Expenses</i>       |                                  | 91,423                        | 109,044                       | 112,782                       | 106,133                       |
| <i>General Expenses</i>                              |                                  |                               |                               |                               |                               |
| 54413  | Fiscal Certification             | -                             | -                             | -                             | -                             |
| 54415  | Depreciation                     | 651,087                       | 647,699                       | 627,735                       | 660,056                       |
| 54433  | Pensions                         | 19,375                        | 39,987                        | 30,114                        | 10,949                        |
| 54434  | FICA Employer Cost               | 110,867                       | 111,551                       | 116,070                       | 98,336                        |
| 54446  | City Service Charges             | 335,273                       | 320,453                       | 320,453                       | 320,453                       |
| 54451  | Insurance - Vehicles & Equipment | 75,601                        | 72,774                        | 77,790                        | 78,280                        |
| 54452  | Insurance - Workmen's Comp       | 82,189                        | 82,189                        | 82,189                        | 112,935                       |
| 54453  | Insurance - Liability            | 116,140                       | 112,292                       | 125,638                       | 126,822                       |
| 54456  | Insurance - Group Life           | 7,343                         | 7,563                         | 7,563                         | 7,563                         |
| 54471  | Health Insurance                 | 331,899                       | 542,979                       | 568,672                       | 611,882                       |
| 54472  | Dental Insurance                 | 20,214                        | 28,396                        | 35,306                        | 33,469                        |
| 54493  | Bad Debt Exp                     | 30,000                        | 170,000                       | -                             | (130,000)                     |
| <i>Total General Expenses</i>                        |                                  | 1,779,987                     | 2,135,883                     | 1,991,530                     | 1,930,746                     |
| <i>Restricted Account Expenses</i>                   |                                  |                               |                               |                               |                               |
| 53336  | Chemicals - Water Supply         | 332,314                       | 380,936.70                    | 171,099                       | 213,526                       |
| 54417  | Operating Resrve                 | -                             | -                             | -                             | -                             |
| 54463  | Infrastructure Replacement       | 90,580                        | 4,632                         | (29,838)                      | 6,621                         |
| 54464  | Rate Case Expense                | 45,157                        | 45,723                        | 26,995                        | 21,074                        |
| 54467  | Debt Service Reimbursement       | 640,032                       | 742,956                       | 694,694                       | 532,046                       |
| 54473  | Renewal & Replace Fund           | 29,177                        | 433                           | 50,774                        | 21,523                        |
| <i>Total Other Miscellaneous Expenses</i>            |                                  | 1,137,260                     | 1,174,682                     | 913,724                       | 794,790                       |
| <b>TOTAL EXPENSES</b>                                |                                  | <b>\$ 5,342,507</b>           | <b>\$ 5,821,402</b>           | <b>\$ 5,603,322</b>           | <b>\$ 5,011,045</b>           |
| <b>NET INCOME/(LOSS)</b>                             |                                  | <b>\$ 2,875,186</b>           | <b>\$ 1,752,051</b>           | <b>\$ 1,737,936</b>           | <b>\$ 2,480,182</b>           |

**Schedule DGB-3**

**Allocation of Net Revenue Requirement to Functional Categories**

**Woonsocket Water Division**

Allocated Rate Year      Supply/Treatment      Trans & Distribution      Pumping/Storage      Meter/Service      Billing Collection      Direct Fire      General/Administration

| Personnel Expense                                 | Allocator | Rate Year        | \$             | 501,349        | \$             | 175,704        | \$            | 25,964        | \$             | 135,258        | \$             | 122,289       | 77,895         | 178,562        |
|---|-----------|------------------|----------------|----------------|----------------|----------------|---------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|
| 51110 Permanent Services                          | L         | -                | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| UPGRADE   | L         | -                | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 51122 Temporary Labor                             | S         | 14,075           | 14,075         | 14,075         | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 51141 Overtime Pay                                | L         | 157,108          | 64,720         | 64,720         | 22,682         | 22,682         | 3,352         | 3,352         | 17,461         | 17,461         | 15,787         | 10,056        | 23,051         | 23,051         |
| 51144 Out of Class                                | L         | 1,094            | 451            | 451            | 158            | 158            | 23            | 23            | 122            | 122            | 110            | 70            | 161            | 161            |
| 51145 Longevity Pay                               | L         | 47,886           | 19,726         | 19,726         | 6,913          | 6,913          | 1,022         | 1,022         | 5,322          | 5,322          | 4,812          | 3,065         | 7,026          | 7,026          |
| 51146 Medical Buy Back                            | L         | -                | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 51147 Sick Leave Reimbursement                    | L         | 59               | 24             | 24             | 9              | 9              | 1             | 1             | 7              | 7              | 6              | 4             | 9              | 9              |
| 51148 Comp Time Reimbursement                     | L         | 8,424            | 3,470          | 3,470          | 1,216          | 1,216          | 180           | 180           | 936            | 936            | 846            | 539           | 1,236          | 1,236          |
| 51149 Shift Differential                          | L         | 500              | 206            | 206            | 72             | 72             | 11            | 11            | 56             | 56             | 50             | 32            | 73             | 73             |
| 51153 Non-sick/Injury Bonus                       | L         | 19,395           | 7,990          | 7,990          | 2,800          | 2,800          | 414           | 414           | 2,156          | 2,156          | 1,949          | 1,241         | 2,846          | 2,846          |
| 51155 Bonus for Course                            | L         | 32,110           | 13,228         | 13,228         | 4,636          | 4,636          | 685           | 685           | 3,569          | 3,569          | 3,227          | 2,055         | 4,711          | 4,711          |
| <b>Total Personnel Expenses</b>                   |           | <b>1,497,672</b> | <b>625,240</b> | <b>625,240</b> | <b>214,190</b> | <b>214,190</b> | <b>31,952</b> | <b>31,952</b> | <b>164,885</b> | <b>164,885</b> | <b>149,075</b> | <b>94,957</b> | <b>217,674</b> | <b>217,674</b> |
| <b>Maintenance &amp; Servicing Expenses</b>       |           |                  |                |                |                |                |               |               |                |                |                |               |                |                |
| 52211 Postage                                     | B         | 16,055           | -              | -              | -              | -              | -             | -             | -              | -              | 16,055         | -             | -              | -              |
| 52212 Telephone                                   | G         | 20,105           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 20,105         |
| 52213 Dues & Subscriptions                        | G         | 1,414            | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 1,414          |
| 52214 Advertising                                 | G         | 2,382            | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 2,382          |
| 52216 Travel Out of City                          | G         | 174              | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 174            |
| 52219 Educational Training                        | G         | 6,761            | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 6,761          |
| 52221 Printing & Reproducing                      | G         | 13,573           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 13,573         |
| 52231 General Maint. & Upkeep                     | E         | 27,041           | 24,336         | 24,336         | -              | -              | 2,704         | 2,704         | -              | -              | -              | -             | -              | -              |
| 52234 Vehicle & Outside Equip. Upkeep             | G         | 21,119           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 21,119         |
| 52236 Maintenance - Office Equipment              | G         | 406              | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 406            |
| 52238 Maintenance - Roads & Walks                 | K         | 88,129           | -              | -              | 44,065         | 44,065         | -             | -             | 22,032         | 22,032         | -              | 22,032        | -              | -              |
| 52239 Computer Software                           | G         | 19,057           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 19,057         |
| 52244 Land Rental Charges                         | S         | 2,043            | 2,043          | 2,043          | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52249 Other Rentals                               | S         | 6,685            | 6,685          | 6,685          | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52251 Heating                                     | HE        | 16,093           | 8,046          | 8,046          | -              | -              | -             | -             | -              | -              | -              | -             | -              | 8,046          |
| 52252 Light & Power                               | F         | 261,881          | 256,120        | 256,120        | -              | -              | 5,761         | 5,761         | -              | -              | -              | -             | -              | -              |
| 52255 Property & Fire Taxes                       | S         | 171,030          | 171,030        | 171,030        | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52256 Sewer Assessment                            | S         | 53,771           | 53,771         | 53,771         | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52258 State Pollution Monitoring Program          | S         | 13,183           | 13,183         | 13,183         | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52260 Regulatory Assessments                      | G         | 34,556           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 34,556         |
| 52261 Conservation Services                       | S         | 2,070            | 2,070          | 2,070          | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52266 Police Details                              | D         | 6,029            | -              | -              | 6,029          | 6,029          | -             | -             | -              | -              | -              | -             | -              | -              |
| 52281 Other Independent Service                   | G         | 65,623           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 65,623         |
| 52282 Audit Service                               | G         | 7,500            | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 7,500          |
| 52283 Legal Service                               | G         | 37,778           | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | 37,778         |
| 52289 Medical Examinations                        | L         | -                | -              | -              | -              | -              | -             | -             | -              | -              | -              | -             | -              | -              |
| 52290 Engineering Service                         | R         | 4,063            | 1,045          | 1,045          | 2,414          | 2,414          | 546           | 546           | 31             | 31             | -              | 26            | -              | -              |
| <b>Total Maintenance &amp; Servicing Expenses</b> |           | <b>898,518</b>   | <b>538,330</b> | <b>538,330</b> | <b>52,508</b>  | <b>52,508</b>  | <b>9,012</b>  | <b>9,012</b>  | <b>22,063</b>  | <b>22,063</b>  | <b>16,055</b>  | <b>22,058</b> | <b>238,492</b> | <b>238,492</b> |

**Allocation of Net Revenue Requirement to Functional Categories**

**Woonsocket Water Division**

|           |           |                   |                      |                  |                |                    |             |                         |
|-----------|-----------|-------------------|----------------------|------------------|----------------|--------------------|-------------|-------------------------|
| Allocator | Rate Year | Supply/ Treatment | Trans & Distribution | Pumping/ Storage | Meter/ Service | Billing Collection | Direct Fire | General/ Administration |
|-----------|-----------|-------------------|----------------------|------------------|----------------|--------------------|-------------|-------------------------|

|  | Allocator | Rate Year | Supply/ Treatment | Trans & Distribution | Pumping/ Storage | Meter/ Service | Billing Collection | Direct Fire | General/ Administration |
|--|-----------|-----------|-------------------|----------------------|------------------|----------------|--------------------|-------------|-------------------------|
| <i>Operating Supplies &amp; Expenses</i>       |           |           |                   |                      |                  |                |                    |             |                         |
| 53311  | G         | 3,552     | -                 | -                    | -                | -              | -                  | -           | 3,552                   |
| 53321  | G         | 28,357    | -                 | -                    | -                | -              | -                  | -           | 28,357                  |
| 53322  | G         | 541       | -                 | -                    | -                | -              | -                  | -           | 541                     |
| 53336  | S         | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| 53344  | G         | 5,476     | -                 | -                    | -                | -              | -                  | -           | 5,476                   |
| 53346  | G         | 1,616     | -                 | -                    | -                | -              | -                  | -           | 1,616                   |
| 53349  | G         | 33,055    | -                 | -                    | -                | -              | -                  | -           | 33,055                  |
| 53351  | S         | 22,542    | 22,542            | -                    | -                | -              | -                  | -           | -                       |
| 53363  | L         | 5,406     | 2,227             | 781                  | 115              | 601            | 543                | 346         | 793                     |
| 53366  | L         | 1,098     | 452               | 158                  | 23               | 122            | 110                | 70          | 161                     |
| 53369  | L         | 4,490     | 1,850             | 648                  | 96               | 499            | 451                | 287         | 659                     |
| <i>Total Operating Supplies &amp; Expenses</i> |           | 106,133   | 27,071            | 1,587                | 235              | 1,222          | 1,105              | 704         | 74,210                  |
| <i>General Expenses</i>                        |           |           |                   |                      |                  |                |                    |             |                         |
| 54413  | R         | 43,513    | 11,196            | 25,860               | 5,853            | 327            | -                  | 276         | -                       |
| 54415  | R         | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| 54433  | L         | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| 54434  | L         | 114,572   | 47,198            | 16,541               | 2,444            | 12,733         | 11,512             | 7,333       | 16,810                  |
| 54446  | I         | 320,453   | 6,089             | 17,945               | 641              | 2,884          | 38,134             | 641         | 254,119                 |
| 54451  | G         | 78,280    | -                 | -                    | -                | -              | -                  | -           | 78,280                  |
| 54452  | L         | 136,652   | 56,294            | 19,729               | 2,915            | 15,187         | 13,731             | 8,746       | 20,050                  |
| 54453  | G         | 126,822   | -                 | -                    | -                | -              | -                  | -           | 126,822                 |
| 54456  | L         | 7,563     | 3,116             | 1,092                | 161              | 841            | 760                | 484         | 1,110                   |
| 54471  | L         | 735,829   | 303,123           | 106,233              | 15,698           | 81,779         | 73,938             | 47,096      | 107,961                 |
| 54472  | L         | 41,394    | 17,052            | 5,976                | 883              | 4,600          | 4,159              | 2,649       | 6,073                   |
| 54999  | L         | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| <i>Total General Expenses</i>                  |           | 1,605,078 | 444,067           | 193,376              | 28,597           | 118,352        | 142,235            | 67,227      | 611,225                 |
| <i>Restricted Account Expenses</i>             |           |           |                   |                      |                  |                |                    |             |                         |
| 53336  | S         | 296,000   | 296,000           | -                    | -                | -              | -                  | -           | -                       |
| 54412  |           | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| 54421  |           | -         | -                 | -                    | -                | -              | -                  | -           | -                       |
| 54463  | R         | 1,956,000 | 503,277           | 1,162,483            | 263,108          | 14,704         | -                  | 12,428      | -                       |
| 54464  | G         | 69,864    | -                 | -                    | -                | -              | -                  | -           | 69,864                  |
| 54467  | R         | 505,000   | 129,936           | 300,130              | 67,929           | 3,796          | -                  | 3,209       | -                       |
| 54467  | R         | 1,125,000 | 289,461           | 668,606              | 151,327          | 8,457          | -                  | 7,148       | -                       |
| 54473  | R         | 120,000   | 30,876            | 71,318               | 16,142           | 902            | -                  | 762         | -                       |
| <i>Total Other Miscellaneous Expenses</i>      |           | 4,071,864 | 1,249,550         | 2,202,637            | 498,506          | 27,860         | -                  | 23,548      | 69,864                  |
| <i>TOTAL EXPENSES</i>                          |           |           |                   |                      |                  |                |                    |             |                         |
|  |           | 8,179,265 | 2,884,257         | 2,664,198            | 568,000          | 334,382        | 308,470            | 208,493     | 1,211,466               |
| 54417  | J         | 122,689   | 43,264            | 39,963               | 8,520            | 5,016          | 4,627              | 3,127       | 18,172                  |

Allocation of Net Revenue Requirement to Functional Categories

Woonsocket Water Division

|                                      | Allocater | Rate Year        | Supply/ Treatment | Trans & Distribution | Pumping/ Storage | Meter/ Service | Billing Collection | Direct Fire    | General/ Administration |
|--------------------------------------|-----------|------------------|-------------------|----------------------|------------------|----------------|--------------------|----------------|-------------------------|
| <i>Less:</i>                         |           |                  |                   |                      |                  |                |                    |                |                         |
| Service & Extensions                 | A         | (57,709)         | -                 | (28,855)             | -                | (28,855)       | -                  | -              | -                       |
| Misc Income                          | J         | (41,335)         | (14,576)          | (13,464)             | (2,870)          | (1,690)        | (1,559)            | (1,054)        | (6,122)                 |
| Interest on Bills                    | J         | (117,635)        | (41,482)          | (38,317)             | (8,169)          | (4,809)        | (4,436)            | (2,999)        | (17,423)                |
| Interest on Investments              | R         | (449)            | (116)             | (267)                | (60)             | (3)            | -                  | (3)            | -                       |
| Water Surcharge                      | J         | (21,787)         | (7,683)           | (7,097)              | (1,513)          | (891)          | (822)              | (555)          | (3,227)                 |
| Repairs                              | J         | (6,017)          | (2,122)           | (1,960)              | (418)            | (246)          | (227)              | (153)          | (891)                   |
| <b>TOTAL NET REVENUE REQUIREMENT</b> |           | <b>8,057,022</b> | <b>2,861,543</b>  | <b>2,614,202</b>     | <b>563,490</b>   | <b>302,904</b> | <b>306,053</b>     | <b>206,857</b> | <b>1,201,974</b>        |
| <b>PERCENTAGE</b>                    |           |                  | <b>35.5%</b>      | <b>32.4%</b>         | <b>7.0%</b>      | <b>3.8%</b>    | <b>3.8%</b>        | <b>2.6%</b>    | <b>14.9%</b>            |

**Schedule DGB-3(A)**



**Schedule DGB-3(B)**



Development of Allocation Symbol J  
Woonsocket Water Division

Schedule DGB-3B

*TOTAL EXPENSES - Obtained from schedule DGB-3 page 2 of 3*

|                             |                     |                |
|-----------------------------|---------------------|----------------|
| Supply/ Treatment           | \$ 2,884,257        | 35.26%         |
| Transmission & Distribution | 2,664,198           | 32.57%         |
| Pumping/ Storage            | 568,000             | 6.94%          |
| Meter/ Service              | 334,382             | 4.09%          |
| Billing Collection          | 308,470             | 3.77%          |
| Direct Fire                 | 208,493             | 2.55%          |
| General/ Administration     | <u>1,211,466</u>    | <u>14.81%</u>  |
| Total                       | <u>\$ 8,179,265</u> | <u>100.00%</u> |

**Schedule DGB-3(C)**

Allocation of Labor Costs to Functional Categories

Schedule DGB-3C

Woonsocket Water Division

| Allocator                   | Rate Year | Supply/<br>Treatment | Trans &<br>Distribution | Pumping/<br>Storage | Meter/<br>Service | Billing<br>Collection | Direct<br>Fire | General/<br>Administration |
|-----------------------------|-----------|----------------------|-------------------------|---------------------|-------------------|-----------------------|----------------|----------------------------|
|                             | \$        | \$                   | \$                      | \$                  | \$                | \$                    | \$             | \$                         |
| SUPERINTENDENT              | G         | 71,119               | -                       | -                   | -                 | -                     | -              | 71,119                     |
| ASST SUPERINTENDENT         | S         | -                    | -                       | -                   | -                 | -                     | -              | -                          |
| PUB WORKS ACCT CLERK        | B         | 28,787               | -                       | -                   | -                 | 28,787                | -              | -                          |
| PRINCIPAL CLERK TYPIST      | G         | 31,373               | -                       | -                   | -                 | -                     | -              | 31,373                     |
| PLANT EQUIP OPERATOR        | T         | 39,441               | -                       | 11,832              | -                 | -                     | -              | -                          |
| WATER WORKS CLERK           | G         | 25,635               | -                       | -                   | -                 | -                     | -              | 25,635                     |
| CHEMIST/BACTERIOLOGIST      | S         | 58,733               | -                       | -                   | -                 | -                     | -              | -                          |
| WATER DIV ENGINEER          | K         | -                    | -                       | -                   | -                 | -                     | -              | -                          |
| WATER DIV ENGINEER AIDE     | A         | 40,711               | 20,356                  | -                   | 20,356            | -                     | -              | -                          |
| WATER TREAT PLANT OPERATOR  | S         | 307,811              | -                       | -                   | -                 | -                     | -              | -                          |
| WATER T/D SUP               | S         | 58,733               | -                       | -                   | -                 | -                     | -              | -                          |
| SR WATER FOREPERSON         | K         | 46,383               | 23,192                  | -                   | 11,596            | -                     | 11,596         | -                          |
| WATER FOREPERSON            | K         | 33,288               | 16,644                  | -                   | 8,322             | -                     | 8,322          | -                          |
| UTILITY PERSON              | K         | 127,952              | 63,976                  | -                   | 31,988            | -                     | 31,988         | -                          |
| METER FOREPERSON            | Q         | 31,860               | -                       | -                   | 23,895            | -                     | 7,965          | -                          |
| METER READERS               | C         | 84,311               | -                       | -                   | 21,078            | 63,233                | -              | -                          |
| HEAVY EQUIPMENT OPERATORS   | K         | 72,096               | 36,048                  | -                   | 18,024            | -                     | 18,024         | -                          |
| PLANT MASTER MAINT MECHANIC | T         | 47,107               | -                       | 14,132              | -                 | -                     | -              | -                          |
| WATER SUPPLY INSPECTOR      | W         | 30,977               | 15,489                  | -                   | -                 | -                     | -              | -                          |
| MANAGERIAL ACCOUNTANT       | G         | 50,435               | -                       | -                   | -                 | -                     | -              | 50,435                     |
| DATA ENTRY OPERATOR         | G         | -                    | -                       | -                   | -                 | -                     | -              | -                          |
| SR WATER DIV ACCT CLERK     | B         | 30,269               | -                       | -                   | -                 | 30,269                | -              | -                          |
| WATER TREAT LAB TECH        | S         | -                    | -                       | -                   | -                 | -                     | -              | -                          |
| TOTAL SALARIES              |           | 1,217,021            | 175,704                 | 25,964              | 135,258           | 122,289               | 77,895         | 178,562                    |
|                             | L         |                      | 41.19%                  | 2.13%               | 11.11%            | 10.05%                | 6.40%          | 14.67%                     |
|                             |           |                      | 14.44%                  |                     |                   |                       |                |                            |

**Schedule DGB-3(D)**

Allocation of Assets to Functional Categories

Woonsocket Water Division

| Allocator                         | Rate Year | Supply/ Treatment | Trans & Distribution | Pumping/ Storage | Meter/ Service | Billing Collection | Direct Fire | General/ Administration |
|-----------------------------------|-----------|-------------------|----------------------|------------------|----------------|--------------------|-------------|-------------------------|
|                                   | \$ -      | \$ -              | \$ -                 | \$ -             | \$ -           | \$ -               | \$ -        | \$ -                    |
| Intangible Plant                  |           |                   |                      |                  |                |                    |             |                         |
| Source of Supply                  | S         | 698,912           | -                    | -                | -              | -                  | -           | -                       |
| Pumping Plant                     | P         | 1,018,550         | -                    | 1,018,550        | -              | -                  | -           | -                       |
| Water Treatment Plant             | S         | 15,182,929        | -                    | -                | -              | -                  | -           | -                       |
| Transmission & Distribution Plant |           |                   |                      |                  |                |                    |             |                         |
| Transmission/Supply Mains         | S         | 1,646,493         | -                    | -                | -              | -                  | -           | -                       |
| Distribution Mains                | D         | 20,892,707        | 20,892,707           | -                | -              | -                  | -           | -                       |
| Storage                           | P         | 3,515,557         | -                    | 3,515,557        | -              | -                  | -           | -                       |
| Meters                            | M         | 487,540           | -                    | -                | 487,540        | -                  | -           | -                       |
| Hydrants                          | FP        | 412,074           | -                    | -                | -              | -                  | 412,074     | -                       |
| Subtotal T&D                      |           | 26,954,371        | 20,892,707           | 3,515,557        | 487,540        | -                  | 412,074     | -                       |
| General Plant                     | R         | 786,088           | 467,185              | 105,739          | 5,910          | -                  | 4,995       | -                       |
|                                   |           |                   |                      |                  |                |                    |             |                         |
| TOTAL                             |           | 44,640,850        | 21,359,892           | 4,639,846        | 493,450        | -                  | 417,068     | -                       |
|                                   |           |                   |                      |                  |                |                    |             |                         |
|                                   | R         |                   | 47.85%               | 10.39%           | 1.11%          | 0.00%              | 0.93%       | 0.00%                   |

The above Rate Year fixed Assets was obtained from page 11 of the 2011 Annual Report filed with the RIPUC

**Schedule DGB-4**

Allocation of Net Revenue Requirement to Functional Categories  
Woonsocket Water Division

|                             | Allocator        | Rate<br>Year | Wholesale/<br>Base | Retail<br>Only | Fire<br>Protection | Meter/<br>Service | Billing |
|-----------------------------|------------------|--------------|--------------------|----------------|--------------------|-------------------|---------|
| Supply/ Treatment           | WB               | \$ 2,861,543 | \$ 2,832,928       | \$ -           | \$ 28,615          | \$ -              | \$ -    |
| Transmission & Distribution | TD               | 1,451,719    | 678,580            | 495,075        | 278,065            | -                 | -       |
| T&D - IFR                   | TD-IFR           | 1,162,483    | 543,381            | 396,438        | 222,664            | -                 | -       |
| Pumping/ Storage            | PS               | 563,490      | 562,765            | 468            | 257                | -                 | -       |
| Meter/ Service              | MS               | 302,904      | -                  | -              | -                  | 302,904           | -       |
| Billing Collection          | BC               | 306,053      | -                  | -              | -                  | -                 | 306,053 |
| Direct Fire                 | FP               | 206,857      | -                  | -              | 206,857            | -                 | -       |
|                             | <i>Sub-total</i> | 6,855,049    | 4,617,654          | 891,981        | 736,457            | 302,904           | 306,053 |
| General/ Administration     | GA               | 1,201,974    | 809,666            | 156,401        | 129,131            | 53,112            | 53,664  |
|                             | <i>Total</i>     | 8,057,022    | 5,427,320          | 1,048,382      | 865,588            | 356,016           | 359,716 |

**Schedule DGB-4(A)**



Explanation of Symbols Used to Allocate to Rate Schedule Elements

Schedule DGB-4A

Woonsocket Water Division

| Explanation  | Allocator | Wholesale/<br>Base | Retail<br>Only | Fire<br>Protection | Meter/<br>Service | Billing | Total   |
|--|-----------|--------------------|----------------|--------------------|-------------------|---------|---------|
| 99% To Wholesale/Base element and 1% to Fire Protection  | WB        | 99.00%             | 0.00%          | 1.00%              | 0.00%             | 0.00%   | 100.00% |
| Allocation based on service mains- - <b>SEE SCHEDULE DGB-4B</b>                                      | TD        | 46.74%             | 34.10%         | 19.15%             | 0.00%             | 0.00%   | 100.00% |
| Allocation based on service mains- - <b>SEE SCHEDULE DGB-4B</b>                                      | TD-JFR    | 46.74%             | 34.10%         | 19.15%             | 0.00%             | 0.00%   | 100.00% |
| Allocation based on Pumping Stations- - <b>SEE SCHEDULE DGB-4C</b>                                   | PS        | 99.87%             | 0.08%          | 0.05%              | 0.00%             | 0.00%   | 100.00% |
| 100% Metering and Customer service Pipes   | MS        | 0.00%              | 0.00%          | 0.00%              | 100.00%           | 0.00%   | 100.00% |
| 100% Billing and collection  | BC        | 0.00%              | 0.00%          | 0.00%              | 0.00%             | 100.00% | 100.00% |
| 100% Direct Fire   | FP        | 0.00%              | 0.00%          | 100.00%            | 0.00%             | 0.00%   | 100.00% |
| Applied to Operating Revenue in proportion to all other expenses<br>- - - <b>SEE SCHEDULE DGB-4C</b> | GA        | 67.36%             | 13.01%         | 10.74%             | 4.42%             | 4.46%   | 100.00% |

**Schedule DGB-4(B)**

**Development of Allocation Symbols TD & TD-IFR**  
**Woonsocket Water Division**

Schedule DCB-4B

| Inch-Feet of Pipe | In-Ft              | %              | Allocator | Wholesaler/<br>Base | Retail<br>Only | Fire<br>Protection | Meter/<br>Service | Billing      |
|-------------------|--------------------|----------------|-----------|---------------------|----------------|--------------------|-------------------|--------------|
| Transmission      | 3,186,696          | 47.22%         | WB        | 46.74%              | 0.00%          | 0.47%              | 0.00%             | 0.00%        |
| Distribution      | 3,562,586          | 52.78%         | *         | 0.00%               | 34.10%         | 18.68%             | 0.00%             | 0.00%        |
| <b>TOTAL</b>      | <b>6,749,282.3</b> | <b>100.00%</b> |           | <b>46.74%</b>       | <b>34.10%</b>  | <b>19.15%</b>      | <b>0.00%</b>      | <b>0.00%</b> |
|                   |                    |                | TD        | 46.74%              | 34.10%         | 19.15%             | 0.00%             | 0.00%        |

| Inch-Feet of Pipe | In-Ft              | %              | Allocator | Wholesaler/<br>Base | Retail<br>Only | Fire<br>Protection | Meter/<br>Service | Billing      |
|-------------------|--------------------|----------------|-----------|---------------------|----------------|--------------------|-------------------|--------------|
| Transmission      | 3,186,696          | 47.22%         | **        | 46.74%              | 0.00%          | 0.47%              | 0.00%             | 0.00%        |
| Distribution      | 3,562,586          | 52.78%         | **        | 0.00%               | 34.10%         | 18.68%             | 0.00%             | 0.00%        |
| <b>TOTAL</b>      | <b>6,749,282.3</b> | <b>100.00%</b> |           | <b>46.74%</b>       | <b>34.10%</b>  | <b>19.15%</b>      | <b>0.00%</b>      | <b>0.00%</b> |
|                   |                    |                | TD-IFR    | 46.74%              | 34.10%         | 19.15%             | 0.00%             | 0.00%        |

\* Diamond Hill and Highland provides service to Retail only.      0.00%      64.61%      35.39%      0.00%

|                   | GPM  | Percent |
|-------------------|------|---------|
| Max Day (Retail)  | 6389 | 64.61%  |
| Fire Demand       | 3500 | 35.39%  |
| Max Day Plus Fire | 9889 | 100.00% |

\*\* Non-Wholesale costs assigned all to retail in order to recover IFR costs

| Inch-Feet of Pipe |         | Transmission  |                  |
|-------------------|---------|---------------|------------------|
| Distribution      | Feet    | Size (Inches) | In-Feet          |
| 1                 | 1,086   | 12            | 1,434,492        |
| 1.25              | 239     | 14            | 9,058            |
| 1.5               | 568     | 16            | 192,048          |
| 2                 | 3,926   | 18            | 333,468          |
| 2.5               | 533     | 20            | 351,620          |
| 3                 | 93      | 24            | 347,040          |
| 4                 | 11,320  | 30            | 518,970          |
| 6                 | 132,667 |               |                  |
| 8                 | 323,803 |               |                  |
| 10                | 119,180 |               |                  |
|                   |         |               | <u>3,186,696</u> |

**Schedule DGB-4(C)**

Development of Allocation Symbol PS  
Woonsocket Water Division

Schedule DGB-4C

| Pump Station          | MG              | %              | Allocator | Wholesale/<br>Base | Retail<br>Only | Fire<br>Protection | Meter/<br>Service | Billing      |
|-----------------------|-----------------|----------------|-----------|--------------------|----------------|--------------------|-------------------|--------------|
| Rhodes Ave            | 29.5            | 0.04%          | *         | 0.04%              | 0.00%          | 0.00%              | 0.00%             | 0.00%        |
| Mt. St. Charles       | 75,200.0        | 99.83%         | *         | 99.83%             | 0.00%          | 0.00%              | 0.00%             | 0.00%        |
| Diamond Hill          | 81.2            | 0.11%          | **        | 0.00%              | 0.07%          | 0.04%              | 0.00%             | 0.00%        |
| Highland Indust. Park | 15.7            | 0.02%          | **        | 0.00%              | 0.01%          | 0.01%              | 0.00%             | 0.00%        |
| <b>TOTAL</b>          | <b>75,326.4</b> | <b>100.00%</b> |           | <b>99.87%</b>      | <b>0.08%</b>   | <b>0.05%</b>       | <b>0.00%</b>      | <b>0.00%</b> |
|                       |                 |                | PS        | 99.87%             | 0.08%          | 0.05%              | 0.00%             | 0.00%        |

\* Rhodes Ave. and Mount St. Charles provides service to wholesale/base.      100.00%      0.00%      0.00%      0.00%      0.00%

\*\* Diamond Hill and Highland provides service to Retail only.      0.00%      64.61%      35.39%      0.00%      0.00%

|                   | GPM  | Percent |
|-------------------|------|---------|
| Max Day (Retail)  | 6389 | 64.61%  |
| Fire Demand       | 3500 | 35.39%  |
| Max Day Plus Fire | 9889 | 100.00% |

**Schedule DGB-4(D)**

Development of Allocation Symbol GA  
Woonsocket Water Division

Schedule DGB-4D

*TOTAL NON-GENERAL & ADMIN COSTS - Obtained from schedule DGB-4*

|                 |                     |                |
|-----------------|---------------------|----------------|
| Wholesale/ Base | \$ 4,617,654        | 67.36%         |
| Retail          | 891,981             | 13.01%         |
| Fire Protection | 736,457             | 10.74%         |
| Meter/ Service  | 302,904             | 4.42%          |
| Billing         | <u>306,053</u>      | 4.46%          |
| Total           | <u>\$ 6,855,049</u> | <u>100.00%</u> |

**Schedule DGB-5**



Units of Service  
Woonsocket Water Division

Water Use Data

|                       | Million<br>Gallons | 100 Cu Ft        |
|-----------------------|--------------------|------------------|
| Total Production (mg) | 1,242.981          | 1,661,739        |
| Wholesale Sales (mg)  | 51.531             | 68,892           |
| Retal Sales           |                    |                  |
| Test Year             | 1,105.847          | 1,478,405        |
| Adjustments           | -                  | -                |
| Rate Year             | <u>1,105.847</u>   | <u>1,478,405</u> |

Number of Bills

|                  | Total         |
|------------------|---------------|
| Retal Sales      |               |
| Quarterly Bills  | 37,284        |
| Semiannual Bills | -             |
| Private Fire     | 700           |
| Public Fire      | 9             |
| Total Billing    | <u>37,993</u> |

Fire Service Data

Public Fire Hydrants

| Size | Total<br>Accounts |
|------|-------------------|
| 4    | 29                |
| 6    | 1,541             |
|      | <u>1,570</u>      |

Private Sprinklers

| Size | Total<br>Accounts | Equivalency<br>Ratio | *<br>Equivalency |
|------|-------------------|----------------------|------------------|
| 2    | 11                | 4.58                 | 50               |
| 3    | 6                 | 6.30                 | 38               |
| 4    | 62                | 9.58                 | 594              |
| 6    | 90                | 16.88                | 1,519            |
| 8    | 18                | 29.56                | 532              |
| 10   | 4                 | 42.40                | 170              |
|      | <u>191</u>        |                      | <u>2,903</u>     |

\* Equivalentents based on meter equivalents

Units of Service  
Woonsocket Water Division

Meters By Size

| Meter<br>Size | Total<br>Accounts | Equivalency<br>Ratio | Meter<br>Equivalency |
|---------------|-------------------|----------------------|----------------------|
| 5/8           | 8,433             | 1.00                 | 8,433                |
| 3/4           | 267               | 1.42                 | 379                  |
| 1             | 366               | 1.76                 | 643                  |
| 1 1/2         | 68                | 3.26                 | 222                  |
| 2             | 134               | 4.58                 | 613                  |
| 3             | 8                 | 6.30                 | 50                   |
| 4             | 15                | 9.58                 | 144                  |
| 6             | 11                | 16.90                | 186                  |
| 8             | 18                | 29.56                | 532                  |
| 10            | 1                 | 42.40                | 42                   |
|               | <u>9,321</u>      |                      | <u>11,245</u>        |

| Meter<br>Size | Woonsocket<br>Accounts | Equivalency<br>Ratio | Meter<br>Equivalency |
|---------------|------------------------|----------------------|----------------------|
| 5/8           | 7,869                  | 1.00                 | 7,869                |
| 3/4           | 241                    | 1.42                 | 342                  |
| 1             | 338                    | 1.76                 | 594                  |
| 1 1/2         | 63                     | 3.26                 | 205                  |
| 2             | 129                    | 4.58                 | 590                  |
| 3             | 8                      | 6.30                 | 50                   |
| 4             | 15                     | 9.58                 | 144                  |
| 6             | 10                     | 16.90                | 169                  |
| 8             | 15                     | 29.56                | 443                  |
| 10            | 1                      | 42.40                | 42                   |
|               | <u>8,689</u>           |                      | <u>10,450</u>        |

| Meter<br>Size | Outside<br>Woonsocket<br>Accounts | Equivalency<br>Ratio | Meter<br>Equivalency |
|---------------|-----------------------------------|----------------------|----------------------|
| 5/8           | 564                               | 1.00                 | 564                  |
| 3/4           | 26                                | 1.42                 | 37                   |
| 1             | 28                                | 1.76                 | 49                   |
| 1 1/2         | 5                                 | 3.26                 | 16                   |
| 2             | 5                                 | 4.58                 | 23                   |
| 3             | -                                 | 6.30                 | -                    |
| 4             | -                                 | 9.58                 | -                    |
| 6             | 1                                 | 16.90                | 17                   |
| 8             | 3                                 | 29.56                | 89                   |
| 10            | -                                 | 42.40                | -                    |
|               | <u>632</u>                        |                      | <u>795</u>           |

**Schedule DGB-6**

Determination of Water Rates  
Woonsocket Water Division

Schedule DGB-6

*Wholesale Water Rate*

|                             |              |
|-----------------------------|--------------|
| Retail Sales                | 1,106        |
| Wholesale Sales             | 52           |
| Total Sales                 | <u>1,157</u> |
| Plus Unbilled & unacctd for | 1            |
| Total Production *          | <u>1,158</u> |
| Wholesale Sales             | 52           |
| <b>Wholesale Percentage</b> | <b>4.45%</b> |

\* reduced by 6.82% for estimated loss

|                        |                       |
|------------------------|-----------------------|
| Wholesale/ Base Costs  | \$ 5,427,320          |
| Wholesale Percentage   | x 4.45%               |
| Net Required Wholesale | <u><u>241,473</u></u> |

|                        |                       |
|------------------------|-----------------------|
| Net Required Wholesale | \$ 241,473            |
| Wholesale Sales        | 52                    |
| Rate per 1000 gallons  | <u><u>\$ 4.69</u></u> |

\$ 4,685.96 Rate per 1,000,000 gallons

*Retail Water Rate*

|                       |                  |
|-----------------------|------------------|
| Wholesale/ Base Costs | \$ 5,427,320     |
| Retail Costs          | 1,048,382        |
| Subtotal              | <u>6,475,702</u> |

Less:

|                        |                |
|------------------------|----------------|
| Net Required Wholesale | <u>241,473</u> |
|------------------------|----------------|

|                     |                            |
|---------------------|----------------------------|
| Net Required Retail | <u><u>\$ 6,234,229</u></u> |
|---------------------|----------------------------|

|                       |                       |
|-----------------------|-----------------------|
| Net Required Retail   | \$ 6,234,229          |
| Retail Sales          | 1,106                 |
| Rate per 1000 gallons | <u><u>\$ 5.64</u></u> |

1,478,405  
\$ 4.22 Rate per 100 Cubic Feet

**Schedule DGB-7**

**Determination of Fire Protection Charges  
Woonsocket Water Division**

Schedule DGB-7

Fire Protection Costs           \$    865,588

***Public Fire Hydrants***

| Size | Total Accounts | Demand Factor | Number of Equivalents | Percentage of Demand | Allocated Rev. Require. |
|------|----------------|---------------|-----------------------|----------------------|-------------------------|
| 4    | 29             | 38.32         | 1,111                 |                      |                         |
| 6    | 1,541          | 111.31        | 171,529               |                      |                         |
|      | 1,570          |               | 172,640               | 90.3%                | \$ 781,623              |

***Private Sprinklers***

| Size               | Total Accounts | Demand Factor | Number of Equivalents | Percentage of Demand | Allocated Rev. Require. |
|--------------------|----------------|---------------|-----------------------|----------------------|-------------------------|
| 2                  | 11             | 6.19          | 68                    |                      |                         |
| 3                  | 6              | 17.98         | 108                   |                      |                         |
| 4                  | 62             | 38.32         | 2,376                 |                      |                         |
| 6                  | 90             | 111.31        | 10,018                |                      |                         |
| 8                  | 18             | 237.21        | 4,270                 |                      |                         |
| 10                 | 4              | 426.58        | 1,706                 |                      |                         |
|                    | 191            |               | 18,546                | 9.7%                 | \$ 83,966               |
| <b>Grand Total</b> | <b>1,761</b>   |               | <b>191,186</b>        | <b>100%</b>          | <b>\$ 865,588</b>       |

**Public Fire Charges**

Allocated Costs                   \$ 781,623  
 No. of Equivalents               172,640  
 Rate per Equivalent             \$ 4.53

| Size | Rate per Equivalent | Demand Factor | Charge per Hydrant |
|------|---------------------|---------------|--------------------|
| 4    | \$ 4.53             | 38.32         | \$ 173.49          |
| 6    | \$ 4.53             | 111.31        | \$ 503.95          |

Plus: \$ 9.47 Per Bill (See Schedule DGB-8)

**Private Fire Charges**

Allocated Costs                   \$ 83,966  
 No. of Equivalents               18,546  
 Rate per Equivalent             \$ 4.53

| Size | Rate per Equivalent | Demand Factor | Charge per Service | Billing Charge | Service Charge | Total Charge |
|------|---------------------|---------------|--------------------|----------------|----------------|--------------|
| 2    | \$ 4.53             | 6.19          | \$ 28.03           | \$ 9.47        | \$ 11.51       | \$ 49.01     |
| 3    | \$ 4.53             | 17.98         | 81.40              | 9.47           | 15.85          | 106.73       |
| 4    | \$ 4.53             | 38.32         | 173.49             | 9.47           | 24.10          | 207.06       |
| 6    | \$ 4.53             | 111.31        | 503.95             | 9.47           | 42.53          | 555.95       |
| 8    | \$ 4.53             | 237.21        | 1,073.96           | 9.47           | 74.39          | 1,157.82     |
| 10   | \$ 4.53             | 426.58        | 1,931.33           | 9.47           | 106.70         | 2,047.50     |

**Schedule DGB-8**

Determination of Customer Service Charges  
Woonsocket Water Division

Schedule DGB-8

***Billing Charges***

|                 |                |                    |
|-----------------|----------------|--------------------|
| Billing Charges | \$ 359,716     |                    |
| No. of Bills    | 37,993         | See Schedule DGB-5 |
| Rate per Bill   | <u>\$ 9.47</u> |                    |

***Meter/Service Charges***

|                         |                 |
|-------------------------|-----------------|
| Meter/Service Charges   | \$ 356,016      |
| Meter Allocated (90%)   | \$ 320,414      |
| No. of EQ. Meters       | 11,245          |
| Rate per Eq. Meter/Yr   | <u>\$ 28.49</u> |
| Service Allocated (10%) | \$ 35,602       |
| No. of EQ. Services     | 14,147          |
| Rate per Eq. Service/Yr | <u>\$ 2.52</u>  |

| Size  | Rate per Equivalent | Meter Charge | Service Charge | Total Meter/Service Charge |
|-------|---------------------|--------------|----------------|----------------------------|
| 5/8   | 1.00                | \$ 28.49     | \$ 2.52        | \$ 31.01                   |
| 3/4   | 1.42                | \$ 40.46     | \$ 3.57        | \$ 44.04                   |
| 1     | 1.76                | \$ 50.09     | \$ 4.42        | \$ 54.52                   |
| 1 1/2 | 3.26                | \$ 92.89     | \$ 8.20        | \$ 101.10                  |
| 2     | 4.58                | \$ 130.36    | \$ 11.51       | \$ 141.88                  |
| 3     | 6.30                | \$ 179.52    | \$ 15.85       | \$ 195.37                  |
| 4     | 9.58                | \$ 272.86    | \$ 24.10       | \$ 296.96                  |
| 6     | 16.90               | \$ 481.56    | \$ 42.53       | \$ 524.09                  |
| 8     | 29.56               | \$ 842.30    | \$ 74.39       | \$ 916.69                  |
| 10    | 42.40               | \$ 1,208.17  | \$ 106.70      | \$ 1,314.87                |

***Total Service Charges per Quarter***

| Size  | Meter/Service Charge | Billing Charge | Total Meter/Service Charge |
|-------|----------------------|----------------|----------------------------|
| 5/8   | \$ 7.75              | \$ 9.47        | \$ 17.22                   |
| 3/4   | \$ 11.01             | \$ 9.47        | \$ 20.48                   |
| 1     | \$ 13.63             | \$ 9.47        | \$ 23.10                   |
| 1 1/2 | \$ 25.27             | \$ 9.47        | \$ 34.74                   |
| 2     | \$ 35.47             | \$ 9.47        | \$ 44.94                   |
| 3     | \$ 48.84             | \$ 9.47        | \$ 58.31                   |
| 4     | \$ 74.24             | \$ 9.47        | \$ 83.71                   |
| 6     | \$ 131.02            | \$ 9.47        | \$ 140.49                  |
| 8     | \$ 229.17            | \$ 9.47        | \$ 238.64                  |
| 10    | \$ 328.72            | \$ 9.47        | \$ 338.19                  |



**Schedule DGB-9**

Determination of Fire Protection Service Charges  
Woonsocket Water Division

Schedule DGB-9

Projected revenue from Woonsocket Public Fire (a)

|  | <u>4"</u>       | <u>6"</u>         | Total             |
|--|-----------------|-------------------|-------------------|
| Number of Hydrant billed to City of Woonsocket | 20              | 1,488             | 1,508             |
| Rate per Hydrant                               | \$ 173.49       | \$ 503.95         |                   |
| Projected revenue from Woonsocket Public Fire  | <u>\$ 3,470</u> | <u>\$ 749,882</u> | <u>\$ 753,352</u> |

Public Fire Service Charges per Year

|                                   |                 |
|-----------------------------------|-----------------|
| Woonsocket Hydrant Revenue        | \$ 753,352      |
| No. of EQ. Meters Woonsocket Only | 10,450          |
| Rate per Eq. Meter/Yr             | <u>\$ 72.09</u> |

| <u>Size</u> | <u>Equivalency Ratio</u> | <u>Fire Protection Service Charge</u> |
|-------------|--------------------------|---------------------------------------|
| 5/8         | 1.00                     | \$ 72.09                              |
| 3/4         | 1.42                     | \$ 102.37                             |
| 1           | 1.76                     | \$ 126.74                             |
| 1 1/2       | 3.26                     | \$ 235.02                             |
| 2           | 4.58                     | \$ 329.82                             |
| 3           | 6.30                     | \$ 454.18                             |
| 4           | 9.58                     | \$ 690.36                             |
| 6           | 16.90                    | \$ 1,218.36                           |
| 8           | 29.56                    | \$ 2,131.05                           |
| 10          | 42.40                    | \$ 3,056.71                           |

Total Customer Service Charges per Quarter

| <u>Size</u> | <u>Fire Protection Service Charge</u> |
|-------------|---------------------------------------|
| 5/8         | \$ 18.02                              |
| 3/4         | \$ 25.59                              |
| 1           | \$ 31.68                              |
| 1 1/2       | \$ 58.76                              |
| 2           | \$ 82.46                              |
| 3           | \$ 113.55                             |
| 4           | \$ 172.59                             |
| 6           | \$ 304.59                             |
| 8           | \$ 532.76                             |
| 10          | \$ 764.18                             |

*(a) This revenue is for allocation purposes only per City Ordinance the City is exempt for paying Hydrant charges.*

**Schedule DGB-10**

Comparison of Existing and Proposed Rates & Charges  
Woonsocket Water Division

Schedule DGB-10

|   |                            | Current     | Proposed    | % Increase |
|---|----------------------------|-------------|-------------|------------|
| <u><i>Public Fire Protection</i></u>  |                            |             |             |            |
| <i>City of Woonsocket</i>   |                            |             |             |            |
| 4   | Inch                       | \$ -        | \$ -        | 0.00%      |
| 6   | Inch                       | \$ -        | \$ -        | 0.00%      |
| <i>Other</i>  |                            |             |             |            |
| 4   | Inch                       | \$ 130.74   | \$ 173.49   | 32.70%     |
| 6   | Inch                       | \$ 379.76   | \$ 503.95   | 32.70%     |
|   | Per Bill                   | \$ 7.84     | \$ 9.47     | 20.76%     |
| <u><i>Private Fire Protection</i></u>   |                            |             |             |            |
| 2   | Inch                       | \$ 39.04    | \$ 49.01    | 25.53%     |
| 3   | Inch                       | \$ 83.08    | \$ 106.73   | 28.46%     |
| 4   | Inch                       | \$ 159.68   | \$ 207.06   | 29.67%     |
| 6   | Inch                       | \$ 424.84   | \$ 555.95   | 30.86%     |
| 8   | Inch                       | \$ 882.24   | \$ 1,157.82 | 31.24%     |
| 10  | Inch                       | \$ 1,556.64 | \$ 2,047.50 | 31.53%     |
| <u><i>Minimum Service Charge</i></u>  |                            |             |             |            |
| <i>Customer Service Charge All Ratepayers</i>   |                            |             |             |            |
| 5/8   | Inch                       | \$ 14.57    | \$ 17.22    | 18.19%     |
| 3/4   | Inch                       | \$ 17.39    | \$ 20.48    | 17.75%     |
| 1   | Inch                       | \$ 19.67    | \$ 23.10    | 17.42%     |
| 1 1/2   | Inch                       | \$ 29.77    | \$ 34.74    | 16.70%     |
| 2   | Inch                       | \$ 38.62    | \$ 44.94    | 16.36%     |
| 3   | Inch                       | \$ 50.23    | \$ 58.31    | 16.09%     |
| 4   | Inch                       | \$ 72.27    | \$ 83.71    | 15.83%     |
| 6   | Inch                       | \$ 121.55   | \$ 140.49   | 15.58%     |
| 8   | Inch                       | \$ 206.73   | \$ 238.64   | 15.44%     |
| 10  | Inch                       | \$ 293.12   | \$ 338.19   | 15.37%     |
| <u><i>Additional Fire Protection Service Charge Only Ratepayers in Woonsocket</i></u> |                            |             |             |            |
| 5/8   | Inch                       | \$ 13.58    | \$ 18.02    | 32.72%     |
| 3/4   | Inch                       | \$ 19.29    | \$ 25.59    | 32.67%     |
| 1   | Inch                       | \$ 23.88    | \$ 31.68    | 32.71%     |
| 1 1/2   | Inch                       | \$ 44.28    | \$ 58.76    | 32.69%     |
| 2   | Inch                       | \$ 62.14    | \$ 82.46    | 32.70%     |
| 3   | Inch                       | \$ 85.56    | \$ 113.55   | 32.70%     |
| 4   | Inch                       | \$ 130.06   | \$ 172.59   | 32.70%     |
| 6   | Inch                       | \$ 229.53   | \$ 304.59   | 32.70%     |
| 8   | Inch                       | \$ 401.47   | \$ 532.76   | 32.70%     |
| 10  | Inch                       | \$ 575.86   | \$ 764.18   | 32.70%     |
| <u><i>Metered Rates</i></u>   |                            |             |             |            |
| Wholesale   | Rate per 1,000,000 gallons | \$ 3,748.14 | \$ 4,685.96 | 25.02%     |
| Retail  | Rate per 100 Cubic Feet    | \$ 3.92     | \$ 4.22     | 7.67%      |

**Schedule DGB-11**

**Proof of Revenues**  
Woonsocket Water Division

Schedule DGB-11

|  |                            | Count or Usage | Current Rate | Proposed Rate | Current Revenue     | Proposed Revenue    | Dollar Increase   |
|--|----------------------------|----------------|--------------|---------------|---------------------|---------------------|-------------------|
| <b>Public Fire Protection</b>  |                            |                |              |               |                     |                     |                   |
| <i>City of Woonsocket</i>  |                            |                |              |               |                     |                     |                   |
| 4  | Inch                       | 20             | \$ -         | # \$ -        | \$ -                | \$ -                | \$ -              |
| 6  | Inch                       | 1,488          | \$ -         | # \$ -        | \$ -                | \$ -                | \$ -              |
| <i>Other</i>   |                            |                |              |               |                     |                     |                   |
| 4  | Inch                       | 9              | \$ 130.74    | # \$ 173.49   | \$ 1,177            | \$ 1,561            | \$ 385            |
| 6  | Inch                       | 53             | \$ 379.76    | # \$ 503.95   | \$ 20,127           | \$ 26,710           | \$ 6,582          |
|  | Per Bill                   | 9              | \$ 7.84      | # \$ 9.47     | \$ 71               | \$ 85               | \$ 15             |
|  |                            |                |              |               | <u>\$ 21,375</u>    | <u>\$ 28,356</u>    | <u>\$ 6,982</u>   |
| <b>Private Fire Protection</b>   |                            |                |              |               |                     |                     |                   |
| 2  | Inch                       | 11             | \$ 39.04     | # \$ 49.01    | \$ 429              | \$ 539              | \$ 110            |
| 3  | Inch                       | 6              | \$ 83.08     | # \$ 106.73   | \$ 498              | \$ 640              | \$ 142            |
| 4  | Inch                       | 62             | \$ 159.68    | # \$ 207.06   | \$ 9,900            | \$ 12,838           | \$ 2,937          |
| 6  | Inch                       | 90             | \$ 424.84    | # \$ 555.95   | \$ 38,236           | \$ 50,035           | \$ 11,800         |
| 8  | Inch                       | 18             | \$ 882.24    | # \$ 1,157.82 | \$ 15,880           | \$ 20,841           | \$ 4,960          |
| 10   | Inch                       | 4              | \$ 1,556.64  | # \$ 2,047.50 | \$ 6,227            | \$ 8,190            | \$ 1,963          |
|  |                            |                |              |               | <u>\$ 71,171</u>    | <u>\$ 93,083</u>    | <u>\$ 21,913</u>  |
| <b>Minimum Service Charge</b>  |                            |                |              |               |                     |                     |                   |
| <i>Customer Service Charge All Ratepayers</i>                                  |                            |                |              |               |                     |                     |                   |
| 5/8  | Inch                       | 33,732         | \$ 14.57     | # \$ 17.22    | \$ 491,475          | \$ 580,890          | \$ 89,415         |
| 3/4  | Inch                       | 1,068          | \$ 17.39     | # \$ 20.48    | \$ 18,573           | \$ 21,869           | \$ 3,297          |
| 1  | Inch                       | 1,464          | \$ 19.67     | # \$ 23.10    | \$ 28,797           | \$ 33,815           | \$ 5,018          |
| 1 1/2  | Inch                       | 272            | \$ 29.77     | # \$ 34.74    | \$ 8,097            | \$ 9,450            | \$ 1,352          |
| 2  | Inch                       | 536            | \$ 38.62     | # \$ 44.94    | \$ 20,700           | \$ 24,086           | \$ 3,386          |
| 3  | Inch                       | 32             | \$ 50.23     | # \$ 58.31    | \$ 1,607            | \$ 1,866            | \$ 259            |
| 4  | Inch                       | 60             | \$ 72.27     | # \$ 83.71    | \$ 4,336            | \$ 5,023            | \$ 686            |
| 6  | Inch                       | 44             | \$ 121.55    | # \$ 140.49   | \$ 5,348            | \$ 6,182            | \$ 833            |
| 8  | Inch                       | 72             | \$ 206.73    | # \$ 238.64   | \$ 14,885           | \$ 17,182           | \$ 2,298          |
| 10   | Inch                       | 4              | \$ 293.12    | # \$ 338.19   | \$ 1,172            | \$ 1,353            | \$ 180            |
|  |                            |                |              |               | <u>\$ 594,991</u>   | <u>\$ 701,715</u>   | <u>\$ 106,724</u> |
| <i>Additional Fire Protection Service Charge Only Ratepayers in Woonsocket</i> |                            |                |              |               |                     |                     |                   |
| 5/8  | Inch                       | 31,476         | \$ 13.58     | # \$ 18.02    | \$ 427,452          | \$ 567,295          | \$ 139,842        |
| 3/4  | Inch                       | 964            | \$ 19.29     | # \$ 25.59    | \$ 18,596           | \$ 24,671           | \$ 6,075          |
| 1  | Inch                       | 1,352          | \$ 23.88     | # \$ 31.68    | \$ 32,279           | \$ 42,838           | \$ 10,558         |
| 1 1/2  | Inch                       | 252            | \$ 44.28     | # \$ 58.76    | \$ 11,159           | \$ 14,806           | \$ 3,648          |
| 2  | Inch                       | 516            | \$ 62.14     | # \$ 82.46    | \$ 32,063           | \$ 42,547           | \$ 10,484         |
| 3  | Inch                       | 32             | \$ 85.56     | # \$ 113.55   | \$ 2,738            | \$ 3,633            | \$ 895            |
| 4  | Inch                       | 60             | \$ 130.06    | # \$ 172.59   | \$ 7,803            | \$ 10,355           | \$ 2,552          |
| 6  | Inch                       | 40             | \$ 229.53    | # \$ 304.59   | \$ 9,181            | \$ 12,184           | \$ 3,003          |
| 8  | Inch                       | 60             | \$ 401.47    | # \$ 532.76   | \$ 24,088           | \$ 31,966           | \$ 7,877          |
| 10   | Inch                       | 4              | \$ 575.86    | # \$ 764.18   | \$ 2,303            | \$ 3,057            | \$ 753            |
|  |                            |                |              |               | <u>\$ 567,664</u>   | <u>\$ 753,352</u>   | <u>\$ 185,688</u> |
|  |                            |                |              |               | <u>\$ 1,162,655</u> | <u>\$ 1,455,067</u> | <u>\$ 292,412</u> |
| <b>Metered Rates</b>   |                            |                |              |               |                     |                     |                   |
| Wholesale  | Rate per 1,000,000 gallons | 52             | \$ 3,748.14  | # \$ 4,685.96 | \$ 193,146          | \$ 241,473          | \$ 48,327         |
| Retail   | Rate per 100 Cubic Feet    | 1,478,405      | \$ 3.92      | # \$ 4.22     | \$ 5,795,348        | \$ 6,240,063        | \$ 444,715        |
|  |                            |                |              |               | <u>\$ 5,988,494</u> | <u>\$ 6,481,536</u> | <u>\$ 493,042</u> |
| Total Rates and Charges  |                            |                |              |               | \$ 7,243,694        | \$ 8,058,042        | \$ 814,348        |
| Misc Revenue   |                            |                |              |               | \$ 244,932          | \$ 244,932          | \$ -              |
| Total Revenue  |                            |                |              |               | \$ 7,488,626        | \$ 8,302,974        | \$ 814,348        |
| Revenue Required   |                            |                |              |               |                     | 8,301,954           |                   |
| Variance   |                            |                |              |               |                     | \$ 1,020            | 0.01%             |

**Schedule DGB-12**

Impact of Proposed Rates  
Woonsocket Water Division

Schedule DGB-12

|   |            |                    | Count or Usage | Current Revenue | Proposed Revenue | Dollar Increase | % Increase |
|---|------------|--------------------|----------------|-----------------|------------------|-----------------|------------|
| <i>Ratepayers in the City of Woonsocket</i>                   |            |                    |                |                 |                  |                 |            |
| 5/8   | Inch Meter | 7,000 cu ft/yr     | 7,000          | \$ 387.00       | \$ 436.43        | \$ 49           | 12.77%     |
| 5/8   | Inch Meter | 10,000 cu ft/yr    | 10,000         | \$ 504.60       | \$ 563.04        | \$ 58           | 11.58%     |
| 5/8   | Inch Meter | 20,000 cu ft/yr    | 20000          | \$ 896.60       | \$ 985.14        | \$ 89           | 9.87%      |
| 1   | Inch Meter | 50,000 cu ft/yr    | 50,000         | \$ 2,134.18     | \$ 2,329.53      | \$ 195          | 9.15%      |
| 4   | Inch Meter | 500,000 cu ft/yr   | 500,000        | \$ 20,409.31    | \$ 22,129.23     | \$ 1,720        | 8.43%      |
| 6   | Inch Meter | 1,000,000 cu ft/yr | 1,000,000      | \$ 40,604.31    | \$ 43,988.39     | \$ 3,384        | 8.33%      |
| <i>Ratepayers in Other Communities serviced by Woonsocket</i> |            |                    |                |                 |                  |                 |            |
| 5/8   | Inch Meter | 7,000 cu ft/yr     | 7,000          | \$ 332.68       | \$ 364.34        | \$ 32           | 9.52%      |
| 5/8   | Inch Meter | 10,000 cu ft/yr    | 10,000         | \$ 450.28       | \$ 490.94        | \$ 41           | 9.03%      |
| 5/8   | Inch Meter | 20,000 cu ft/yr    | 20000          | \$ 842.28       | \$ 913.04        | \$ 71           | 8.40%      |
| 1   | Inch Meter | 50,000 cu ft/yr    | 50,000         | \$ 2,038.68     | \$ 2,202.79      | \$ 164          | 8.05%      |
| 4   | Inch Meter | 500,000 cu ft/yr   | 500,000        | \$ 19,889.08    | \$ 21,438.87     | \$ 1,550        | 7.79%      |
| 6   | Inch Meter | 1,000,000 cu ft/yr | 1,000,000      | \$ 39,686.20    | \$ 42,770.03     | \$ 3,084        | 7.77%      |



Tab 8

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF WOONSOCKET  
WATER DEPARTMENT APPLICATION  
TO CHANGE RATE SCHEDULES

:  
:  
: DOCKET NO. \_\_\_\_\_  
:  
:

MARCH 2012 FILING

**Attestation Under Rule 2.7  
Of the Rules of Practice and Procedure  
Of the Public Utilities Commission**

I, David Bebyn, as Consultant to the Water Division for City of Woonsocket, in conformance with Rule 2.7 of the Rules of Practice and Procedure with the Public Utilities Commission, hereby attest that the facts contained in the documents are true and correct to the best of my knowledge, information and belief. The cost and revenue statements and supporting data thereto which purport to reflect the books of the Woonsocket Water Division do, in fact, set forth said results. 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.

David G. Bebyn  
David G. Bebyn, CPA

STATE OF RHODE ISLAND :  
CITY OF WOONSOCKET :

Subscribed and sworn to me this 7<sup>th</sup> day of March, 2012.

Theresa M. Gallo  
Notary Public

My commission expires: 12/19/14

Tab 9

**INDEX OF COMPLIANCE WITH STATUTES  
AND COMMISSION'S RULES**

- 2.9(a) **Cost of service schedules for the test year and for the proposed rate year.**  
See testimony of David Bebyn and Walter Edge and Schedules DGB-1-2 and WEE-1-13.
- 2.9(b) **Workpapers supporting any claim for an allowance for working capital.**  
N/A
- 2.9(c) **Workpapers supporting allocations of cost of service amounts among entities operated from or in association with the utility.**  
See, DGB-3
- 2.9(d) **Workpapers detailing the test year and rate year revenues by source, tariff, rate class, etc. The sales volumes/quantities and customer counts by rate class shall be presented. The basis/calculation for rate year sales volumes and customercounts is to be provided. The total rate year revenues must be supported by a billing analysis utilizing the above data and the proposed rates.**  
See, DGB-1(a), 1(b); WEE-2(a)
- 2.9(e) **For each rate class, the effect of the proposed rate changes shall be presented in a comparative billing format (current and proposed) for typical (or varying) usage levels. A copy or sample of the utility's actual billing statement shall be presented.**  
See, DGB-12
- 2.9(f) **A schedule presenting the principal and interest amounts paid on debt service (long-term and short-term debt) for the test year and the amounts projected for the rate year. Schedule amounts by bond issue, note/mortgage loan, etc. as appropriate. Provide a description of each issue to include: source of funding, amount of original issue, date, interest rate, repayment terms, security pledged on borrowing, and other pertinent information as appropriate.**  
See, WEE-12(a)
- 2.9(g) **A schedule of lease payments for all property and equipment for the test year and rate year.**  
See, WEE-12(a)
- 2.9(h) **An analysis of revenues and associated expenses for the test year**

**INDEX OF COMPLIANCE WITH STATUTES  
AND COMMISSION'S RULES**

**pertaining to adjustment clauses (fuel, purchased power, gas or other). All appropriate data should be disclosed, including refund information, total adjustment clause revenues, gross receipts tax payments, etc. The difference between adjustment clause revenues and recoverable expense for the test year must be shown. In general, revenues and expenses relating to adjustment clauses will not be reflected in the cost of service, except for that portion which is to be included in the firm/base rates of the utility.**

See, DGB-1

- 2.9(i) A calculation and explanation of the method used to calculate the rate year municipal tax expense (by city/town, if applicable). Also, show the municipal tax expense (by city/town) for the prior three (3) years.**

See, WEE-7

- 2.9(j) Show the number of employees at beginning and end of test year and the dollar amount of overtime paid during the test year and the previous two (2) years. Indicate the number of employees and the amount of overtime provided for in the cost of service for the rate year.**

See, WEE-4, WEE-4(a) and WEE-4(b)

- 2.9(k) Present a summary of transactions with affiliated entities/funds (i.e. city funds, fire district fund) which occurred during the test year. To be included are the following: billings to/from; loans to/from; sales/purchases of goods, services or property; expense allocations among affiliates; receivables to/from affiliates and others. Provide beginning and end of test year amounts owed and the latest balance(s) prior to the filing.**

See, DGB-1

- 2.9(l) The following statements or financial data are to be provided when the test year does not coincide with the latest fiscal year shown in the annual report provided in the filing: (1) a balance sheet as of the end of the test year; (2) an income statement for the test year; (3) a statement of changes in retained earnings for the test year.**

N/A (test year is fiscal year)

- 2.9(m) A summary of expenses incurred and projected to be incurred related to the instant rate case filing, and a schedule showing any unamortized amounts from prior rate filings. This schedule shall reconcile the total amount of expense allowed in the last order, the recovery (or amortization) of expense through the test year, and the projected balance of any unrecovered (unamortized) amount at the beginning of the rate year.**

**INDEX OF COMPLIANCE WITH STATUTES  
AND COMMISSION'S RULES**

See, WEE-11

- 2.9(n) The utility shall present information for the preceding five (5) years disclosing the following data, as appropriate for the utility:**
- (1) unaccounted for water;**
  - (2) loss on transmission of electricity or gas;**
  - (3) the utility's own use of water, electricity, or gas.**

See, Tab 11 – Compliance with R.I.G.L. § 39-3-12.1(a)(4)

- 2.9(o) A summary of the status of compliance and reporting required by prior Commission orders.**

Woonsocket is required by previous Orders to file Annual, and Semi-Annual Financial Reports with the Commission. Woonsocket is also required to file regular four (4) month reporting updates to include updates on its progress towards a new treatment plant. Woonsocket is current on reporting of these documents.

See, Testimony of Sheila McGauvran.

Tab 10

# Current Tariff



**City of Woonsocket Water Department  
TARIFF  
Bulk Sales to Public Authorities for Resale**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

Usage

Sales to Public Authorities at Bulk. Includes any community currently tied into the City of Woonsocket and communities tied into the City's water system in the future.

Rates

For all quantities of Metered water: \$ 3,748.14 per million gallons

Billing and Payment

All charges billed under this tariff are rendered in arrears on a frequency determined by the assigned billing cycle, and are due and payable in full when rendered.

**City of Woonsocket Water Department  
TARIFF  
Public Fire Protection**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

Usage

Applies to all customers served by the Woonsocket Water Department (Other than City of Woonsocket) for service to public fire hydrants, based on the size of the hydrant connection.

Rates

| For each Hydrant: | <u>Annual Charge</u> |
|-------------------|----------------------|
| 4 inch            | \$ 130.74            |
| 6 inch            | \$ 379.76            |

Plus \$ 7.84 per billing

Exception

For each hydrant of any size in Woonsocket, as allowed by RIGL s. 39-3-11, \$0.00.

Billing and Payment

All charges billed under this tariff are rendered in arrears on a frequency determined by the assigned billing cycle, and are due and payable in full when rendered.

**City of Woonsocket Water Department  
TARIFF  
Private Fire Protection**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

Usage

Applies to all private fire connection services served by the Woonsocket Water Department for service to private fire service connections owned and maintained by the customer, based on the size of the connection.

Rates

| For each Connection: | <u>Annual Charge</u> | <u>Quart. Charge</u> |
|----------------------|----------------------|----------------------|
| 2 inch               | \$ 39.04             | \$ 9.76              |
| 3 inch               | \$ 83.06             | \$ 20.77             |
| 4 inch               | \$ 159.68            | \$ 39.92             |
| 6 inch               | \$ 424.83            | \$ 106.21            |
| 8 inch               | \$ 882.26            | \$ 220.57            |
| 10 inch              | \$ 1,556.63          | \$ 389.16            |

Unmetered private hydrants will be charged as 6 inch connections.

Billing and Payment

All bills for private fire service are rendered annually in advance and are due and payable when rendered usage through private fire service shall be billed in arrears at the general metered water service rates.

**City of Woonsocket Water Department  
TARIFF  
Customer Service Charge**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

Usage

Applies to all metered customers served by the Woonsocket Water Department, exclusive of public and private fire service.

Rates

For each service connected to the Woonsocket Water Division, the following charges shall apply:

| <u>Meter Size</u> | <u>Quarterly</u> |
|-------------------|------------------|
| 5/8               | \$ 14.57         |
| 3/4               | \$ 17.39         |
| 1                 | \$ 19.67         |
| 1 1/2             | \$ 29.77         |
| 2                 | \$ 38.62         |
| 3                 | \$ 50.23         |
| 4                 | \$ 72.27         |
| 6                 | \$ 121.55        |
| 8                 | \$ 206.73        |
| 10                | \$ 293.12        |

However, for each service connected to the Woonsocket Water Division and is connected in the City of Woonsocket the following additional Fire Protection charges shall apply:

| <u>Meter Size</u> | <u>Quarterly</u> |
|-------------------|------------------|
| 5/8               | \$ 13.58         |
| 3/4               | \$ 19.29         |
| 1                 | \$ 23.88         |
| 1 1/2             | \$ 44.28         |
| 2                 | \$ 62.14         |
| 3                 | \$ 85.56         |
| 4                 | \$ 130.06        |
| 6                 | \$ 229.53        |
| 8                 | \$ 401.47        |
| 10                | \$ 575.86        |

Billing and Payment

All customer service charges billed under this tariff are rendered quarterly in advance and are due and payable in full when rendered.

**City of Woonsocket Water Department**  
**TARIFF**  
**Metered Sales**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

Usage

Applies to all metered customers served by the Woonsocket Water Department, including metered private fire service.

Rates

For all metered quantities except bulk sales to public authorities:

|                      |    |                         |
|----------------------|----|-------------------------|
| <u>Quarterly Use</u> | \$ | 3.92 per 100 cubic feet |
|----------------------|----|-------------------------|

Billing and Payment

All metered sales bills are rendered in arrears quarterly and are due and payable in full when rendered.

**City of Woonsocket Water Department  
TARIFF  
Miscellaneous Charges**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: February 01, 2012

Replaces Tariff Approved in Docket 3800 June 14, 2007

**Water Truck Sales**

\$56 per truck load up to 10,000 gallons payable in advance

**Remove Meter**

\$31 per meter removal. \$26 per meter reinstallation

Billed in arrears with payment due and payable upon presentation.

**Shut-off/Turn-on**

Service Shut-off Charge: \$31

Service Turn-on Charge: \$31

**New Water Meters**

Billed at cost of materials and hours of labor plus 33.3% when installed at the customers request with in the sequence developed by City.

No charge when installed in the sequence developed by City.

**Installation and Repair Work**

Billed at cost of materials and hours of labor plus 33.3%. Estimated cost billed and collected in advance. Final bill prepared after completion of work. Under payments are due payable upon completion of the work. Refunds for overpayments to be paid within 30 days.

**ARB Installation**

\$47 per installation for City owned meters. Billed in arrears, due and payable when rendered.

**Interest Rate on Delinquent Accounts**

Bills delinquent after 30 days from the due date of the bill will accrue interest at the rate of 1.5% beginning from the due date of the bill.

# Proposed Tariff

**City of Woonsocket Water Department  
TARIFF  
Bulk Sales to Public Authorities for Resale**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: ~~February 01, 2012~~  
                                , 2012

~~Replaces Tariff Approved in Docket 3800 June 14, 2007~~  
Replaces Tariff Approved in Docket 4309 February 2012

Usage

Sales to Public Authorities at Bulk. Includes any community currently tied into the City of Woonsocket and communities tied into the City's water system in the future.

Rates

For all quantities of Metered water:    \$ 4,685.96 per million gallons

Billing and Payment

All charges billed under this tariff are rendered in arrears on a frequency determined by the assigned billing cycle, and are due and payable in full when rendered.







**City of Woonsocket Water Department  
TARIFF  
Customer Service Charge**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: ~~February 01, 2012~~  
                  \_\_\_\_\_, 2012

~~Replaces Tariff Approved in Docket 3800 June 14, 2007~~  
Replaces Tariff Approved in Docket 4309 February 2012

Usage

Applies to all metered customers served by the Woonsocket Water Department, exclusive of public and private fire service.

Rates

For each service connected to the Woonsocket Water Division, the following charges shall apply:

| <u>Meter Size</u> | <u>Quarterly</u> |
|-------------------|------------------|
| 5/8               | \$ 17.22         |
| 3/4               | \$ 20.48         |
| 1                 | \$ 23.10         |
| 1 1/2             | \$ 34.74         |
| 2                 | \$ 44.94         |
| 3                 | \$ 58.31         |
| 4                 | \$ 83.71         |
| 6                 | \$ 140.49        |
| 8                 | \$ 238.64        |
| 10                | \$ 338.19        |

However, for each service connected to the Woonsocket Water Division and is connected in the City of Woonsocket the following additional Fire Protection charges shall apply:

| <u>Meter Size</u> | <u>Quarterly</u> |
|-------------------|------------------|
| 5/8               | \$ 18.02         |
| 3/4               | \$ 25.59         |
| 1                 | \$ 31.68         |
| 1 1/2             | \$ 58.76         |
| 2                 | \$ 82.46         |
| 3                 | \$ 113.55        |
| 4                 | \$ 172.59        |
| 6                 | \$ 304.59        |
| 8                 | \$ 532.76        |
| 10                | \$ 764.18        |

Billing and Payment

All customer service charges billed under this tariff are rendered quarterly in advance and are due and payable in full when rendered.

**City of Woonsocket Water Department  
TARIFF  
Metered Sales**

Rhode Island Public Utilities Commission Docket No. 4309

Effective Date: ~~February 01, 2012~~  
\_\_\_\_\_, 2012

~~Replaces Tariff Approved in Docket 3800 June 14, 2007~~  
Replaces Tariff Approved in Docket 4309 February 2012

**Usage**

Applies to all metered customers served by the Woonsocket Water Department, including metered private fire service.

**Rates**

For all metered quantities except bulk sales to public authorities:

Quarterly Use

\$ 4.22 per 100 cubic feet

**Billing and Payment**

All metered sales bills are rendered in arrears quarterly and are due and payable in full when rendered.



Tab 11

Compliance with R.I. Gen. Laws §39-3-12.1

**STATUS OF PHYSICAL PLANT**

(R.I. Gen. Laws §39-3-12.1(a)(1))

A. Source of Supply:

1. Crookfall Brook Watershed: This source consists of Reservoirs 1 and 3 in the towns of Lincoln, North Smithfield and Smithfield. The safe yield of this system based on a 95% reliability is 3.5 MGD.
2. Harris Pond Watershed: This source of supply is an impoundment of the Mill River in Blackstone and Bellingham, Massachusetts. The safe yield of this source based on a 95% reliability of 4.4 MGD.

B. Treatment:

The Charles G. Hammann Memorial Treatment Plant has a maximum capacity of 13.25 MGD. The facility uses conventional treatment consisting of coagulation, flocculation, sedimentation, granular activated carbon filtration, disinfection, fluoridation and corrosion control. Other system components of the facility are:

|   |                                     |
|---|-------------------------------------|
| 2 | 0.5 MG Steel Clearwells             |
| 1 | 0.4 MG Steel Washwater Storage Tank |
| 3 | 3500 gpm Main Distribution Pumps    |
| 1 | 5000 gpm Diesel Pump                |
| 1 | 125 KVA Emergency Power Generator   |

C. Distribution and Storage:

The distribution system consists of approximately 125 miles of pipe, 2843 valves, 1500 hydrants, nine storage tanks and four pump stations.

**Compliance with R.I. Gen. Laws §39-3-12.1(a)(2)**

**WATER PIPE ADDED SINCE 2002**

| <u>SIZE (IN.)</u> | <u>February 2002<br/>(FEET)</u> | <u>February 2012<br/>(FEET)</u> | <u>CHANGE<br/>(FEET)</u> |
|-------------------|---------------------------------|---------------------------------|--------------------------|
| 1                 | 1,086                           | 1,086                           | 0                        |
| 1.25              | 239                             | 239                             | 0                        |
| 1.5               | 968                             | 968                             | 0                        |
| 2                 | 3,926                           | 4,458                           | 532+                     |
| 2.5               | 533                             | 533                             | 0                        |
| 3                 | 93                              | 93                              | 0                        |
| 4                 | 11,320                          | 11,320                          | 0                        |
| 6                 | 132,667                         | 132,667                         |                          |
| 8                 | 326,079                         | 327,589                         | 1510+                    |
| 10                | 11,918                          | 11,918                          | 0                        |
| 12                | 119,541                         | 119,181                         | 360-                     |
| 14                | 647                             | 647                             | 0                        |
| 16                | 12,003                          | 12,003                          | 0                        |
| 18                | 18,526                          | 18,526                          | 0                        |
| 20                | 17,581                          | 16,661                          | 920-                     |
| 24                | 14,460                          | 14,460                          | 0                        |
| 30                | 17,299                          | 17,299                          | 0                        |

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|                |         |         |       |
|----------------|---------|---------|-------|
| <u>TOTALS:</u> | 688,886 | 689,648 | 762   |
| <u>MILES:</u>  | 130,471 | 131,502 | 1.031 |

Notes:

2010 Water Main Rehabilitation Project  
 Havelock Ave, Burnside Ave, Arnold Ave Extensions  
 Cady St, Bound Rd, Bertha Ave Extensions



**Compliance with R.I. Gen. Laws §39-3-12.1(a)(3)**

**WATER TREATMENT CHEMICALS**

**CHEMICAL USE AND COST**

**SIX MONTH TOTAL (July 2011 – December 2011)**

| <u>Chemical</u>     | <u>Total</u><br>lb | <u>Unit Cost</u> | <u>Total Cost</u> |
|---------------------|--------------------|------------------|-------------------|
| Alum                | 187,672.32         | \$445.00/ton     | \$41,748.80       |
| Lime                | 83,827             | \$363.20/ton     | \$15,221.71       |
| Fluoride            | 7,594.5            | \$1,255.20/ton   | \$4,769.76        |
| Corrosion Inhibitor | 32,461.5           | \$1,060.00/ton   | \$17,203.80       |
| Chlorine            | 10,108             | \$3,320.00/ton   | \$16,766.00       |
| Polymer             | 2,238.65           | \$5,693.00/ton   | \$6,376.16        |
| Sodium Hypochlorite | 0                  |                  | 0                 |
| Total               |                    |                  | \$102,096.23      |

**Aluminum Sulfate (Alum):**

Aluminum sulfate is added to the raw water to cause coagulation and flocculation to occur which removes some of the color and turbidity naturally found in surface water supplies.

**Hydrated Lime:**

Hydrated lime is added to raw water as needed for pH adjustment for optimum coagulation and flocculation. It is also added to the finished water to increase pH and total alkalinity for corrosion control.

**Sodium Silicofluoride:**

Fluoride is added to the finished water to reduce the incidence of dental cavities.

**Corrosion Inhibitor:**

The chemical added to the finished water to aid in corrosion control is a blend of poly and orthophosphates. This chemical acts as a sequestering agent and also can form an insoluble protective film on the surface of the pipe.

**Chlorine:**

Chlorine is added to the finished water for disinfection purposes. It is also added to the raw water during the warmer months for pretreatment disinfection.

Polymer:

Polymer is added to raw water to enhance the sedimentation process.

Sodium Hypochlorite:

Sodium hypochlorite is added to the water pumped from Harris Pond for disinfection purposes.

GENERAL COMMENTS:

The amounts of chemicals added are seasonally dependent as well as weather dependent. As flows increase during the warmer months, more chemical must be added to maintain the optimum dosage for that chemical. The dosages for some chemicals (i.e., fluoride and corrosion inhibitor) are fixed. Other chemicals (i.e., alum, polymer, lime and chlorine) are dosed in varying amounts depending on raw water quality and flow.

Woonsocket uses a surface water supply. The terminal reservoir is fed by Crookfall Brook, which is greatly influenced by rainfall events. During periods of heavy precipitation the raw water quality deteriorates dramatically, necessitating the addition of more alum, polymer, lime and chlorine to provide water that meets all federal and state regulations. The information presented in the table above regarding chemical use and loss is from the time period July 2011 to December 2011. This was a period with over 37.21 inches of precipitation. The historical average for precipitation in this time period is approximately 24 inches. Also, there was a carbon change-out during FY 2011, with costs allocated to this amounting to \$304,600.

## **Compliance with R.I. Gen. Laws 39-3-12.1(a)(4)**

### **POLICY RELATING TO EXPANSION AND RENOVATION**

Woonsocket has an Infrastructure Replacement Program that addresses the renovation or replacement of major systems components.

It is the policy of the City of Woonsocket, Water Division (“WWD”) to continue to provide quality service to all existing customers. Systems expansion within existing service areas, where there is sufficient existing utility in place to support the expansion, is encouraged and an existing WWD policy. Our policy is to provide long term, cost effective capital and operating programs that assure reliable and consistent compliance with regulatory requirements and the protection of the public health. WWD’s policy is also to proceed along pathways that minimize risk and at the same time provide long term, cost effective services. Technical evaluations are made to determine future needs so that required expansion can proceed in a timely manner. If there is insufficient utility infrastructure available, the City requires the individuals seeking the service to install contributed capital.

WWD’s most recent IFR plan was approved by the Department of Health. This updated plan is described in more detail in CDM’s November 2007 “Water Distribution System Evaluation.” In this report, CDM assessed the condition of the existing water distribution system and its hydraulic capabilities, and provided further suggestions to update the 1999 IFR Report. One area that CDM identified and is under review by the City is the need for redundancy or back up interconnections given that the City’s water supply is basically self-contained with few back up interconnections to other community supply. The City has been working to fix this problem through interconnections with other nearby communities, such as the interconnection with the Town of Cumberland which has been submitted to RIDOH for review and is otherwise ready to go out to bid. The City is also considering interconnections with the Lincoln Water Commission and potentially with the Town of North Smithfield. Also, CDM recommended cleaning and lining or replacing approximately 4400 linear feet of existing transmission and distribution piping on Manville Road. This was recently completed.

Regarding the status of the water treatment plant, and the filter backwash concerns of RIDEM, the City signed a Consent Agreement, dated June 27, 2008. In that Agreement RIDEM imposed certain regulatory requirements, related to total suspended solids and the discharge of filter backwash into the river which must be met by March 1, 2013. The Consent Agreement also contained interim milestone requirements regarding certain pH limitations. To meet these requirements CDM designed a pH adjustment system for backwash from the treatment plant, and WWD awarded the installation job to the lowest bidder. Following Mayor Fontaine’s election, the City obtained further information from CDM on options to address the filter backwash concerns of RIDEM and the options have been reviewed by a Water Advisory Committee, and through City Council Workshops, and by the Mayor.

## Page 2 – Expansion/Infrastructure

In short, the recent CDM studies reiterate the need for replacement of the existing water treatment facility with a new facility that provides capabilities and assurances of consistently meeting drinking water and environmental requirements. This process is underway and the City has recently received written approval from EPA to support the purchase of the site recommended by the Water Advisory Committee. At the same time, the City is developing a new project schedule to present to RIDEM for use in the development of a revised Consent Agreement given the impending dates in existing agreements.

**Compliance with R.I. Gen. Laws 39-3-12.1(a)(5)**

**Water Statistics – Non Accounted For Water (Hundred Cubic Feet)**

|                            | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| Total Water Distributed    | 1,830,749   | 1,847,137   | 1,744,933   | 1,712,535   | 1,736,195   |
| Total Metered Sales        | 1,588,029   | 1,627,439   | 1,556,194   | 1,501,815   | 1,547,387   |
| Unmetered Sales            | 922         | 1,568       | 1,000       | 1,000       | 1,000       |
| Water Used by Company      | 84,987      | 87,551      | 80,267      | 82,202      | 74,456      |
| Total Disposition of Water | 1,673,938   | 1,716,558   | 1,637,461   | 1,585,017   | 1,622,843   |
| Unaccounted for Water      | 156,811     | 130,579     | 107,472     | 127,518     | 113,352     |
| Percentage                 | 8.57%       | 7.07%       | 6.16%       | 7.45%       | 6.53%       |