



State of Rhode Island
Division of Public
Utilities & Carriers

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To: Luly Massaro
Commission Clerk

From: Patricia Smith 
Utility Analyst, Division of Public Utilities & Carriers

Date: May 11, 2018

Subject: RIPUC Docket No. 4341 Pascoag Utility District's Request to Use Funds from
the Storm Reserve

On April 27, 2018 Pascoag Utility District ("Pascoag", or "PUD") filed with the Commission a request to make a withdrawal from the Storm Reserve Fund. It is the third filing, under Section D of the Settlement Agreement in Docket No. 4341. The Commission approved the settlement and issued written Order No. 20977 on February 28, 2013. The settlement provides an annual funding allowance of \$20,000.00 for storm related expenses and allows Pascoag to access the funds when costs for storm-related repairs total more than \$4,000.00. Each storm is subject to a deductible of \$2,500.00.

Pascoag incurred incremental expenses from two storms in March 2018. The first storm was a Wind Storm that occurred on Wednesday, March 2, 2018 and incremental expenses totaled \$15,211.33. The second storm was a Snow Storm, which occurred on Wednesday evening, March 7 into Thursday, March 8, 2018 and Pascoag incurred incremental storm restoration costs of \$29,941.38. The expenses related to the two March storms are summarized in the below table.

Description	March 2 Storm	March 7-8 Storm
Labor on Overhead Lines	\$10,380.02	\$11,316.81
Cust Service & Admin Labor	504.60	946.84
Materials Used in the Field	1,101.53	2,609.88
Transportation Costs	2,392.50	2,630.00
FICA Tax on Labor Hours	832.68	938.16
Meals & Misc	0.00	1,288.36
Total	\$15,211.33	\$19,730.05

As part of their filing, Pascoag provided supporting documentation that substantiates the above summary of storm related incremental expenses.

In the filing, Pascoag requested authorization to withdraw a total of \$29,941.38 from its storm reserve fund. This amount includes \$12,711.33 (\$15,211.33- \$2,500 deductible) related to the March 2nd storm, and (\$19,630.05- \$2,500 deductible) related to the March 7 – 8 storm. Currently, there is \$70,850.50 in the Storm Reserve Fund. If the Commission approves Pascoag's request, the remaining balance in the Storm Reserve fund will be \$40,909.12

After reviewing the filing of the Company with all its submissions, the Division finds that the request is consistent with the approved procedure and is well documented and recommends approval of the request to withdraw \$29,941.38 from the Storm Reserve Fund as proposed.