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September 17, 2012

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

Re: City of Newport, Utilities Department, Water Division

**Docket 4355** 

Dear Ms. Massaro:

RAYNHAM OFFICE:

90 NEW STATE HIGHWAY

RAYNHAM, MA 02109

TEL. (508) 822-2813

FAX (508) 822-2832

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

- 1. Newport Water's Notice of Filing and Proposed Change in Rate Schedules (revised) to be published in the Providence Journal.
- 2. Newport Water's Notice of Filing and Change in Rate Schedules to Customers of the City of Newport, Utilities Department, Water Division (revised).
- 3. Newport Water's Existing Tariffs; and,
- 4. Newport Water's Proposed Tariffs.

Please note that an electronic copy of these documents have been sent to the service list.

Sincerely,

Joseph A. Keough Jr.

JAK/kf Enclosures

cc: Service List (via electronic mail)

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

**DOCKET NO: 4355** 

#### NOTICE OF FILING AND PROPPOSED CHANGE IN RATE SCHEDULES

On September 7, 2012, pursuant to Rhode Island General Laws § 39-3-11, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice that it has filed with the Rhode Island Public Utilities Commission ("Commission") an application to change the existing rates it charges each of its customer classes through the filing of a Cost of Service Study. Newport Water's application does not seek an increase in its operating revenues.

The impact of Newport's request will vary based on customer classification. For a typical residential customer, who uses 60,000 gallons of water per year, the impact of this request will result in an increase of \$82.52 per year or 17.9%. The impact on all other customers will vary based on customer class. Although Newport Water's application does not request that the Commission increase its operating revenues, the rates proposed in its application are based on Phase Two of the multi-year increase granted by the Commission in Docket 4243. Newport Water is required to submit a compliance filing with the Commission before Phase Two of its multi-year increase takes effect. This compliance filing will be reviewed by the Commission in a separate proceeding for which the Commission will provide a separate public notice. Thus, while Newport Water's application proposes a specific change in rates, the Commission, after full investigation and hearings, may order different rates than proposed by Newport.

While the new rates are proposed to become effective October 7, 2012, the Commission can suspend the rates for up to eight months from the proposed effective date. No rate change will take effect until the Commission has conducted a full investigation and hearing on the proposal. The Commission will publish a notice of the hearing dates when they are scheduled. Ratepayers may comment on the proposed rate increases at that time.

A copy of the application is on file for examination at the Newport Water's office and at the offices of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to The Town of Portsmouth, The Town of Middletown and the United States Navy. A copy was also provided to the Rhode Island Attorney General's Department, Consumer Division. Subscriber billing statements will contain notice of this filing. Some larger subscribers will receive notice in their monthly billing and others in their regular billing.

City of Newport, Utilities Department, Water Division 70 Halsey Street Newport, RI 02840

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

**DOCKET NO: 4355** 

# NOTICE OF FILING AND CHANGE IN RATE SCHEDULES TO CUSTOMERS OF THE CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION

On September 7, 2012, pursuant to Rhode Island General Laws § 39-3-11, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice that it has filed with the Rhode Island Public Utilities Commission ("Commission") an application to change the existing rates it charges each of its customer classes through the filing of a Cost of Service Study. Newport Water's application does not seek an increase in its operating revenues.

The impact of Newport's request will vary based on customer classification. For a typical residential customer, who uses 60,000 gallons of water per year, the impact of this request will result in an increase of \$82.52 per year or 17.9%. The impact on all other customers will vary based on customer class. Although Newport Water's application does not request that the Commission increase its operating revenues, the rates proposed in its application are based on Phase Two of the multi-year increase granted by the Commission in Docket 4243. Newport Water is required to submit a compliance filing with the Commission before Phase Two of its multi-year increase takes effect. This compliance filing will be reviewed by the Commission in a separate proceeding for which the Commission will provide a separate public notice. Thus, while Newport Water's application proposes a specific change in rates, the Commission, after full investigation and hearings, may order different rates than proposed by Newport.

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A copy of the application is on file for examination at the Newport Water's office and at the offices of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to The Town of Portsmouth, The Town of Middletown and the United States Navy. A copy was also provided to the Rhode Island Attorney General's Department, Consumer Division. Subscriber billing statements will contain notice of this filing. Some larger subscribers will receive notice in their monthly billing and others in their regular billing.

City of Newport, Utilities Department, Water Division 70 Halsey Street Newport, RI 02840

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### **COMPLIANCE TARIFFS**

#### SCHEDULE

A	PUBLIC FIRE PROTECTION
В	PRIVATE FIRE PROTECTION
С	BILLING CHARGE
D	METERED SALES - NEWPORT
Е	METERED SALES - NAVY
F	METERED SALES - PORTSMOUTH
G	MISCELLANEOUS CHARGES

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

### SCHEDULE A

#### PUBLIC FIRE PROTECTION

### Applicability:

Applicable throughout the entire territory served by the Newport Water Division for public fire protection.

Rates:

Per Hydrant

\$1,065.00

Terms of Payment:

All bills for public fire service furnished under this schedule are rendered in advance monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE B

#### PRIVATE FIRE PROTECTION

### Applicability:

Applicable throughout the entire territory served by the Newport Water Division for services to private fire protection facilities.

#### Rates:

For each service connection to the Newport Water Division's mains used wholly or in part to supply fire protection appliances owned and maintained by the customer, the following charges shall apply:

	Per Annum
For each connection less than 2 inch	\$21.00
For each 2 inch connection	\$88.00
For each 4 inch connection	\$541.00
For each 6 inch connection	\$1,083.00
For each 8 inch connection	\$2,478.00
For each 10 inch connection	\$4,091.00
For each 12 inch connection	\$6,568.00

No additional charge shall be made for private protection appliances owned and maintained by the customer.

#### Method of Payment:

All bills for private fire services under this schedule are rendered annually in advance and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE C

#### **BILLING CHARGE**

## Applicability:

Applicable throughout the entire territory served by the Newport Water Division for industrial, commercial and residential users, exclusive of fire service connections.

### Rates:

For each meter connected to the Newport Water Division's mains the following charges shall apply:

Billing Charge \$18.75

#### Method of Payment:

All billing charges under this schedule are rendered in advance concurrent with the billing cycle, monthly or quarterly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE D

#### METERED SALES

### Applicability:

General metered service in the entire territory served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

Customer Class	Rate Per Thousand Gallons
Residential	\$6.43
Commercial	\$6.43
Governmental	\$6.43

### Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly or quarterly at the option of Newport Water Division and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE E

#### **METERED SALES**

## Applicability:

General metered service to the Department of the Navy, Naval Station Newport served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$3.954 per thousand gallons

## **Terms of Payment:**

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE F

#### METERED SALES

## Applicability:

General metered service to the Portsmouth Water and Fire Districts served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$3.152 per thousand gallons

### Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

#### SCHEDULE G

#### MISCELLANEOUS CHARGES

1. Temporary Water Services: Applicable to all temporary meters furnished by the Water Division for temporary purposes such as construction or renovation. Charges are withheld from the water user's \$100.00 deposit upon removal of the temporary meter.

Water consumed will be charged at PUC approved retail rate per 1,000 gals.

Meter rental charge: \$5.00 per day Labor charge: Cost plus 75% overhead Minimum Charge: \$60.00

2. Meter Test: Applicable to all meters returned to the Water Division for testing. Charges are payable in advance. If upon completion of the test, the meter is found to be in excess of 2%, plus or minus, of actual, the charge is refunded.

Meter sizes 2-inches or less - \$65.00 Charge:

Meter sizes greater than 2-inches – Labor cost plus 75% overhead, and

contractor cost, plus 25% overhead

3. Seasonal Turn-on and Turn-off: Applicable to all meters installed or removed for seasonal users.

During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – Charge:

\$40.00

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with

notice to customer)

4. Turn-on Charge: Applicable to all services turned on after the cessation of a specific violation which resulted in the service shut off. Charges are payable prior to turn on.

> During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – Charge:

> > \$40.00

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

5. <u>Meter Service</u>: Applicable to all meter installations and maintenance due to breakage, tampering, overheating or freezing because of owner neglect or abuse.

Charge: Material and equipment costs plus 25% and Labor cost plus 75%. If applicable, \$50.00 tapping charge for new service and Police details at cost.

- 6. <u>Interest on Delinquent Water Accounts</u>: Amounts not paid by DUE DATE will accumulate a penalty of 18% per annum (1.5% per month) from the DUE DATE through the PAYMENT DATE. DUE DATE is 30 days after the BILLING DATE and is listed on each billing statement, and the BILLING DATE is the date on which the billing statement was mailed and also is listed on each billing statement.
- 7. Interim Water Bills: \$35.00.each for requested interim bills including meter reading.
- 8. <u>Sample Testing:</u> Charge assessed for the laboratory testing of water samples at customer request.

Charge: Cost of materials and testing charges plus 25% overhead and labor costs plus 75% overhead

9. <u>Flow Testing:</u> Charge assessed for the flow testing of service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

10. <u>Pressure Testing:</u> Charge assessed for the pressure testing of existing or proposed service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

11. <u>Service Application Fee:</u> Charge assessed at time that application for water service is submitted.

Charge: Residential Service - \$60.00 Commercial Service - \$100.00

# IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4243

12. <u>Statement Charge:</u> Charge assessed at time that request for a copy of a billing statement is submitted.

Charge: \$2.50 per statement

13. <u>Photocopying:</u> Charge assessed for copying of documents. Fee payable at time copies are made.

Charge: Letter or legal size copy - \$0.15 per page Distribution Sheet - \$3.00 per copy

Effective Date: December 1, 2011

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### PROPOSED TARIFFS

#### **SCHEDULE**

A	PUBLIC FIRE PROTECTION
В	PRIVATE FIRE PROTECTION
С	BILLING CHARGE
D	METERED SALES - NEWPORT
Е	METERED SALES - NAVY
F	METERED SALES - PORTSMOUTH
G	MISCELLANEOUS CHARGES

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

### SCHEDULE A

#### PUBLIC FIRE PROTECTION

## Applicability:

Applicable throughout the entire territory served by the Newport Water Division for public fire protection.

Rates:

Per Hydrant

\$620.00

Terms of Payment:

All bills for public fire service furnished under this schedule are rendered in advance monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### SCHEDULE B

#### PRIVATE FIRE PROTECTION

### Applicability:

Applicable throughout the entire territory served by the Newport Water Division for services to private fire protection facilities.

#### Rates:

For each service connection to the Newport Water Division's mains used wholly or in part to supply fire protection appliances owned and maintained by the customer, the following charges shall apply:

	Per Annum
For each connection less than 2 inch	\$18.16
For each 2 inch connection	\$76.07
For each 4 inch connection	\$263.28
For each 6 inch connection	\$616.37
For each 8 inch connection	\$1,225.37
For each 10 inch connection	\$2,141.46
For each 12 inch connection	\$3,411.10

No additional charge shall be made for private protection appliances owned and maintained by the customer.

#### Method of Payment:

All bills for private fire services under this schedule are rendered annually in advance and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

### SCHEDULE C

#### BASE CHARGE

### Applicability:

Applicable throughout the entire territory served by the Newport Water Division for industrial, commercial and residential users, exclusive of fire service connections.

#### Rates:

For each meter connected to the Newport Water Division's mains the following charges shall apply:

Monthly		Quarterly	
Meter Size	Rate (\$/month)	Meter Size	Rate (\$/quarter)
5/8"	7.73	5/8"	10.58
3/4"	7.82	3/4"	10.84
1"	8.55	1"	13.03
1.5"	10.40	1.5"	18.57
2"	12.19	2"	23.94
3"	21.99	3"	53.34
4"	24.63	4"	61.28
5"	28.16	5"	71.87
6"	30.81	6"	79.82
8"	37.87	8"	101.00
10"	50.67	10"	139.39

### Method of Payment:

All billing charges under this schedule are rendered in advance concurrent with the billing cycle, monthly or quarterly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### SCHEDULE D

#### METERED SALES

### Applicability:

General metered service in the entire territory served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

Customer Class	Rate Per Thousand Gallons
Residential	\$8.35
Non-Residential	\$8.65

## Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly or quarterly at the option of Newport Water Division and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### SCHEDULE E

#### **METERED SALES**

### Applicability:

General metered service to the Department of the Navy, Naval Station Newport served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$5.781 per thousand gallons

## Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### SCHEDULE F

#### METERED SALES

## Applicability:

General metered service to the Portsmouth Water and Fire Districts served by the Newport Water Division.

#### Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$4.3654 per thousand gallons

### Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

#### SCHEDULE G

#### MISCELLANEOUS CHARGES

1. Temporary Water Services: Applicable to all temporary meters furnished by the Water Division for temporary purposes such as construction or renovation. Charges are withheld from the water user's \$100.00 deposit upon removal of the temporary meter.

Water consumed will be charged at PUC approved retail rate per 1,000 gals.

Meter rental charge: \$5.00 per day Labor charge: Cost plus 75% overhead Minimum Charge: \$60.00

2. Meter Test: Applicable to all meters returned to the Water Division for testing. Charges are payable in advance. If upon completion of the test, the meter is found to be in excess of 2%, plus or minus, of actual, the charge is refunded.

Meter sizes 2-inches or less - \$65.00 Charge:

Meter sizes greater than 2-inches – Labor cost plus 75% overhead, and

contractor cost, plus 25% overhead

3. Seasonal Turn-on and Turn-off: Applicable to all meters installed or removed for seasonal users.

During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – Charge:

\$40.00

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with

notice to customer)

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IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

5. <u>Meter Service</u>: Applicable to all meter installations and maintenance due to breakage, tampering, overheating or freezing because of owner neglect or abuse.

Charge: Material and equipment costs plus 25% and Labor cost plus 75%. If applicable, \$50.00 tapping charge for new service and Police details at cost.

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11. <u>Service Application Fee:</u> Charge assessed at time that application for water service is submitted.

Charge: Residential Service - \$60.00 Commercial Service - \$100.00

# IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

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Effective Date: October 7, 2012