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July 26, 2013

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

Re: *Providence Water Supply Board*
Docket 4406

Dear Ms. Massaro:

Enclosed please find an original and nine copies of the Bristol County Water Authority's Second Set of Data Request to Providence Water. Please note that an electronic copy of this document has been provided to the service list and a copy has been mailed to those parties who requested a hard copy.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK/kf

Enclosure

cc: Service List (*via electronic mail*)
Robert A. Watson, Esquire (*via first-class mail*)
Peter Ruggiero, City Solicitor (*via first-class mail*)

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION
IN RE: PROVIDENCE WATER SUPPLY BOARD:
DOCKET NO. 4406
THE BRISTOL COUNTY WATER AUTHORITY'S SECOND SET OF DATA REQUESTS
DIRECTED TO PROVIDENCE WATER SUPPLY BOARD
(Issued July 26, 2013)**

BCWA 2-1. With regard to Providence's response to BCWA 1-2 (d):

- a. Please provide the length of any service connection to a wholesale customer 12" or less.
- b. Please provide a scalable GIS or CAD map of all mains 12" and larger, including locations of wholesale connections and water storage tanks.

BCWA 2-2. With regard to Providence's leakage calculations:

- a. Please provide all calculations as to how the leakage amount was determined.
- b. Please include any calculations or estimates of water used for flushing, running bleeders or blow-offs, and fire department use.

BCWA 2-3. With regard to the response to KCWA 2-15:

- a. The Pro-Forma Amount of Schedule HJS-9 for CY 2014 is listed as \$2,450,000 for the Capital Fund. Exhibit PG-5 lists the Capital Fund as \$4,180,000, \$3,055,000, \$2,655,000, \$2,555,000, \$2,425,000 for FY 2013 through FY 2017, respectively, including \$2,400,000 per year for New PW Central Operations Facility.

The response to KCWA 2-15 supplied a memo dated November 15, 2010, that the existing Capital Fund had sufficient funds to pay for the annual cost of obtaining a new facility. Please clarify the amount requested for the Capital Fund.

- b. Please describe any progress Providence Water has made in obtaining a new Central Operations Facility since 2010.
- c. Please provide all information Providence has regarding a new Central Operations facility, including location, estimates on cost of purchase or cost of lease, construction costs, and operation costs.

BCWA 2-4. Please refer to Mr. Gadoury's response to BCWA 1-2 regarding the distinction between transmission and distribution mains

- a. Please identify how many of Providence's wholesale customers are served by 12 inch pipes.
- b. Please identify how many of Providence's wholesale customers are served by pipes that are 24 inches and greater in diameter.
- c. Would Providence agree that the vast majority of its 12 inch mains are used largely, if not totally, to convey water to the six, eight and ten inch pipes that serve retail customers.

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- d. If your response to subsection c is in the affirmative, please explain why 12 inch mains should in any way be considered transmission mains?
- e. If Providence's response to subsection c is in the negative, please explain in detail why Providence disagrees.

BCWA 2-5. Please refer to Mr. Gadoury's response to BCWA 1-7. In Mr. Gadoury's response he identified 6 pump stations and four emergency power stations that are only used by and only benefit retail customers.

- a. Are any of the capital costs or O&M costs associated with these facilities being allocated to wholesale customers?
- b. If they are, should they be, and fully explain your rationale for not excluding them?
- c. If they are not being so allocated, please identify in the filing where any such exclusions are present.
- d. Also, to the extent they are not being excluded, please provide your estimate of the magnitude of each of these costs, both the total amount and the amount allocated to wholesale customers.

BCWA 2-6. Please refer to Mr. Gadoury's response to BCWA 1-21. Please provide the filing dates for PW's last three abbreviated rate case filings.

BCWA 2-7. Please refer to Mr. Smith's response to BCWA 1-26. Mr. Smith indicates that Providence has the data to allocate demand costs to wholesale customers based on their relative peak contributions to peak demands. As such, please provide the following using the data Providence possesses:

- a. The total amount of costs that would be recovered from all wholesale customers using this data; and
- b. The amount of costs that would be recovered from each individual wholesale customer using this data?

BCWA 2-8. Refer to Mr. Smith's response to BCWA 1-28. The demand factors referenced in BCWA 1-28, and that were used in Docket 3832, were derived in a particular manner. To that end:

- a. Please provide all source data, assumptions, calculations and work papers used to derive the 8 "Demand Factors" listed on Schedule HJS-16.
- b. Was the derivation of any of the 8 "Demand Factors" based data after the completion of Docket 3832?
- c. If not, isn't it likely that circumstances have changed significantly making the use of those factors for this case inappropriate?

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d. If you disagree, please explain in detail the rationale for this disagreement.

BCWA 2-9. Refer to Mr. Smith's response to BCWA 1-30, part c and the attachment thereto.

- a. If Mr. Smith calculated the retail share of UAW using only the length of pipe sizes to determine the percentage of local distribution pipe (10" or less) (1) and transmission pipe (12" and greater) (9) (which in turn are used to derive the shares of UAW assigned to retail and wholesale), with no other changes in his calculations, how would the percentages assigned to retail and wholesale change?
- b. If these percentages were used in the COS model in all places where current percentages are used, how would the total revenue requirement (and percentage) allocated to the wholesale customer class change?

BCWA 2-10. Refer to Ms. Bondarevskis's response to BCWA 1-39.

- a. Based on this response, will Providence remove the two tax amounts (\$6,684 - Cranston and \$3,188 - Johnston) listed in this response from any calculations involving allocations of property taxes to wholesale customers?
- b. If not, please explain in detail why not.
- c. For all water pipes that were installed in Cranston prior to April 27, 1931, what is their taxable value and what is the level of property tax on these facilities during the test year?
- d. What is the value of those pipes that serve only retail customers?

BCWA 2-11. Refer to Mr. Smith's response to BCWA 1-40.

- a. For both Salaries and Wages Accounts (a. and b.) listed in BCWA 1-40, provide the percentage of labor time spent on work solely related to transmission facilities. If you cannot provide the exact percentage, please provide your best estimate.
- b. Similarly, for each of the Contractual Services Accounts (c. through g.) listed in BCWA 1-40 provide the percentage of contract expenses that were for work solely related to transmission facilities. If you cannot provide the exact percentage, please provide your best estimate.

BCWA 2-12. Refer to Mr. Smith's response to BCWA 1-41.

- a. For each of the Salaries and Wages Accounts (a. and b.) listed in BCWA 1-41, please provide the percentage of labor time spent on work solely related to transmission facilities. If you cannot provide the exact percentage, please provide your best estimate.
- b. Similarly, for each of the Contractual Services Accounts (e. through i.), please provide the percentage of contract expenses that were for work solely related to transmission facilities. If you cannot provide the exact percentage, please provide your best estimate.

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- c. Also for the Materials and Supplies Accounts (c. and d.), please provide the percentage of these expenses that were used solely for transmission facilities. If you cannot provide the exact percentage, please provide your best estimate.

BCWA 2-13: With regard to Providence's response to BCWA 1-4:

- a. Please explain how Providence Water's banking fees to process wholesale customer payments will increase if Providence switches to monthly billing.
- b. Please provide all source data, assumptions, calculations and work papers used to support Providence's contention that it must give more personal attention to wholesale customers "than other customer accounts."
- c. Please include an identification of those wholesale customers that have manual reads and bills and the amount of time Providence spends each month on these manual reads and bills.

BCWA 2-14: With regard to Providence's response to BCWA 1-42, please provide the following for each "existing position" that Providence is "backfilling":

- a. A description of the position Providence is "backfilling".
- b. The group each "backfilled" employee will report to (e.g., Administration, an Operations function, Customer service, etc.);
- c. Why Providence needs to backfill each position it is "backfilling" (i.e. the justification for "backfilling" each position); and
- d. The known or estimated salaries of each employee who will be "backfilling" each of the positions.

BCWA 2-15: With regard to Providence's response to BCWA 1-44:

- a. Please explain how Providence updated information and data used in the current cost of service study to reflect changes in economic conditions, customer demographics and systems facilities since its last cost of service study in Docket 3832.
- b. Please provide all source data, assumptions, calculations and work papers used in updating the information.

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CERTIFICATION

I hereby certify that on July 26, 2013, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, Robert A. Watson, Esquire and Peter D. Ruggiero by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone
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Interested Parties:		
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