

SETTLEMENT TESTIMONY

of

JEANNE BONDAREVSKIS

before the

RI PUBLIC UTILITIES COMMISSION

DOCKET 4406

for

PROVIDENCE WATER

November 04, 2013

PROVIDENCE WATER SUPPLY BOARD
SETTLEMENT TESTIMONY OF
JEANNE BONDAREVSKIS

1 Q. Please state your full name and title?

2 A. Jeanne Bondarevskis, Senior Director- Administration for
3 the Providence Water Supply Board (Providence Water).

4

5 Q. Have you previously submitted testimony in this
6 proceeding?

7 A. Yes. I filed rebuttal testimony on September 27, 2013.
8 My background and experience are included in that testimony.

9

10 Q. What is the purpose of your settlement testimony?

11 A. To explain Providence Water's role in the settlement
12 process and our approval of the settlement.

13

14 Q. Please explain what role Providence Water played in the
15 settlement?

16 A. Providence Water reviewed the outstanding issues with the
17 Division and its witnesses. We negotiated with them and have
18 agreed to the adjustments as outline in Thomas Catlin's
19 testimony for the Division.

20

21 Q. Were there any other issues Providence Water requested?

22 A. Yes. Providence Water requested that the settlement
23 include item 10 to address the issue of Providence Water's
24 plant data. We considered and agree to the suggestion by Mr.
25 Russell for Bristol County Water Authority, to hire an
26 independent consultant to review our plant, accumulated
27 depreciation and contributions in aid of construction data.
28 Given the impact this data has on the allocation of costs to
29 customer classes, we want to resolve any questions prior to the

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1 next full rate filing. We would propose to have the numbers
2 analyzed now and then updated prior to our next full filing.
3 We will then provide the report as a supplement to our next
4 full rate filing.

5

6 **Q. Were there any other issues Providence Water requested in**
7 **the settlement or the schedules attached to the settlement?**

8 A. Yes. When all of the settlement adjustments were made,
9 the increase to public fire rates was 57%. Providence Water
10 felt that this would cause rate shock to the municipal hydrant
11 rates for Cranston, Johnston and North Providence¹, and
12 requested that an adjustment be made to limit the public fire
13 increase to 16.4% and offset the retail service charge rates.

14

15 **Q. How was this done?**

16 A. Raftelis shifted approximately \$930,000 from public fire
17 to retail service charge on schedule HJS-18 Costs by Customer
18 Class. This spread this portion of the increase over a much
19 larger base. The Division did not object and Providence Water
20 is satisfied with the rates included in the settlement.

21

22 **Q. Did that adjustment have any effect on wholesale**
23 **customers?**

24 A. No. The adjustment only affected public fire, Providence
25 fire protection service charge, retail service charge and

1 The impact on the Providence FPSC was also 57%, however on a monetary basis it was not large adding \$.59/month to a 5/8" bill, the shift reduced the increase to \$.17/month.

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1 private fire rates.

2

3 **Q. What is the impact of the settlement on Providence Water**
4 **rates?**

5 A. The following rates are shown on schedule JDM-19
6 Settlement.

7

	Settlement	Supplemental
	Filing	Filing
10 Wholesale rate	6.07%.	32.81%
11 Residential rate	20.82%	22.79%
12 Commercial rate	19.87%	22.26%
13 Industrial rate	20.03%	22.08%
14 Retail Service Charge	30.13%	21.1%
15 Public Fire	16.35%	16.36%
16 Private Fire	14.83%	14.79%

17

18 As shown on JDM-21 Settlement, a typical residential customer
19 (in Cranston, Johnston and North Providence) would see a 23.4%
20 overall increase. This is up from 22.7% included in our
21 Supplemental Filing. A typical residential customer in
22 Providence would see an increase in the Providence Fire
23 Protection Service Charge of \$.17 per month, therefore their
24 overall increase would be 24%.

25

26 **Q. Does this conclude your testimony?**

27 A. Yes