



552 Academy Avenue  
Providence, RI 02908

**401-521-6300**

[www.provwater.com](http://www.provwater.com)

June 21, 2013

The Hon. Angel Taveras  
*Mayor*

Boyce Spinelli  
*General Manager*

BOARD OF DIRECTORS

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Rhode Island Water Works Assn.  
New England Water Works Assn.  
American Water Works Assn.  
Water Research Foundation

An EPA WaterSense Partner

Only Tap Water Delivers

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

RE: Dk 4406 Kent County Water Authority; Set 2

Dear Mrs. Massaro:

Enclosed is an original and seven copies of Providence Water's responses to the second set of data request from Kent County Water Authority.

If you have any questions you can contact me at extension 7217.

Sincerely,

Mary L. Deignan-White  
Senior Manager of Regulatory

cc: service list

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-1. Based on the December 2010 IFR submitted as part of the data requests from the Division, it appears that neither the Lawton Hill nor the Longview Reservoirs provide any service to wholesale customers. Please confirm. If not true, please explain which wholesale customers receive service from these facilities.

Answer: Both Lawton Hill Reservoir and Longview Reservoir provide service to wholesale customers. Lawton Hill Reservoir provides wholesale service to the Johnston Water District. Longview Reservoir provides wholesale service to the four (4) separate wholesale districts of Smithfield, East Smithfield, Greenville, and Lincoln.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-2. Regarding the response to Div 1-7 (monthly sales by customer class), what percentage of each customer class are billed monthly?

Answer: Providence Water currently has very few monthly accounts. Monthly accounts are .12% of our total retail accounts. Of the 83 monthly accounts referenced on HJS-S10, 10 are Residential (apartments), 69 Commercial and 4 Industrial.

On a consumption basis, for fiscal year to date through March 2013, Residential monthly accounts are 2.4% of total residential, Commercial monthly accounts are 38% of total commercial, and Industrial monthly accounts are 67.9% of total industrial. Monthly consumption is 15.4% of the total retail consumption. See attached.

**Providence Water  
Water Sales (hcf) FY 2013 to date**

Total Accounts	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	% of class
Residential	658,526.23	816,778.54	1,039,578.96	753,922.64	613,360.80	835,345.81	455,372.84	531,948.94	797,711.72	-	-	-	6,502,546.48	2.4%
Commercial	252,170.39	336,900.62	688,962.55	281,730.85	271,902.54	510,425.95	278,423.05	293,918.49	500,234.77	-	-	-	3,394,669.21	38.0%
Industrial	12,795.66	19,178.65	15,342.36	14,515.33	15,680.45	15,003.11	14,210.15	15,148.65	15,999.58	-	-	-	137,873.94	67.9%
Total Retail	923,492.28	1,172,857.81	1,743,883.87	1,030,168.82	900,943.79	1,360,774.87	748,006.04	841,016.08	1,313,946.07	-	-	-	10,035,089.63	
Wholesale	1,562,663.79	1,533,855.58	1,213,528.23	996,396.69	773,161.75	882,959.37	1,055,521.83	889,983.39	809,422.46	-	-	-	9,697,493.09	
Total Consumption	2,486,156.07	2,706,713.39	2,957,412.10	2,026,565.51	1,674,105.54	2,243,734.24	1,803,527.87	1,710,999.47	2,123,368.53	-	-	-	19,732,582.72	
Monthly Accounts	19,612.40	21,272.81	18,097.14	16,691.75	14,000.34	15,801.20	19,734.80	15,390.25	15,371.60	-	-	-	155,972	total
Residential (Multi-family)	146,399.77	161,121.73	134,917.94	128,286.32	121,084.24	121,517.11	182,013.48	151,214.81	144,662.65	-	-	-	1,291,218	
Commercial	10,094.10	11,285.40	10,362.40	10,820.10	8,394.30	10,623.80	12,857.80	8,863.80	10,320.10	-	-	-	93,622	
Industrial	176,106.27	193,679.94	163,377.48	155,798.17	143,478.88	147,942.11	214,606.08	175,468.86	170,354.35	0	0	0	1,540,812	

For KCWA2-2

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-3: On page 15 (lines 3-5) of his pre-filed testimony, Mr. Smith states that “the demand characteristics of all the wholesale customers are the same and that their demands for service are essentially the same as the demands placed on the system by the entire retail class.” Considering the results in Div 1-7, please explain how Mr. Smith comes to these conclusions.

Response: The demands of wholesale customers have generally been comparable to those of the entire retail class, with some exceptions (e.g. FY 2011). Rates for wholesale customers are set based on their proportionate share of total annual consumption, without regard to maximum day or hour peaking factors, the method that was accepted by the commission in Docket 3832.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-4. Please provide a copy of the annual principal and interest payments (and fees, if applicable) on all existing and proposed debt service for the test year and at least five years following the test year.

Answer: Please see attached debt service schedules.

Rhode Island Clean Water Finance Agency  
 Drinking Water Revolving Fund Revenue Bonds, Series 2005A  
 Final Pricing Numbers

CWFA FY2005 Bond  
 Paid 848

Loan Debt Service  
 Providence Water Supply Board - \$8,101,000 Agency Loan

Date	Principal	Loan Rate	(1) Interest	Fees @ 0.500%	Total Fees & Interest	Total Debt Service	Annual Debt Service
03/23/05							
9/1/2005	723,000.00 ✓	1.750%	79,033.93	17,777.19	96,811.12	819,811.12	819,811.12
3/1/2006			83,712.40	18,445.00	102,157.40	102,157.40	
9/1/2006	740,000.00	1.750%	83,712.40	18,445.00	102,157.40	842,157.40	944,314.80
3/1/2007			77,237.40	16,595.00	93,832.40	93,832.40	
9/1/2007	756,000.00	1.880%	77,237.40	16,595.00	93,832.40	849,832.40	943,664.80
3/1/2008			70,131.00	14,705.00	84,836.00	84,836.00	
9/1/2008	774,000.00	1.990%	70,131.00	14,705.00	<del>84,836.00</del> 75,199.70	858,836.00	943,672.00
3/1/2009			62,429.70	12,770.00	75,199.70	75,199.70	
9/1/2009	794,000.00	2.140%	62,429.70	12,770.00	75,199.70	869,199.70	944,399.40
3/1/2010			53,933.90	10,785.00	64,718.90	64,718.90	
9/1/2010	814,000.00 ✓	2.270%	53,933.90	10,785.00	64,718.90	878,718.90	943,437.80
3/1/2011			44,695.00	8,750.00	53,445.00 ✓	53,445.00	
9/1/2011	837,000.00	2.380%	44,695.00	8,750.00	53,445.00 ✓	890,445.00	943,890.00
3/1/2012			34,734.70	6,657.50	41,392.20	41,392.20	
9/1/2012	861,000.00 ✓	2.500%	34,734.70	6,657.50	41,392.20 ✓	902,392.20	943,784.40
3/1/2013			23,972.20	4,505.00	28,477.20	28,477.20	
9/1/2013	887,000.00 ✓	2.620%	23,972.20	4,505.00	28,477.20 ✓	915,477.20	943,954.40
3/1/2014			12,352.50	2,287.50	14,640.00	14,640.00	
9/1/2014	915,000.00	2.700%	12,352.50	2,287.50	14,640.00	929,640.00	944,280.00
3/1/2015			-	-	-	-	
9/1/2015			-	-	-	-	
3/1/2016			-	-	-	-	
9/1/2016			-	-	-	-	
3/1/2017			-	-	-	-	
9/1/2017			-	-	-	-	
3/1/2018			-	-	-	-	
9/1/2018			-	-	-	-	
3/1/2019			-	-	-	-	
9/1/2019			-	-	-	-	
3/1/2020			-	-	-	-	
9/1/2020			-	-	-	-	
3/1/2021			-	-	-	-	
9/1/2021			-	-	-	-	
3/1/2022			-	-	-	-	
9/1/2022			-	-	-	-	
3/1/2023			-	-	-	-	
9/1/2023			-	-	-	-	
3/1/2024			-	-	-	-	
9/1/2024			-	-	-	-	
3/1/2025			-	-	-	-	
9/1/2025			-	-	-	-	
3/1/2026			-	-	-	-	
9/1/2026			-	-	-	-	
3/1/2027			-	-	-	-	
	<u>8,101,000.00</u>		<u>1,005,431.53</u>	<u>208,777.19</u>	<u>1,214,208.72</u>	<u>9,315,208.72</u>	<u>9,315,208.72</u>

CWFA  
2008  
35,000,000  
Paid 848

Rhode Island Clean Water Finance Agency  
Drinking Water Revolving Fund Revenue Bonds, Series 2008A  
RI Revenue MMD Rates as of 05/19/08

Loan & Debt Service  
Providence WSB (AA Rated Revenue Pledge) - \$35,000,000 Agency Loan

Date	Principal	Loan Rate	(1) Interest	Fees @ 0.500%	Total Fees & Interest	Total Debt Service	Annual Debt Service
06/05/08							
9/1/2008	1,000.00	(2)	87,678.95	15,373.59	103,052.52	104,052.52	104,052.52
3/1/2009			328,542.08	57,606.48	386,148.56	386,148.56	
9/1/2009	1,000.00	(2)	386,288.31	67,731.47	454,019.78	455,019.78	841,169.34
3/1/2010			471,361.53	82,648.14	554,009.67	554,009.67	
9/1/2010	1,298,000.00	1.770%	499,032.85	87,500.00	586,532.85	1,882,532.85	2,436,542.52
3/1/2011			487,545.55	84,255.00	571,800.55	571,800.55	
9/1/2011	1,327,000.00	2.020%	487,545.35	84,255.00	571,800.55	1,898,800.55	2,470,601.10
3/1/2012			474,142.85	80,937.50	555,080.35	555,080.35	
9/1/2012	1,361,000.00	2.200%	474,142.85	80,937.50	555,080.35	1,916,080.35	2,471,160.70
3/1/2013			459,171.85	77,535.00	536,706.85	536,706.85	
9/1/2013	1,397,000.00	2.290%	459,171.85	77,535.00	536,706.85	1,933,706.85	2,470,413.70
3/1/2014			443,176.20	74,042.50	517,218.70	517,218.70	
9/1/2014	1,436,000.00	2.380%	443,176.20	74,042.50	517,218.70	1,933,218.70	2,470,437.40
3/1/2015			426,087.80	70,452.50	496,540.30	496,540.30	
9/1/2015	1,478,000.00	2.480%	426,087.80	70,452.50	496,540.30	1,974,340.30	2,471,080.60
3/1/2016			407,760.60	66,757.50	474,518.10	474,518.10	
9/1/2016	1,522,000.00	2.570%	407,760.60	66,757.50	474,518.10	1,996,518.10	2,471,036.20
3/1/2017			388,202.90	62,952.50	451,155.40	451,155.40	
9/1/2017	1,568,000.00	2.670%	388,202.90	62,952.50	451,155.40	2,019,155.40	2,470,310.80
3/1/2018			367,270.10	59,032.50	426,302.60	426,302.60	
9/1/2018	1,618,000.00	2.760%	367,270.10	59,032.50	426,302.60	2,044,302.60	2,470,603.20
3/1/2019			344,941.70	54,987.50	399,929.20	399,929.20	
9/1/2019	1,671,000.00	2.840%	344,941.70	54,987.50	399,929.20	2,070,929.20	2,470,858.40
3/1/2020			321,213.50	50,810.00	372,023.50	372,023.50	
9/1/2020	1,727,000.00	2.920%	321,213.50	50,810.00	372,023.50	2,099,023.50	2,471,047.00
3/1/2021			295,999.30	46,492.50	342,491.80	342,491.80	
9/1/2021	1,786,000.00	2.990%	295,999.30	46,492.50	342,491.80	2,128,491.80	2,470,983.60
3/1/2022			269,298.60	42,027.50	311,326.10	311,326.10	
9/1/2022	1,848,000.00	3.040%	269,298.60	42,027.50	311,326.10	2,159,326.10	2,470,652.20
3/1/2023			241,209.00	37,407.50	278,616.50	278,616.50	
9/1/2023	1,913,000.00	3.100%	241,209.00	37,407.50	278,616.50	2,191,616.50	2,470,233.00
3/1/2024			211,557.50	32,625.00	244,182.50	244,182.50	
9/1/2024	1,982,000.00	3.140%	211,557.50	32,625.00	244,182.50	2,226,182.50	2,470,363.00
3/1/2025			180,440.10	27,670.00	208,110.10	208,110.10	
9/1/2025	2,055,000.00	3.190%	180,440.10	27,670.00	208,110.10	2,263,110.10	2,471,220.20
3/1/2026			147,662.85	22,532.50	170,195.35	170,195.35	
9/1/2026	2,130,000.00	3.220%	147,662.85	22,532.50	170,195.35	2,300,195.35	2,470,390.70
3/1/2027			113,369.85	17,207.50	130,577.35	130,577.35	
9/1/2027	2,210,000.00	3.260%	113,369.85	17,207.50	130,577.35	2,340,577.35	2,471,154.70
3/1/2028			77,346.85	11,682.50	89,029.35	89,029.35	
9/1/2028	2,293,000.00	3.290%	77,346.85	11,682.50	89,029.35	2,382,029.35	2,471,058.70
3/1/2029			39,627.00	5,950.00	45,577.00	45,577.00	
9/1/2029	2,380,000.00	3.330%	39,627.00	5,950.00	45,577.00	2,425,577.00	2,471,154.00
<u>33,002,000.00</u>			<u>13,164,952.92</u>	<u>2,161,574.66</u>	<u>15,326,527.58</u>	<u>50,326,527.58</u>	<u>30,326,527.58</u>

- (1) Interest during construction period is calculated based on the timing of expected draws and the overall weighted average loan rate of 2.846%.
- (2) Represents sinking fund redemptions of 09/01/2010
- (3) 9/1/2010 final debt service adjusted for sinking fund redemptions.



SPECIMEN

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
CITY OF PROVIDENCE  
CLEAN WATER REVENUE BONDS  
(PROVIDENCE WATER SUPPLY BOARD - 2001 SERIES B)

CWFA-2001  
Paid 877  
WC WDS FOND

\$2,500,000

No. R-1

5  
6

The City of Providence, Rhode Island (the "Issuer"), for value received, promises to pay to the Rhode Island Clean Water Finance Agency or its registered assigns (the "Agency"), the sum of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000), or such lesser amount as shall have been advanced from time to time under and pursuant to a Loan Agreement by and between the Issuer and the Agency dated as of December 4, 2001 (the "Loan Agreement") relating to the Loan, as defined therein, which this Bond represents, with interest meantime, payable from the date of the first advance to the City pursuant to the Loan Agreement, at the rate of 4.807% per annum on the outstanding balance hereof. Both principal and interest are payable in any coin or currency of the United States of America which at the time of payment is legal tender for payment of public and private debts by check of the Issuer delivered to the Agency at its principal offices in Providence, Rhode Island. Interest shall be payable March 1, 2002, and each September 1 and March 1 thereafter until the full principal hereon has been repaid and is no longer outstanding. Principal shall be payable September 1 in each year as follows:

<u>Date and Year of Payment</u>	<u>Principal Due</u>
September 1, 2002	\$117,038.00
September 1, 2003	90,729.18
September 1, 2004	93,808.91
September 1, 2005	97,065.02
September 1, 2006	100,434.15
September 1, 2007	103,920.21
September 1, 2008	107,527.28
September 1, 2009	111,259.55
September 1, 2010	115,121.37 ✓
September 1, 2011	119,117.24
September 1, 2012	123,251.81
September 1, 2013	127,529.89
September 1, 2014	131,956.45 R F
September 1, 2015	136,536.65
September 1, 2016	141,275.83
September 1, 2017	146,179.52
September 1, 2018	151,253.42
September 1, 2019	156,503.43
September 1, 2020	161,935.65
September 1, 2021	167,556.44

Rhode Island Clean Water Finance Agency  
 Drinking Water Revolving Fund Revenue Bonds, Series 2009A  
 Final Numbers

ARRA-09  
 CIP / METER FORM.

Loan Debt Service  
 Providence WSB \$3,930,000 REY AA-Rated ARRA Federal Direct Loan plus ARRA Principal Forgiveness

Date	Principal	Loan Rate	(1)		(2) Interest	Net Fees @ 0.500%	Total Fees & Interest	Total Net Debt Service	Annual Net Debt Service & Fees
			Less: Prin Forgiveness	Net Principal					
11/19/09					2,649.18	963.32	3,612.50	3,612.50	-
3/1/2010				192.01	5,362.79	1,950.10	7,312.89	7,504.90	11,117.40
9/1/2010	250.00	0.410%	(57.99)		11,109.25	4,039.72	15,148.97	15,148.97	-
3/1/2011				585,250.23	15,021.13	5,462.23	20,483.36	605,733.59	620,882.56
9/1/2011	762,000.00	0.710%	(176,749.77)		13,747.53	4,999.10	18,746.63	18,746.63	-
3/1/2012				592,162.63	16,268.36	5,915.77	22,184.13	614,346.76	633,093.39
9/1/2012	771,000.00	1.010%	(178,837.37)		15,688.41	4,602.03	20,290.44	20,290.44	-
3/1/2013				601,379.17	15,688.41	4,602.03	20,290.44	621,669.61	641,960.05
9/1/2013	783,000.00	1.370%	(181,620.83)		11,568.96	3,098.58	14,667.54	14,667.54	-
3/1/2014				612,899.84	11,568.96	3,098.58	14,667.54	627,567.38	642,234.92
9/1/2014	798,000.00	1.700%	(185,100.16)		6,359.31	1,566.33	7,925.64	7,925.64	-
3/1/2015				626,532.64	6,359.31	1,566.33	7,925.64	634,458.28	642,383.92
9/1/2015	815,750.00	2.030%	(189,217.36)		-	-	-	-	-
3/1/2016	-	-	-	-	-	-	-	-	-
9/1/2016	-	-	-	-	-	-	-	-	-
3/1/2017	-	-	-	-	-	-	-	-	-
9/1/2017	-	-	-	-	-	-	-	-	-
3/1/2018	-	-	-	-	-	-	-	-	-
9/1/2018	-	-	-	-	-	-	-	-	-
3/1/2019	-	-	-	-	-	-	-	-	-
9/1/2019	-	-	-	-	-	-	-	-	-
3/1/2020	-	-	-	-	-	-	-	-	-
9/1/2020	-	-	-	-	-	-	-	-	-
3/1/2021	-	-	-	-	-	-	-	-	-
9/1/2021	-	-	-	-	-	-	-	-	-
3/1/2022	-	-	-	-	-	-	-	-	-
9/1/2022	-	-	-	-	-	-	-	-	-
3/1/2023	-	-	-	-	-	-	-	-	-
9/1/2023	-	-	-	-	-	-	-	-	-
3/1/2024	-	-	-	-	-	-	-	-	-
9/1/2024	-	-	-	-	-	-	-	-	-
3/1/2025	-	-	-	-	-	-	-	-	-
9/1/2025	-	-	-	-	-	-	-	-	-
3/1/2026	-	-	-	-	-	-	-	-	-
9/1/2026	-	-	-	-	-	-	-	-	-
3/1/2027	-	-	-	-	-	-	-	-	-
9/1/2027	-	-	-	-	-	-	-	-	-
3/1/2028	-	-	-	-	-	-	-	-	-
9/1/2028	-	-	-	-	-	-	-	-	-
3/1/2029	-	-	-	-	-	-	-	-	-
9/1/2029	-	-	-	-	-	-	-	-	-
3/1/2030	-	-	-	-	-	-	-	-	-
9/1/2030	-	-	-	-	-	-	-	-	-
9/1/2030	-	-	-	-	-	-	-	-	-
	<u>3,930,000.00</u>		<u>(911,583.48)</u>	<u>3,018,416.52</u>	<u>131,391.60</u>	<u>41,864.12</u>	<u>173,255.72</u>	<u>3,191,672.24</u>	<u>3,191,672.24</u>

- (1) Principal Forgiveness total is equal to 50% of the 2009 ARRA allotment received (\$9,750,000), representing approximately 23.2% of the total Series 2009A DW Agency, Direct, Federal Direct & ARRA Federal Direct loans to be funded and \$2,999,000 of additional loans funded by the Agency in 2009.
- (2) Interest during construction period is calculated based on the timing of expected draws and the overall weighted average loan rate of 1.375%.

**Providence Water  
ARRA Efficiency Projects  
Pro-rated Debt Service**

Hydrant Locks CIP	\$	360,000	
M Logs CIP	\$	890,000	
Sub-total CIP	\$	1,250,000	38%
Meters/ERTS AMR/Met	\$	2,000,000	62%
Total Projects	\$	3,250,000	100%

Month/day	Year	Total Net Debt Service	Annual Net DS by FY	Pro-rated CIP 38%	Pro-rated AMR/Meter 62%
3/1	2010	\$ 3,612.50	\$ 3,612.50	\$ 1,372.75	\$ 2,239.75
9/1	2010	\$ 7,504.90			
3/1	2011	\$ 15,148.97	\$ 22,653.87	\$ 8,608.47	\$ 14,045.40
9/1	2011	\$ 605,733.59			
3/1	2012	\$ 18,746.63	\$ 624,480.22	\$ 237,302.48	\$ 387,177.74
9/1	2012	\$ 614,346.76			
3/1	2013	\$ 20,290.44	\$ 634,637.20	\$ 241,162.14	\$ 393,475.06
9/1	2013	\$ 621,669.61			
3/1	2014	\$ 14,667.54	\$ 636,337.15	\$ 241,808.12	\$ 394,529.03
9/1	2014	\$ 627,567.38			
3/1	2015	\$ 7,925.64	\$ 635,493.02	\$ 241,487.35	\$ 394,005.67
9/1	2015	\$ 634,458.28			
3/1	2016	\$ -	\$ 634,458.28	\$ 241,094.15	\$ 393,364.13
Totals		\$ 3,191,672.24	\$ 3,191,672.24	\$ 1,212,835.45 xcheck	\$ 1,978,836.79 \$ 3,191,672.24

From Southwest schedules dated 10/28/09

Rhode Island Clean Water Finance Agency  
 Drinking Water Revolving Fund Revenue Bonds, Series 2009A  
 Final Numbers

ARRA 09  
 IFR PORTION

Loan Debt Service  
 Providence WSN - Aggregate 20Yr Loan Schedule: \$9,320,000 REY AA-Rated Loan plus ARRA Principal Forgiveness

Date	Principal	Loan Rate	(1) Less: Prin Forgiveness	Net Principal	(2) Interest	Net Fees @ 0.500%	Total Fees & Interest	Total Net Debt Service	Annual Net Debt Service & Fees
11/19/09									
3/1/2010					3,668.23	715.64	4,383.87	4,383.87	
9/1/2010	750.00	0.410%	(173.97)	576.03	6,473.34	1,262.88	7,736.22	8,312.25	12,696.12
3/1/2011					6,710.61	1,309.14	8,019.75	8,019.75	
9/1/2011	361,000.00	0.710%	(83,735.79)	277,264.21	4,294.36	841.73	26,307.23	303,571.44	311,591.19
3/1/2012					44,057.15	8,413.73	52,470.88	52,470.88	
9/1/2012	365,000.00	1.010%	(84,663.61)	280,336.39	66,079.21	12,663.75	78,742.96	359,079.35	411,530.23
3/1/2013					89,327.91	16,500.00	105,827.91	105,827.91	
9/1/2013	371,000.00	1.370%	(86,055.33)	284,944.67	89,327.91	16,500.00	105,827.91	390,772.58	496,600.49
3/1/2014					87,376.04	15,787.65	103,163.69	103,163.69	
9/1/2014	378,000.00	1.700%	(87,679.02)	290,320.98	87,376.04	15,787.65	103,163.69	393,484.67	496,648.36
3/1/2015					84,908.30	15,061.83	99,970.13	99,970.13	
9/1/2015	386,000.00	2.030%	(89,534.66)	296,465.34	84,908.30	15,061.83	99,970.13	396,435.47	496,405.60
3/1/2016					81,899.18	14,320.68	96,219.86	96,219.86	
9/1/2016	396,000.00	2.260%	(91,854.21)	304,145.79	81,899.18	14,320.68	96,219.86	400,365.65	496,585.51
3/1/2017					78,462.34	13,560.31	92,022.65	92,022.65	
9/1/2017	407,000.00	2.420%	(94,405.72)	312,594.28	78,462.34	13,560.31	92,022.65	404,616.93	496,639.58
3/1/2018					74,679.95	12,778.82	87,458.77	87,458.77	
9/1/2018	418,000.00	2.540%	(96,957.22)	321,042.78	74,679.95	12,778.82	87,458.77	408,501.55	495,960.32
3/1/2019					70,602.70	11,976.22	82,578.92	82,578.92	
9/1/2019	431,000.00	2.630%	(99,972.64)	331,027.36	70,602.70	11,976.22	82,578.92	413,606.28	496,185.20
3/1/2020					66,249.69	11,148.65	77,398.34	77,398.34	
9/1/2020	445,000.00	2.720%	(103,220.01)	341,779.99	66,249.69	11,148.65	77,398.34	419,178.33	496,576.67
3/1/2021					61,601.48	10,294.20	71,895.68	71,895.68	
9/1/2021	459,000.00	2.780%	(106,467.38)	352,532.62	61,601.48	10,294.20	71,895.68	424,428.30	496,323.98
3/1/2022					56,701.28	9,412.86	66,114.14	66,114.14	
9/1/2022	474,000.00	2.830%	(109,946.71)	364,053.29	56,701.28	9,412.86	66,114.14	430,167.43	496,281.57
3/1/2023					51,549.92	8,502.73	60,052.65	60,052.65	
9/1/2023	489,000.00	2.880%	(113,426.03)	375,573.97	51,549.92	8,502.73	60,052.65	435,626.62	495,679.27
3/1/2024					46,141.66	7,563.80	53,705.46	53,705.46	
9/1/2024	506,000.00	2.940%	(117,369.27)	388,630.73	46,141.66	7,563.80	53,705.46	442,336.19	496,041.65
3/1/2025					40,428.79	6,592.22	47,021.01	47,021.01	
9/1/2025	524,000.00	2.990%	(121,544.46)	402,455.54	40,428.79	6,592.22	47,021.01	449,476.55	496,497.56
3/1/2026					34,412.08	5,586.08	39,998.16	39,998.16	
9/1/2026	542,000.00	3.020%	(125,719.66)	416,280.34	34,412.08	5,586.08	39,998.16	456,278.50	496,276.66
3/1/2027					28,126.24	4,545.39	32,671.63	32,671.63	
9/1/2027	561,000.00	3.040%	(130,126.80)	430,873.20	28,126.24	4,545.39	32,671.63	463,544.83	496,216.46
3/1/2028					21,576.97	3,468.20	25,045.17	25,045.17	
9/1/2028	581,000.00	3.080%	(134,765.91)	446,234.09	21,576.97	3,468.20	25,045.17	471,279.26	496,324.43
3/1/2029					14,704.96	2,352.62	17,057.58	17,057.58	
9/1/2029	603,000.00	3.110%	(139,868.92)	463,131.08	14,704.96	2,352.62	17,057.58	480,188.66	497,246.24
3/1/2030					7,503.27	1,194.79	8,698.06	8,698.06	
9/1/2030	622,250.00	3.140%	(144,334.07)	477,915.93	7,503.27	1,194.79	8,698.06	486,613.99	495,312.05
	<u>9,320,000.00</u>		<u>(2,161,821.39)</u>	<u>7,158,178.61</u>	<u>2,141,506.93</u>	<u>372,662.90</u>	<u>2,514,169.83</u>	<u>9,672,348.44</u>	<u>9,671,806.58</u>

- (1) Principal Forgiveness total is equal to 50% of the 2009 ARRA allotment received (\$9,750,000), representing approximately 23.2% of the total Series 2009A DW Agency, Direct, Federal Direct & ARRA Federal Direct loans to be funded and \$2,999,000 of additional loans funded by the Agency in 2009.
- (2) Interest during construction period is calculated based on the timing of expected draws and the overall weighted average loan rate.

# 3,000,000  
 Closed 5/12  
 Paid 843-WQPF

Rhode Island Clean Water Finance Agency  
 Clean Water SRF Program - Series 2012A  
 Revised Final Numbers (6.21.12 at 8:30pm CDT)

Loan Debt Service

Providence Water- \$3.0M CWSRF Fed Direct Loan (AA Rated, Revenue Pledge)

Date	Principal	Loan Rate	(1) Green Principal Forgiveness Loan	Net Principal	(2) Interest	Net Fees @ 0.500%	Total Fees & Interest	Total Net Debt Service	Annual Net Debt Service & Fees
06/28/12									
09/01/12	1,000.00	0.22%	(126.50)	873.50	5,696.50	1,519.09	7,215.59	8,089.09	8,089.09
03/01/13					21,596.37	5,759.12	27,355.49	27,355.49	
09/01/13	125,000.00	0.22%	(15,812.58)	109,187.42	24,565.83	6,549.06	31,114.89	140,302.31	167,657.80
03/01/14					24,445.72	6,276.09	30,721.81	30,721.81	
09/01/14	126,000.00	0.49%	(15,939.08)	110,060.92	24,445.72	6,276.09	30,721.81	140,782.73	171,504.54
03/01/15					24,176.07	6,000.94	30,177.01	30,177.01	
09/01/15	127,000.00	0.65%	(16,065.58)	110,934.42	24,176.07	6,000.94	30,177.01	141,111.43	171,288.44
03/01/16					23,815.53	5,723.60	29,539.13	29,539.13	
09/01/16	129,000.00	0.83%	(16,318.59)	112,681.41	23,815.53	5,723.60	29,539.13	142,220.54	171,759.67
03/01/17					23,347.90	5,441.90	28,789.80	28,789.80	
09/01/17	131,000.00	1.01%	(16,571.59)	114,428.41	23,347.90	5,441.90	28,789.80	143,218.21	172,008.01
03/01/18					22,770.04	5,155.83	27,925.87	27,925.87	
09/01/18	133,000.00	1.26%	(16,824.59)	116,175.41	22,770.04	5,155.83	27,925.87	144,101.28	172,027.15
03/01/19					22,038.13	4,865.39	26,903.52	26,903.52	
09/01/19	135,000.00	1.47%	(17,077.59)	117,922.41	22,038.13	4,865.39	26,903.52	144,825.93	171,729.45
03/01/20					21,171.40	4,570.59	25,741.99	25,741.99	
09/01/20	138,000.00	1.63%	(17,457.09)	120,542.91	21,171.40	4,570.59	25,741.99	146,284.90	172,026.89
03/01/21					20,188.98	4,269.23	24,458.21	24,458.21	
09/01/21	140,000.00	1.80%	(17,710.09)	122,289.91	20,188.98	4,269.23	24,458.21	146,748.12	171,206.33
03/01/22					19,088.37	3,963.50	23,051.87	23,051.87	
09/01/22	144,000.00	1.89%	(18,216.10)	125,783.90	19,088.37	3,963.50	23,051.87	148,835.77	171,887.64
03/01/23					17,899.71	3,649.04	21,548.75	21,548.75	
09/01/23	147,000.00	2.11%	(18,595.60)	128,404.40	17,899.71	3,649.04	21,548.75	149,953.15	171,301.90
03/01/24					16,545.04	3,328.03	19,873.07	19,873.07	
09/01/24	151,000.00	2.25%	(19,101.60)	131,898.40	16,545.04	3,328.03	19,873.07	151,771.47	171,644.54
03/01/25					15,061.18	2,998.29	18,059.47	18,059.47	
09/01/25	155,000.00	2.36%	(19,607.60)	135,392.40	15,061.18	2,998.29	18,059.47	153,451.87	171,511.34
03/01/26					13,463.55	2,659.81	16,123.36	16,123.36	
09/01/26	160,000.00	2.39%	(20,240.11)	139,759.89	13,463.55	2,659.81	16,123.36	155,883.25	172,006.61
03/01/27					11,793.42	2,310.41	14,103.83	14,103.83	
09/01/27	164,000.00	2.32%	(20,746.11)	143,253.89	11,793.42	2,310.41	14,103.83	157,357.72	171,461.55
03/01/28					10,131.67	1,952.27	12,083.94	12,083.94	
09/01/28	169,000.00	2.36%	(21,378.61)	147,621.39	10,131.67	1,952.27	12,083.94	159,705.33	171,789.27
03/01/29					8,389.74	1,583.22	9,972.96	9,972.96	
09/01/29	174,000.00	2.65%	(22,011.12)	151,988.88	8,389.74	1,583.22	9,972.96	161,961.84	171,934.80
03/01/30					6,375.89	1,203.25	7,579.14	7,579.14	
09/01/30	179,000.00	2.43%	(22,643.62)	156,356.38	6,375.89	1,203.25	7,579.14	163,935.52	171,514.66
03/01/31					4,476.16	812.35	5,288.51	5,288.51	
09/01/31	184,000.00	2.75%	(23,276.12)	160,723.88	4,476.16	812.35	5,288.51	166,012.39	171,300.90
03/01/32					2,266.21	410.54	2,676.75	2,676.75	
09/01/32	188,000.00	2.76%	(23,782.13)	164,217.87	2,266.21	410.54	2,676.75	166,894.62	169,571.37
	<u>3,000,000.00</u>		<u>(379,502.00)</u>	<u>2,620,498.00</u>	<u>666,748.12</u>	<u>148,175.83</u>	<u>814,923.95</u>	<u>3,435,421.95</u>	<u>3,435,421.95</u>

- (1) Principal Forgiveness has been distributed to borrowers funding Green Projects. See financing documents for details.
- (2) Interest during construction is based on the timing of expected draws and the overall weighted average loan rate of 1.875%.

KCWA 2-4

Rhode Island Clean Water Finance Agency  
 Safe Drinking Water Revolving Fund Revenue Bonds, Series 2013A  
 Final Numbers

# 25,000,000  
 Closed 5/13  
 Paid 848

Loan Debt Service

Providence WSB- \$25.0 million Aggregate DW Loan (AA Rated, Revenue Pledge)

Date	Principal	Loan Rate	(1) Principal Forgiveness Loan	Net Principal	(2) Interest	Net Fees @ 0.500%	Total Fees & Interest	Total Debt Service & Fees	Annual Debt Service & Fees
05/14/13	-	-	-	-	-	-	-	-	-
9/1/2013	1,000.00	0.22%	(56.50)	943.50	43,255.38	11,173.68	54,429.06	55,372.56	55,372.56
3/1/2014	-	-	-	-	103,689.49	26,785.93	130,475.42	130,475.42	-
9/1/2014	1,000.00	0.22%	(56.50)	943.50	135,463.14	34,994.26	170,457.40	171,400.90	301,876.32
3/1/2015	-	-	-	-	175,291.96	45,283.57	220,575.53	220,575.53	-
9/1/2015	1,038,000.00	0.40%	(58,940.48)	979,059.52	207,761.09	53,672.32	261,433.41	1,240,492.93	1,461,068.46
3/1/2016	-	-	-	-	226,237.42	56,501.73	282,739.15	282,739.15	-
9/1/2016	1,047,000.00	0.54%	(59,398.57)	987,601.43	226,237.42	56,501.73	282,739.15	1,270,340.58	1,553,079.73
3/1/2017	-	-	-	-	223,570.90	54,032.73	277,603.63	277,603.63	-
9/1/2017	1,058,000.00	0.70%	(60,009.35)	997,990.65	223,570.90	54,032.73	277,603.63	1,275,594.28	1,553,197.91
3/1/2018	-	-	-	-	220,077.93	51,537.75	271,615.68	271,615.68	-
9/1/2018	1,070,000.00	0.90%	(60,772.83)	1,009,227.17	220,077.93	51,537.75	271,615.68	1,280,842.85	1,552,458.53
3/1/2019	-	-	-	-	215,536.41	49,014.68	264,551.09	264,551.09	-
9/1/2019	1,086,000.00	1.06%	(61,536.30)	1,024,463.70	215,536.41	49,014.68	264,551.09	1,289,014.79	1,553,565.88
3/1/2020	-	-	-	-	210,106.75	46,453.52	256,560.27	256,560.27	-
9/1/2020	1,103,000.00	1.26%	(62,605.17)	1,040,394.83	210,106.75	46,453.52	256,560.27	1,296,955.10	1,553,515.37
3/1/2021	-	-	-	-	203,552.26	43,852.54	247,404.80	247,404.80	-
9/1/2021	1,122,000.00	1.44%	(63,674.04)	1,058,325.96	203,552.26	43,852.54	247,404.80	1,305,730.76	1,553,135.56
3/1/2022	-	-	-	-	195,932.31	41,206.72	237,139.03	237,139.03	-
9/1/2022	1,144,000.00	1.59%	(64,895.61)	1,079,104.39	195,932.31	41,206.72	237,139.03	1,316,243.42	1,553,382.45
3/1/2023	-	-	-	-	187,353.43	38,508.96	225,862.39	225,862.39	-
9/1/2023	1,168,000.00	1.72%	(66,269.87)	1,101,730.13	187,353.43	38,508.96	225,862.39	1,327,592.52	1,553,454.91
3/1/2024	-	-	-	-	177,878.55	35,754.64	213,633.19	213,633.19	-
9/1/2024	1,193,000.00	1.93%	(67,644.13)	1,125,355.87	177,878.55	35,754.64	213,633.19	1,338,989.06	1,552,622.25
3/1/2025	-	-	-	-	167,018.87	32,941.25	199,960.12	199,960.12	-
9/1/2025	1,222,000.00	2.14%	(69,323.78)	1,152,676.22	167,018.87	32,941.25	199,960.12	1,352,636.34	1,552,596.46
3/1/2026	-	-	-	-	154,685.23	30,059.56	184,744.79	184,744.79	-
9/1/2026	1,254,000.00	2.31%	(71,156.12)	1,182,843.88	154,685.23	30,059.56	184,744.79	1,367,588.67	1,552,333.46
3/1/2027	-	-	-	-	141,023.38	27,102.45	168,125.83	168,125.83	-
9/1/2027	1,289,000.00	2.45%	(73,141.17)	1,215,858.83	141,023.38	27,102.45	168,125.83	1,383,984.66	1,552,110.49
3/1/2028	-	-	-	-	126,129.11	24,062.80	150,191.91	150,191.91	-
9/1/2028	1,328,000.00	2.55%	(75,278.90)	1,252,721.10	126,129.11	24,062.80	150,191.91	1,402,913.01	1,553,104.92
3/1/2029	-	-	-	-	110,156.92	20,931.00	131,087.92	131,087.92	-
9/1/2029	1,368,000.00	2.65%	(77,569.34)	1,290,430.66	110,156.92	20,931.00	131,087.92	1,421,518.58	1,552,606.50
3/1/2030	-	-	-	-	93,058.71	17,704.92	110,763.63	110,763.63	-
9/1/2030	1,413,000.00	2.47%	(80,165.16)	1,332,834.84	93,058.71	17,704.92	110,763.63	1,443,598.47	1,554,362.10
3/1/2031	-	-	-	-	76,598.20	14,372.83	90,971.03	90,971.03	-
9/1/2031	1,453,000.00	2.65%	(82,455.59)	1,370,544.41	76,598.20	14,372.83	90,971.03	1,461,515.44	1,552,486.47
3/1/2032	-	-	-	-	58,438.49	10,946.47	69,384.96	69,384.96	-
9/1/2032	1,500,000.00	2.70%	(85,051.42)	1,414,948.58	58,438.49	10,946.47	69,384.96	1,484,333.54	1,553,718.50
3/1/2033	-	-	-	-	39,336.68	7,409.10	46,745.78	46,745.78	-
9/1/2033	1,547,000.00	2.68%	(87,799.94)	1,459,200.06	39,336.68	7,409.10	46,745.78	1,505,945.84	1,552,691.62
3/1/2034	-	-	-	-	19,783.40	3,761.10	23,544.50	23,544.50	-
9/1/2034	1,595,000.00	2.63%	(90,558.64)	1,504,441.36	19,783.40	3,761.10	23,544.50	1,527,985.86	1,551,530.36
	<u>25,000,000.00</u>		<u>(1,418,359.41)</u>	<u>23,581,640.59</u>	<u>6,358,410.96</u>	<u>1,384,219.26</u>	<u>7,742,630.22</u>	<u>31,324,270.81</u>	<u>31,324,270.81</u>

(1) Includes \$635,218 and \$783,141 of Principal Forgiveness funds from the 2012 and 2011 Federal Cap Grants, respectively.  
 (2) Interest during construction is calculated based on the timing of expected draws and the overall weighted average loan rate of 1.935%.

Rhode Island Clean Water Finance Agency  
 Clean Water SRF Program - Series 2013A  
 Final Numbers

Loan Debt Service

Providence WSB- \$4.2M CWSRF Fed Direct Loan (AA Rated, Revenue Pledge)

848  
 4,200,000  
 Closed 5/13  
 WQPF

Date	Principal	Loan Rate	(1) Principal Forgiveness	Net Principal	(2) Interest	Net Fees @ 0.500%	Total Fees & Interest	Total Net Debt Service	Annual Net Debt Service & Fees
06/06/13									
9/1/2013	1,000.00	0.19%	(101.21)	898.79 <sup>(3)</sup>	1,296.96	369.24	1,666.20	2,564.99	2,564.99
3/1/2014					10,105.63	2,877.04	12,982.67	12,982.67	
9/1/2014	178,000.00	0.19%	(18,014.88)	159,985.12	26,856.54	7,645.93	34,502.47	194,487.59	207,470.26
3/1/2015					32,996.00	9,035.11	42,031.11	42,031.11	
9/1/2015	179,000.00	0.35%	(18,116.09)	160,883.91	32,996.00	9,035.11	42,031.11	202,915.02	244,946.13
3/1/2016					32,714.45	8,632.90	41,347.35	41,347.35	
9/1/2016	180,000.00	0.46%	(18,217.30)	161,782.70	32,714.45	8,632.90	41,347.35	203,130.05	244,477.40
3/1/2017					32,342.35	8,228.45	40,570.80	40,570.80	
9/1/2017	182,000.00	0.65%	(18,419.71)	163,580.29	32,342.35	8,228.45	40,570.80	204,151.09	244,721.89
3/1/2018					31,810.71	7,819.50	39,630.21	39,630.21	
9/1/2018	184,000.00	0.84%	(18,622.13)	165,377.87	31,810.71	7,819.50	39,630.21	205,008.08	244,638.29
3/1/2019					31,116.12	7,406.05	38,522.17	38,522.17	
9/1/2019	187,000.00	1.05%	(18,925.75)	168,074.25	31,116.12	7,406.05	38,522.17	206,596.42	245,118.59
3/1/2020					30,233.73	6,985.87	37,219.60	37,219.60	
9/1/2020	190,000.00	1.24%	(19,229.37)	170,770.63	30,233.73	6,985.87	37,219.60	207,990.23	245,209.83
3/1/2021					29,174.95	6,558.94	35,733.89	35,733.89	
9/1/2021	193,000.00	1.41%	(19,532.99)	173,467.01	29,174.95	6,558.94	35,733.89	209,200.90	244,934.79
3/1/2022					27,952.01	6,125.27	34,077.28	34,077.28	
9/1/2022	197,000.00	1.53%	(19,937.82)	177,062.18	27,952.01	6,125.27	34,077.28	211,139.46	245,216.74
3/1/2023					26,597.48	5,682.62	32,280.10	32,280.10	
9/1/2023	201,000.00	1.82%	(20,342.65)	180,657.35	26,597.48	5,682.62	32,280.10	212,937.45	245,217.55
3/1/2024					24,953.50	5,230.97	30,184.47	30,184.47	
9/1/2024	205,000.00	2.00%	(20,747.48)	184,252.52	24,953.50	5,230.97	30,184.47	214,436.99	244,621.46
3/1/2025					23,110.97	4,770.34	27,881.31	27,881.31	
9/1/2025	210,000.00	2.17%	(21,253.52)	188,746.48	23,110.97	4,770.34	27,881.31	216,627.79	244,509.10
3/1/2026					21,063.07	4,298.48	25,361.55	25,361.55	
9/1/2026	216,000.00	2.31%	(21,860.76)	194,139.24	21,063.07	4,298.48	25,361.55	219,500.79	244,862.34
3/1/2027					18,820.76	3,813.13	22,633.89	22,633.89	
9/1/2027	222,000.00	2.40%	(22,468.00)	199,532.00	18,820.76	3,813.13	22,633.89	222,165.89	244,799.78
3/1/2028					16,426.38	3,314.30	19,740.68	19,740.68	
9/1/2028	229,000.00	2.47%	(23,176.45)	205,823.55	16,426.38	3,314.30	19,740.68	225,564.23	245,304.91
3/1/2029					13,884.46	2,799.74	16,684.20	16,684.20	
9/1/2029	235,000.00	2.42%	(23,783.70)	211,216.30	13,884.46	2,799.74	16,684.20	227,900.50	244,584.70
3/1/2030					11,328.74	2,271.70	13,600.44	13,600.44	
9/1/2030	242,000.00	2.45%	(24,492.15)	217,507.85	11,328.74	2,271.70	13,600.44	231,108.29	244,708.73
3/1/2031					8,664.27	1,727.93	10,392.20	10,392.20	
9/1/2031	249,000.00	2.48%	(25,200.60)	223,799.40	8,664.27	1,727.93	10,392.20	234,191.60	244,583.80
3/1/2032					5,889.16	1,168.43	7,057.59	7,057.59	
9/1/2032	257,000.00	2.51%	(26,010.25)	230,989.75	5,889.16	1,168.43	7,057.59	238,047.34	245,104.93
3/1/2033					2,990.24	590.96	3,581.20	3,581.20	
9/1/2033	263,000.00	2.53%	(26,617.50)	236,382.50	2,990.24	590.96	3,581.20	239,963.70	243,544.90
	<u>4,200,000.00</u>		<u>(425,070.31)</u>	<u>3,774,929.69</u>	<u>882,397.83</u>	<u>203,813.59</u>	<u>1,086,211.42</u>	<u>4,861,141.11</u>	<u>4,861,141.11</u>

- (1) Principal Forgiveness funds have been distributed to borrowers with loan proceeds used to fund Green Projects. See financing documents for details.
- (2) Interest during construction is calculated based on the timing of expected draws and the overall weighted average loan rate of 1.756%.
- (3) Represents sinking fund redemptions of 09/01/14 maturity.

## Providence Water Docket 4406

### Data Requests of the Kent County Water Authority Set 2 (Issued May 31, 2013)

KCWA 2-5. Please explain why Providence Water requires \$2.45 million per year for its Capital Fund when it has a balance in excess of \$4.6 million projected for the end of FY 2015.

Answer: Providence Water has for some time recognized the need to move to a more suitable, efficient and centralized location. The Capital Improvement fund is restricted to only capital purchases. Any unspent funds roll over to the following year and remain in the fund.

Employees for Providence Water are currently housed in three (3) separate locations:

(1) 552 Academy Ave in Providence includes Administration, Commercial Services, Support Services and Transmission & Distribution

(2) 430 Scituate Avenue in Cranston includes Finance, Purchasing and Engineering

(3) Water Treatment Plant in Scituate includes Water Supply.

The facilities in Providence and Cranston are beyond their useful life and it is the intention of Providence Water to purchase one central Operations Facility. Providence Water is currently allocating \$2.4 million per year towards the purchase of a new Operations facility. Providence Water feels that the allocation is appropriate for the following reasons.

- It is Providence Water's intention to not raise rates to acquire a new Operations Building. Since the \$2.4 million is currently in Providence Water's rate structure, no additional rates would need to be collected, but current rate revenues would need to be maintained.
- Depending on the site selected, Providence Water could use accumulated funds for the purchase of land. Any site work and/or revisions necessary to accommodate our particular needs, office furniture and fixtures, and any other equipment needed could also be purchased with accumulated funds, not require borrowing, resulting in reduced cost to our ratepayers.
- Any funds collected in advance of the acquisition of the new facility can be utilized as a cash down payment and subsequently reduce the amount of financing required, also resulting in reduced future cost to our ratepayers.

-Please also see the response to KCWA 2-15.



Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-6. Please detail the \$1,250,000 of Western Cranston Projects shown for FY 2014 in Schedule HJS-S9B.

Answer: This single expenditure is for the planned installation of a 16" ductile iron transmission main along Scituate Avenue in Cranston to close a transmission loop within the Western Cranston section of the system.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-7. Regarding the \$8 million proposed addition to IFR expenses, Mr. Smith (page 9, line 23 and Schedule HJS-S9) refers to Mr. Gadoury's testimony for support. The discussion in Mr. Gadoury's testimony refers to his Exhibit PG-3 that indicates revised IFR funding for distribution mains of \$77 million over 5 years (\$15.4 million per year average). This is an increase of \$27 million over 5 years (\$5.4 million per year) over the existing IFR funding. Please detail:

- a) The basis for the \$8 million/year addition to IFR funding.
- b) The basis for the amounts presented in Schedule HJS-S9C for cash funded projects of \$23,815,000 in FY 2013, \$25,165,000 in FY 2014, and \$25,680,000 in FY 2015.

Answer: a) Please see the attached Sources and Uses of Funds, as of March 1, 2013. (This was also attached to DIV 1-32). This schedule balances the updated project costs with a combination of additional rate revenue and additional bond proceeds. The additional \$8 million/year was anticipated for January 1, 2014, and is therefore shown on the detailed sheet during FY 2014 at half year funding level.

b) Please see attached copy of Providence Water's IFR Plan update that was submitted to the RIDOH on March 1, 2013. (This was also attached to our response to DIV 1-31). Exhibit 10 provides the basis for the amounts shown on Schedule HJS-S9C.

Exhibit 3  
 Providence Water  
 Sources and Uses of Funds  
 IFR Funding & Expenditure Projections (\$000's)  
 Fiscal Years 2011 through 2030

	2011-2015		2016-2020		2021-2025		2026-2030		2011-2030	
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 1	Phase 2	Phase 3	Phase 4	Total	Total
<b>Sources of Funding:</b>										
Current Authorized Funding	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 320,000	\$ 320,000
Current Bond Proceeds	\$ 8,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,300	\$ 8,300
Funds Available from Prior Years	\$ 17,123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,123	\$ 17,123
Additional Rate Revenue	\$ 12,000	\$ 55,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 207,000	\$ 207,000
Additional Bond Proceeds	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000
<b>Total Sources of Funds</b>	<b>\$ 147,423</b>	<b>\$ 165,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 612,423</b>	<b>\$ 612,423</b>
<b>Uses of Funding:</b>										
Cash Funded Construction Projects	\$ 119,095	\$ 141,500	\$ 111,835	\$ 113,235	\$ 111,835	\$ 113,235	\$ 111,835	\$ 113,235	\$ 485,665	\$ 485,665
Existing Debt Service	\$ 18,742	\$ 14,689	\$ 14,689	\$ 14,689	\$ 14,689	\$ 14,689	\$ 14,689	\$ 14,689	\$ 62,809	\$ 62,809
Additional Debt Service	\$ 3,444	\$ 14,922	\$ 22,957	\$ 22,957	\$ 22,957	\$ 22,957	\$ 22,957	\$ 22,957	\$ 64,280	\$ 64,280
<b>Total Uses of Funds</b>	<b>\$ 141,281</b>	<b>\$ 171,111</b>	<b>\$ 149,481</b>	<b>\$ 150,881</b>	<b>\$ 149,481</b>	<b>\$ 150,881</b>	<b>\$ 149,481</b>	<b>\$ 150,881</b>	<b>\$ 612,754</b>	<b>\$ 612,754</b>
<b>IFR Program Surplus/(Deficit)</b>	<b>\$ 6,142</b>	<b>\$ (6,111)</b>	<b>\$ 519</b>	<b>\$ (881)</b>	<b>\$ 519</b>	<b>\$ (881)</b>	<b>\$ 519</b>	<b>\$ (881)</b>	<b>\$ (331)</b>	<b>\$ (331)</b>

As of March 1, 2013



RCWA 2-7(b)



552 Academy Avenue  
Providence, RI 02908

401-521-6300

[www.provwater.com](http://www.provwater.com)

March 1, 2013

June Swallow  
Chief, Drinking Water Quality  
R.I. Department of Health  
Cannon Building, Room 209  
Three Capitol Hill  
Providence, RI 02908-5097

The Hon. Angel Taveras  
Mayor

Boyce Spinelli  
General Manager

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New England Water Works Assn.  
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RE: Updated Infrastructure Replacement Plan

Dear Ms. Swallow,

As requested in RIDOH's December 6, 2012 letter, Providence Water is submitting the attached updated Exhibits 1, 2, 10, 11 and 13 from the 20-year Infrastructure Replacement Plan (Plan) dated December 2010.

The primary difference between the attached and the December 2010 Plan is the addition of \$6 million per year for main replacement/rehabilitation. Providence Water is currently preparing a full rate filing with the Public Utilities Commission (PUC) to be submitted in April 2013 and is requesting a \$6 million dollar increase in IFR funding. It is the intention that the entire \$6 million increase in funding will be completely allocated to main replacement/rehabilitation.

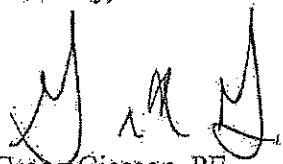
In Providence Water's opinion, the additional \$6 million in additional IFR money is appropriate for the following reasons.

- Providence Water is currently returning the distribution pH to pre-2005 levels in accordance with the pH Transition Implementation Plan. At this time, it is unclear what effect this change will have on our Lead and Copper, and what eventually will be our long term corrosion control strategy.
- Providence Water is still awaiting the complete results from the sequential sampling and the subsequent recommendations from the Expert Panel.
- The additional \$6 million will translate to approximately \$15-\$20 million of main replacement/rehabilitation work per year. This is the maximum amount of work that Providence Water can reasonably manage in one year. Providence Water is concerned that construction work on the distribution in excess of the above stated quantities may substantially increase the probability of water quality issues.
- As the Unidirectional Flushing (UDF), corrosion control, and main replacement/rehabilitation programs progress, Providence Water will continually reevaluate to determine the necessary quantities and locations of mains that require replacement or rehabilitation to best meet the criteria to minimize water quality issues.

Providence Water would like to meet with you to discuss the attached, please call (401-521-6300 x 7291) or e-mail ([ggiasson@provwater.com](mailto:ggiasson@provwater.com)) at your earliest convenience to schedule a time and date to meet.

Attachment: Revised Exhibits 1, 2, 10, 11, and 13

Sincerely,



Gregg Giasson, PE  
Senior Director of Operations  
Providence Water Supply Board

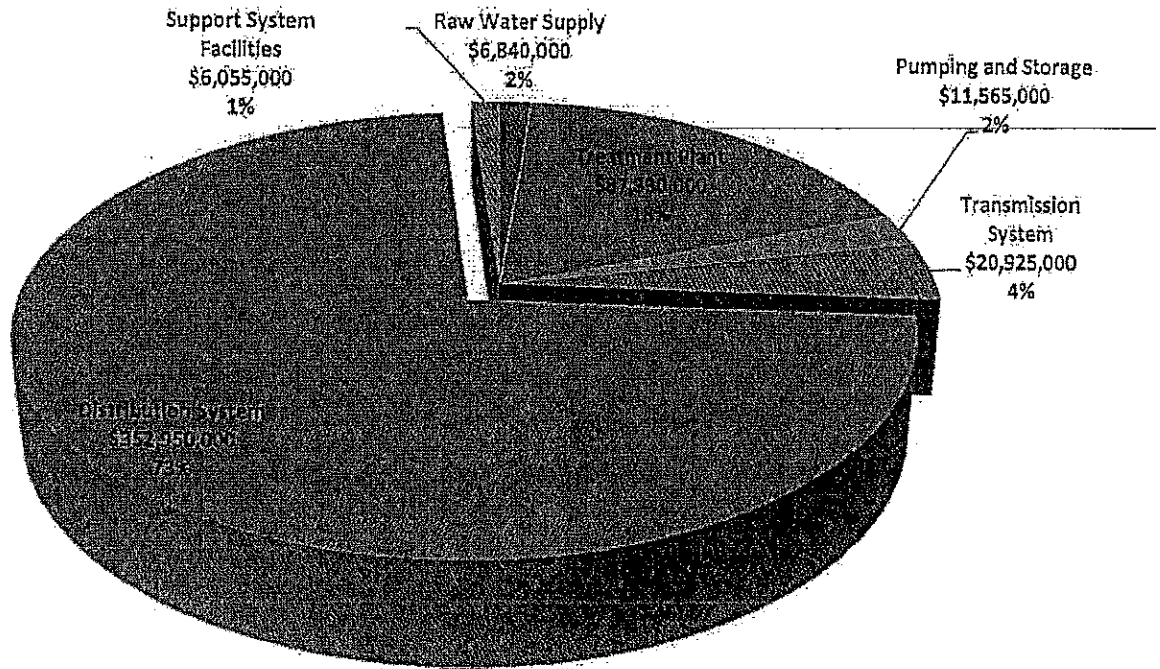
cc: Boyce Spinelli  
Ricky Caruplo  
Stephen Soito, PE  
Peter LePage  
Rich Razza

Joe Spremulli  
Steven Santaniello  
Paul Gadoury, PE  
John Phillips, PE

Exhibit 1  
 Providence Water  
**20 Year IFR Expenditure Plan**  
 Fiscal Years 2011 through 2030

	Total Amount	Budget 2011-2015	Budget 2016-2020	Budget 2021-2025	Budget 2026-2030
Raw Water Supply	6,840,000	1,300,000	4,090,000	800,000	650,000
Treatment Plant	87,330,000	45,975,000	38,335,000	1,985,000	1,035,000
Pumping and Storage	11,565,000	1,640,000	3,625,000	2,150,000	4,150,000
Transmission System	20,925,000	5,825,000	4,150,000	8,300,000	2,650,000
Distribution System	352,950,000	63,750,000	89,350,000	96,850,000	103,000,000
Support Systems Facilities	6,055,000	605,000	1,950,000	1,750,000	1,750,000
<b>Total</b>	<b>485,665,000</b>	<b>119,095,000</b>	<b>141,500,000</b>	<b>111,835,000</b>	<b>113,235,000</b>

Exhibit 2  
Providence Water  
20 Year IFR Expenditures  
Fiscal Years 2011 through 2030



20 Year Investment - \$486 Million



Exhibit 10  
**Providence Water**  
**IFR Expenditure Plan**  
 Fiscal Years 2011 through 2015

Total Amount	Budget 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015
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**RAW WATER SUPPLY**

*Reservoirs, Dams, and Watershed*

Regulating Reservoir dam rehabilitation	65,000	15,000		50,000		
Raw Water Booster PS - replace generator	300,000		300,000			
Large dam Improvements	80,000		50,000	10,000	10,000	10,000
Watershed fencing, fire lanes, property rehabilitation	55,000	15,000	10,000	10,000	10,000	10,000

*Raw Water Structures and Conduits*

Meter & Junction chambers rehabilitation	700,000	300,000	400,000			
60" Influent conduits - Inspection	50,000		50,000			
90" Influent conduit rehabilitation	50,000		50,000			
<b>Raw Water Supply Total</b>	<b>1,300,000</b>	<b>330,000</b>	<b>860,000</b>	<b>70,000</b>	<b>20,000</b>	<b>20,000</b>

**TREATMENT PLANT**

*Plant Influent and Aerator*

Influent structure rehabilitation	410,000	80,000		75,000	130,000	125,000
Aerator / Influent actuators and valves replacement	710,000			240,000	330,000	140,000
Influent structure - replace drain and bypass valves	1,090,000			380,000	520,000	190,000
Influent / Effluent aerator conduits Inspect / Rehabilitate	160,000			50,000	50,000	60,000
Aeration basin concrete rehabilitation	800,000		50,000	300,000	300,000	150,000
Aeration basin - replace piping, nozzles, and drain valves	1,200,000			450,000	550,000	200,000

*Aerated, Settled, and Filter Influent Conduits*

Settled water conduit - Installation of access hatch	100,000		100,000			
Concrete conduits Inspect / rehabilitate	1,100,000			400,000	550,000	150,000
Influent venturis Inspection	500,000			200,000	200,000	100,000
Emergency bypass - clean tunnel and install sluice gate	75,000			75,000		

*Chemical Storage, Transfer, and Feed Systems*

Ferric system upgrades	250,000			250,000		
Lime system upgrades	900,000			25,000	875,000	

*Filters*

Filter replacement (including valves & piping)	31,200,000	6,600,000	5,000,000	6,500,000	6,600,000	6,500,000
Treatment process studies	960,000	70,000	150,000	545,000	195,000	
Water Quality Study	1,000,000			650,000	350,000	
Inspect wash water system	5,000			5,000		

*Building, Support, and Operational Systems*

Treatment plant building rehabilitation	250,000	50,000	50,000	50,000	50,000	50,000
PW lab / equipment Improvements	100,000	5,000	20,000	25,000	25,000	25,000
SCADA / Control system upgrades	160,000	60,000	25,000	25,000	25,000	25,000

Exhibit 10  
**Providence Water**  
**IFR Expenditure Plan**  
 Fiscal Years 2011 through 2015

	Total Amount	Budget 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015
Inspect service water system	5,000			5,000		
Sludge removal and disposal	5,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>Treatment Plant Total</b>	<b>45,975,000</b>	<b>7,865,000</b>	<b>6,395,000</b>	<b>11,250,000</b>	<b>11,750,000</b>	<b>8,715,000</b>

**PUMPING AND STORAGE**

Nautaconkut reservoir rehabilitation	110,000	110,000				
Dean Estates pump station upgrades	1,200,000	450,000	750,000			
Aqueduct reservoir - replace 80" valve	150,000			150,000		
Various pump station improvements	80,000		20,000	20,000	20,000	20,000
Storage tanks inspections / improvements	100,000			50,000	50,000	
<b>Pumping and Storage Total</b>	<b>1,640,000</b>	<b>560,000</b>	<b>770,000</b>	<b>220,000</b>	<b>70,000</b>	<b>20,000</b>

**TRANSMISSION SYSTEM**

102" aqueduct inspection	3,900,000	1,500,000	1,900,000	500,000		
78" aqueduct inspection	900,000			900,000		
66", 60", 48" transmission mains inspections	50,000			50,000		
16" and larger valves replacements	975,000	125,000	150,000	200,000	200,000	300,000
<b>Transmission System Total</b>	<b>5,825,000</b>	<b>1,625,000</b>	<b>2,050,000</b>	<b>1,650,000</b>	<b>200,000</b>	<b>300,000</b>

**DISTRIBUTION SYSTEM**

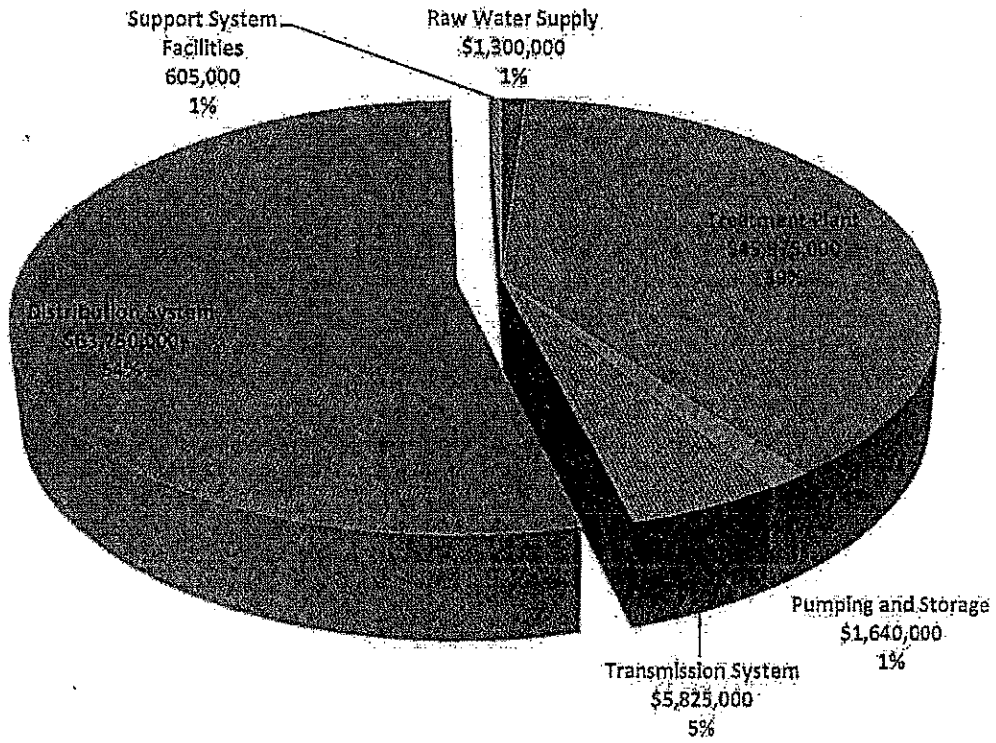
Replace / Upgrade water mains	50,900,000	8,700,000	5,700,000	9,000,000	12,000,000	15,500,000
Replace Distribution Valves	760,000	60,000	100,000	200,000	200,000	200,000
Replace lead services	8,950,000	6,700,000	750,000	500,000	500,000	600,000
Replace fire hydrants	1,630,000	430,000	300,000	300,000	300,000	300,000
Valve data collection program	1,500,000	500,000	500,000	500,000		
Leak detection	10,000	10,000				
<b>Distribution System Total</b>	<b>63,750,000</b>	<b>16,400,000</b>	<b>7,350,000</b>	<b>10,500,000</b>	<b>13,000,000</b>	<b>16,500,000</b>

**SUPPORT SYSTEM FACILITIES**

Building and facilities rehabilitation	430,000	30,000	100,000	100,000	100,000	100,000
Facilities fencing and roads rehabilitation	175,000	60,000	50,000	25,000	25,000	25,000
<b>Support System Facilities Total</b>	<b>605,000</b>	<b>90,000</b>	<b>150,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>

<b>TOTAL</b>	<b>\$119,095,000</b>	<b>\$26,860,000</b>	<b>\$17,575,000</b>	<b>\$23,815,000</b>	<b>\$25,165,000</b>	<b>\$25,680,000</b>
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Exhibit 11  
Providence Water  
5 Year IFR Expenditures  
Fiscal Years 2011 through 2015



5 Year Investment - \$119 Million

Exhibit 13  
 Providence Water  
**15 Year IFR Expenditure Plan**  
 Fiscal Years 2016 through 2030

	Total Amount	Budget 2016-2020	Budget 2021-2025	Budget 2026-2030
<b>Raw Water Supply</b>				
Large Dam Improvements	2,200,000	1,700,000	250,000	250,000
Secondary Dam Improvements	1,240,000	940,000	150,000	150,000
Raw Water Booster Pump Station Improvements	200,000	200,000	0	0
Galner Dam Gatehouse Improvements	1,000,000	1,000,000	0	0
Raw Water Conduit Improvements	150,000	0	150,000	0
Watershed Fence and Road Rehabilitation	750,000	250,000	250,000	250,000
<b>Raw Water Supply Total</b>	<b>5,540,000</b>	<b>4,090,000</b>	<b>800,000</b>	<b>650,000</b>

<b>Treatment Plant</b>				
Central Control System (SCADA) Upgrades	600,000	200,000	200,000	200,000
Conduits and Structures Inspect/Rehabilitate	280,000	10,000	260,000	10,000
Sedimentation Basins Rehabilitation	30,000,000	30,000,000	0	0
Chemical Storage/Transfer/Feed Systems Improvements	3,200,000	2,400,000	650,000	150,000
Filters - Improvements	2,200,000	2,000,000	200,000	0
Treatment Plant Laboratory Improvements	750,000	250,000	250,000	250,000
Treatment Plant Process Meters Replacements	225,000	75,000	75,000	75,000
Lagoon System Improvements	1,200,000	1,000,000	100,000	100,000
Treatment Plant Building Improvements	2,900,000	2,400,000	250,000	250,000
<b>Treatment Plant Total</b>	<b>41,355,000</b>	<b>38,335,000</b>	<b>1,985,000</b>	<b>1,035,000</b>

<b>Pumping and Storage</b>				
Pump Station Improvements	425,000	125,000	150,000	150,000
Bath Street Pump Station Improvements	2,000,000	0	0	2,000,000
Neutaconkanut Pump Station Improvements	2,000,000	0	0	2,000,000
Greenville Ave Pump Station Improvements	1,000,000	1,000,000	0	0
Cranston Commons Pump Station Improvements	1,500,000	1,500,000	0	0
Fruit Hill Pump Station Improvements	1,000,000	1,000,000	0	0
Storage Tank Inspections / Improvements	2,000,000	0	2,000,000	0
<b>Pumping and Storage Total</b>	<b>9,925,000</b>	<b>3,625,000</b>	<b>2,150,000</b>	<b>4,150,000</b>

<b>Transmission</b>				
78" and 102" Aqueducts Inspection	5,400,000	1,600,000	1,800,000	2,000,000
90" Aqueduct Inspection	6,500,000	500,000	6,000,000	0
66", 60", 48" Transmission Main Inspections	100,000	50,000	0	50,000
16" and Larger Valve Replacements	3,100,000	2,000,000	500,000	600,000
<b>Transmission System Total</b>	<b>15,100,000</b>	<b>4,150,000</b>	<b>8,300,000</b>	<b>2,650,000</b>

Exhibit 13  
 Providence Water  
**15 Year IFR Expenditure Plan**  
 Fiscal Years 2016 through 2030

	Total Amount	Budget 2016-2020	Budget 2021-2025	Budget 2026-2030
<b>Distribution</b>				
Distribution Main Upgrades	274,860,000	84,850,000	92,000,000	98,000,000
Distribution Valve Replacements	3,000,000	1,000,000	1,000,000	1,000,000
Lead Service Replacements	7,500,000	2,500,000	2,500,000	2,500,000
Hydrant Replacements	3,750,000	1,000,000	1,250,000	1,500,000
Leak Detection	100,000	0	100,000	0
<b>Distribution System Total</b>	<b>289,200,000</b>	<b>89,350,000</b>	<b>96,850,000</b>	<b>103,000,000</b>
<b>Support Systems</b>				
Building and Facilities Rehabilitation	3,000,000	1,000,000	1,000,000	1,000,000
Records Management (GIS) Upgrades	1,500,000	500,000	500,000	500,000
Facility Fence and Road Rehabilitation	750,000	250,000	250,000	250,000
Underground Fuel Storage Tank Replacements	200,000	200,000	0	0
<b>Support Systems Total</b>	<b>5,450,000</b>	<b>1,950,000</b>	<b>1,750,000</b>	<b>1,750,000</b>
<b>Total</b>	<b>366,570,000</b>	<b>141,500,000</b>	<b>111,835,000</b>	<b>113,235,000</b>

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-8. Please explain why Providence Water believes an \$8 million per year addition to the IFR fund is needed when a surplus or balance at the end of FY 2015 of \$7,561,603 is shown on Schedule HJS-S9C. What do the "\*\*\*" at the end of the line "Cash Funded Projects" refer to?

Answer: Schedule HJS-S9C (Infrastructure Replacement IFR Fund) only reflects a 3 year period, that is only 2 years out from present as we are almost done with FY 2013. Providence Water is required to prepare a 20 year plan for the IFR fund. As shown on the detailed attachment to PW's updated IFR plan as of March 1, 2013 attached, while the IFR fund is projected to have a surplus at the end of FY 2015, by the end of FY 2017, the balance will be exhausted. Therefore, the \$8 million annual amount was selected to balance the plan for the long term. Please note that the plan also includes an additional \$ 3 million in rates effective 1/1/16. Even with this proposed increase, there are small deficits projected beginning FY 2017.

The "\*\*\*" was a holdover from the last full rate filing file that should have been deleted.

Providence Water IRF Funding Projections - Details FY's Ending June 30, 2011 - 2090 (\$ 000's) Fiscal Years 1/1/2011-6/30	As of March 1, 2013										x-check											
	Phase 1		Phase 2		Phase 3		Phase 4		Phase 5													
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Current Authorized Revenues	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	320,000	
Funds From Prior Years	17,123																				17,123	
Bond Drawdown \$55 million	3,000	2,800	1,800	10,000	10,000																8,300	
ARRA Bond \$ 8.9 million																					80,000	
Additional Bond \$ 33 million 2013																					30,000	
Adopt Rate Revenue effective 1/1/12				4,000	8,000																132,000	
Adopt Rate Revenue effective 1/1/14																					48,500	
Adopt Rate Revenue effective 1/1/16																					31,500	
Adopt Rate Revenue effective 1/1/20																						
Adopt Rate Revenue effective 1/1/24																						
Projected Funding and Request:	36,723	18,800	27,800	30,000	34,000	25,500	27,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	612,423	
Expenditures																						
Cash funded projects *	26,850	17,575	29,515	25,165	25,680	23,825	24,625	24,710	24,710	24,710	23,825	24,625	24,710	24,710	21,350	23,825	24,625	24,710	24,710	21,900	485,665	
Debt Service	932	932	931	930	930																4,655	
Debt Service \$35 million 2006	2,455	2,454	2,453	2,451	2,450	2,450	2,448	2,445	2,444	2,444	2,445	2,445	2,444	2,444	2,445	2,445	2,444	2,444	2,444	2,443	48,933	
Debt Service \$3.9 ARRA 2009	16	356	465	494	493	493	492	492	491	491	491	491	491	491	491	491	491	491	491	491	9,201	
Additional Debt Service 2013				1,148	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	37,880	
Additional Debt Service 2018																					26,401	
Projects total expenditures	30,269	21,317	27,664	30,188	31,949	29,064	29,861	29,948	29,948	29,948	28,434	29,551	34,413	28,226	28,873	31,284	31,281	29,519	29,276	29,425	612,754	
Projects Funding and Request:	36,723	18,800	27,800	30,000	34,000	25,500	27,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	612,423	
Projects total expenditures	(30,269)	(21,317)	(27,664)	(30,188)	(31,949)	(29,064)	(29,861)	(29,948)	(29,948)	(29,948)	(28,434)	(29,551)	(34,413)	(28,226)	(28,873)	(31,284)	(31,281)	(29,519)	(29,276)	(29,425)	(612,754)	
Annals Available	6,460	(2,517)	236	(188)	2,135	(5,564)	(2,881)	57	(434)	680	1,568	469	(4,413)	1,774	1,125	(1,384)	(2,181)	487	724	575	(831)	
Cumulative available	6,460	3,943	4,179	3,991	6,142	2,579	(182)	(225)	(646)	31	1,597	2,065	(2,448)	(575)	550	(835)	(2,116)	(1,630)	(906)	(831)	-	
Sub-TOTAL Phases for Exhibit 3																						
Current Authorized Revenues					80,000																80,000	80,000
Funds From Prior Years					17,123																17,123	17,123
Current Bond Proceeds					6,300																6,300	6,300
Additional Rate Revenue					12,000																12,000	12,000
Additional Bond Proceeds					30,000																30,000	30,000
Cash funded projects					119,095																119,095	119,095
Existing Debt Service					18,742																18,742	18,742
Additional Debt Service					3,444																3,444	3,444
Annals Additional Borrowing for 20 years at 4.5% market or 3.375% Subsidized Interest																						
* as of March 2013																						

\* as of March 2013

KCWA 2-8

**Providence Water  
Infrastructure Replacement Restricted Fund  
Sources and Uses of Funds  
Projected FY 2007 - FY 2010**

Source of Funds	Fy 2007	Fy 2008	Fy 2009	Fy 2010
D3684 (effective 1/1/2006)	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000	\$ 12,500,000
New Docket effective 1/1/08 proposed	1,000,000	2,000,000	2,000,000	2,000,000
Transfer of Meter Replacements to AMR/MR fund	(300,000)	(600,000)	(600,000)	(600,000)
Estimated Bond drawdowns	177,894	227,376	7,500,000	7,500,000
Interest	10,104,618	9,095,053	51,102	(660)
Carryover funds from prior year estimated		2,044,061	2,044,061	(26,398)
<b>Total Sources</b>	<b>22,782,512</b>	<b>22,522,429</b>	<b>23,495,163</b>	<b>21,372,942</b>
<b>Less obligated uses of funds:</b>				
RICWFA Debt (1994 \$12M) Refi 2005 (P)	740,000	756,000	774,000	794,000
RICWFA (various projects) (I)	160,950	147,368	132,561	116,364
RICWFA Debt (2001 \$5M) (P)	1,046,676	-	-	-
RICWFA (90" Transmission) (I)	14,833	-	-	-
Estimated Debt Service *	-	-	-	576,571
Sub-total Debt Service	1,962,459	903,368	906,561	1,486,935
Cash Funded Projects **	11,725,000	19,575,000	22,615,000	19,535,000
<b>Total Uses</b>	<b>13,687,459</b>	<b>20,478,368</b>	<b>23,521,561</b>	<b>21,021,935</b>
<b>Total</b>	<b>\$ 9,095,053</b>	<b>\$ 2,044,061</b>	<b>\$ (26,398)</b>	<b>\$ 351,007</b>

\* Estimated on prior year draw of \$7.5 million, for 20 years, @ subsidized 4.5% interest  
 \*\* Net of Meter Replacement costs moved to AMR Meter Replacement fund as of 1/1/08

D3832



Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-9. Please provide a schedule that reconciles the principal and interest amounts provided in response to item 2.9(f) (attached to Mr. Smith's testimony) with the amounts presented in Schedules HJS-S9A through HJS-S9I.

Answer: The debt service amounts listed on schedules HJS-S9A-S9I are for the fiscal years ending 6/30/13, 6/30/14 and 6/30/15. The schedule 2.9(f) attached in the appendix under Exhibit 2 lists debt service amounts for the test year 7/1/11- 6/30/12, and on a rate year basis 1/1/14-12/31/14 which is required under part two of the Commission rules and regulations. I have attached a detailed schedule comparing FY 6/30/14 amounts to calendar year "rate year" 2014 amounts. Additionally, Water Quality Protection Bonds for test year and rate were included in 2.9(f) however, they are not included HJS-S9A-HJS-S9I because they have no impact on rates.

KCWA 2-9

Principal and interest payments through Calendar Year 2014 (as shown in 2.9(f)) and Fiscal Year 2014 (as shown in Schedules H15-59A through H15-59I)

	Original Balance	Note	Calendar Year 2014				Fiscal Year 2014							
			Principal Payment 9/1/14	Interest Payment 3/1/14	Interest Payment 9/1/14	Sub-Total Interest	Principal Payment 9/1/13	Interest Payment 9/1/13	Interest Payment 3/1/14	Sub-Total Interest				
Date of Issue: 03/23/2005														
Date of Maturity: 08/01/2014	8,101,000		915,000	14,640	14,640	29,280		887,000	28,477	14,640	43,117			
Interest Rate: 2.33%-3.00%														
Clean Water Finance Agency														
Construction projects - Cip & IFR														
Date of Issue: 08/19/2008														
Date of Maturity: 09/01/2029	35,000,000		1,436,000	517,219	517,219	1,034,437		1,987,000	536,707	517,219	1,063,926			
Interest Rate: 2.44%														
Clean Water Finance Agency 2008 Bond														
Date of Issue: 12/04/01														
Date of Maturity: 9/1/2021														
Interest Rate: 4.807%	2,500,000		131,956	20,708	20,708	41,416		127,530	22,921	20,708	43,629			
Clean Water Finance Agency 2001B														
Construction projects - VCWDS														
Date of Issue: 11/18/2009														
Date of Maturity: 10/02/15	3,930,000	3	798,000	14,668	14,668	29,335		601,380	20,290	14,668	34,958			
Interest Rate: 3.817%														
ARRA Stimulus Bond 846 & 849														
Date of Issue: 11/19/2009														
Date of Maturity: 09/01/19														
Interest Rate: 12.282%	9,320,000	3	378,000	103,164	103,164	205,327		284,946	105,827	103,164	208,991			
ARRA Stimulus Bond 848														
Date of Issue: 6/1/2012														
Date of Maturity: 09/01/12	3,000,000	2	126,000	30,722	30,722	61,444		125,000	31,115	30,722	61,837			
Interest Rate: 3.5%														
Clean Water Finance Agency 2012 Bond														
Paid from Water Quality Protection Fund														
Date of Issue: 5/14/2013														
Date of Maturity: 09/01/2034	25,000,000	1	1,000	130,475	130,475	300,933		1,000	54,429	130,475	184,904			
Interest Rate: 3.22%														
Clean Water Finance Agency 2013A Bond														
Date of Issue: 5/14/2013														
Date of Maturity: 06/1/2034	4,200,000	4	178,000	12,983	12,983	47,485		1,000	1,666	12,983	14,649			
Interest Rate: 3.381%														
Clean Water Finance Agency 2013A Bond														
Paid from Water Quality Protection Fund														
			3,963,956	844,578	906,080	1,760,657		3,424,955	801,433	844,579	1,646,012			

Note:

1. Final closing documents issued 5/14/13 and do not include principal forgiveness. Amounts used in H15-9C were estimates
2. Funds paid from WCQPF have no effect on rates therefore not included in H15-9.
3. Arra Bond for calendar (rate) year do not include principal forgiveness.
4. Second installment of bond paid from WCQPF closed 5/14/13 no impact on rates.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-10. Regarding Mr. Gadoury's testimony (page 11) regarding IFR spending since 1996 and the response to KCWA 1-8, please summarize the IFR spending by Providence Water since 1996 in the broad categories of: Source of Supply, Pumping (may be combined with Supply if needed), Water Treatment Plant, Transmission & Distribution, General Plant.

Answer: Below is a breakdown of IFR spending from 1996 through to December 31, 2012 in the broad categories as outlined in Providence Water's IFR Plan and semi-annual IFR Program Reports to the Division:

Raw Water Supply	\$ 10.9 mil
Treatment Facilities	\$ 72.8 mil
Transmission System	\$ 31.3 mil
Pumping and Storage	\$ 13.3 mil
Distribution System	\$ 97.0 mil *
Meters	\$ 13.8 mil
Support System Facilities	<u>\$ 6.4 mil</u>
TOTAL	\$ 245.5 mil

\* 35% for water main replacement/relining; 65% for replacement of lead services, valves, and hydrants.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-11. Please provide the basis for each of the amounts shown on Schedule HJS- S9E for the use of the funds under the Equipment/Vehicle Replacement Fund.

Answer: The use of funds for the Equipment/Vehicle Replacement Fund for each of the amounts shown on HJS-S9E is the cash funding portion for the acquisition and replacement of all vehicles, trucks, agricultural, computer equipment and software systems etc. The source is a detailed replacement plan provided by each department for the upcoming fiscal year, as well as, a projection of future department needs of equipment, vehicle and other items of this nature.

## Providence Water Docket 4406

### **Data Requests of the Kent County Water Authority Set 2 (Issued May 31, 2013)**

KCWA 2-12. Regarding the testimony of Mr. Spinelli (page 5, lines 27-28), please provide Providence Water's estimate of the additional (one-time) revenues from improved cash flow and reduced receivables with the conversion from quarterly to monthly billing. How has Providence Water reflected these increases in the current rate filing?

Answer: There will be no additional (one-time) revenues, but there will be improved cash flow. Please see the attached calculation of the estimated accelerated billing that will be realized in calendar year 2014. This was done by using the January and February 2013 billing to estimate the amount that will be billed in calendar year 2014 by switching to monthly billing, instead of January and February 2015, if we stayed quarterly. It has not been reflected in the current rate filing as it is an improvement in cash flow, not additional revenue. (The revenue is just billed sooner, there is not more of it.) Providence Water plans to fund any amounts owed to the restricted accounts and increase our operating cash with this accelerated cash flow.

Standard & Poors mentioned "low unrestricted days cash on hand" as a mitigating factor in our AA- rate. While a AA level rating is a very strong investment grade rating, Providence Water is always looking to improve. The higher the rating, the lower our interest costs and the lower costs to our rate payers of any future debt. Please also see attached report.

**Providence Water**

**Calculation of Potential accelerated billing due to switch to Monthly billing from Quarterly**

**Current Quarterly Billing**

Month Billed	Consumption From To	
Jan	Oct	Dec
Feb	Nov	Jan
Mar	Dec	Feb
Apr	Jan	Mar
May	Feb	Apr
Jun	Mar	May
Jul	Apr	Jun
Aug	May	Jul
Sep	Jun	Aug
Oct	Jul	Sep
Nov	Aug	Oct
Dec	Sep	Nov

**Proposed Monthly Billing**

Month Billed	Consumption From To		Plus
Jan	Oct	Dec	
Feb	Nov	Jan	
Mar	Dec	Feb	
Apr	Jan	Mar	
May	Feb	Apr	
Jun	Mar	May	
Jul	Apr	Jun	
Aug	May	Jul	
Sep	Jun	Aug	
Oct	Jul	Sep	
Nov	Aug	Oct	
Dec	Sep	Nov	

Jan	Oct	Dec	2/3 of January Qtrly Billing now billed in December
Feb	Nov	Jan	1/3 of February Qtrly Billing now billed in December

Description	Acct #	Jan 2013	Feb 2013
Residential Cons	47000	\$1,828,328.85	\$1,600,731.07
Pro-rata		<u>x 2/3</u>	<u>x 1/3</u>
Est. accelerated billing		\$1,218,885.90	\$533,577.02
Prov FPSC	47012	\$5,553.00	\$34,248.00
Pro-rata		<u>x 2/3</u>	<u>x 1/3</u>
Est. accelerated billing		\$3,702.00	\$11,416.00
Qtrly Serv Chrg	47020	\$403,742.79	\$478,763.27
Pro-rata		<u>x 2/3</u>	<u>x 1/3</u>
Est. accelerated billing		\$269,161.86	\$159,587.76
<b>Total</b>		<u>\$1,491,749.76</u>	<u>\$704,580.78</u>

For KCWA 2-12

Est. accelerated billing at Old Rates	\$2,196,330.54
<b>W/ 25% increase in rates</b>	<b>\$2,745,413.18</b>

**Summary:**

**Providence Water Supply Board,  
Rhode Island; Water/Sewer**

**Primary Credit Analyst:**

Geoffrey Buswick, Boston (1) 617-530-8311; geoffrey\_buswick@standardandpoors.com

**Secondary Contact:**

Scott D Garrigan, Chicago (1) 312-233-7014; scott\_garrigan@standardandpoors.com

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Rationale

Outlook

Related Criteria And Research

## Summary:

# Providence Water Supply Board, Rhode Island; Water/Sewer

## Credit Profile

Providence Wtr Supply Brd ICR

Long-Term Rating

AA-/Stable

Affirmed

## Rationale

Standard & Poor's Ratings Services has assigned its 'AA-' issuer credit rating (ICR) to Providence Water Supply Board, R.I.'s revenue bonds outstanding. The outlook is stable.

The 'AA-' ICR reflects our view of the following factors:

- A large and diverse service area centered on Providence, R.I., but supplying potable water to 17 of the state's 39 municipalities;
- Very strong debt service coverage (DSC) and consistent financial operations;
- Low debt to plant ratios; and
- Limited additional debt needs.

In our opinion, mitigating factors include low unrestricted days cash on hand and a lack of autonomous rate-setting authority.

Financial operations have remained stable, despite a Rhode Island economy with what we view as sustained high unemployment, with what we consider to be strong DSC levels. Coverage at fiscal year end, 2011 (June 30) was at an all-time high of 6.15x, though DSC at fiscal year-end 2009 and 2010 was also strong at 5.3x and 4.1x, respectively. The board's trust indenture for its debt requires the board to take action to maintain DSC of at least 1.25x, but it cannot raise rates without Rhode Island Public Utility Commission (PUC) approval. If the board projects that rates and charges are not likely to meet the coverage level, it will take the necessary steps to recover the deficiency, including making an emergency request to the PUC. However, we believe system liquidity is low, with unrestricted cash and investments of \$4 million, or 42 day's operating expenses for fiscal 2011. The board does maintain about \$21.5 million in restricted cash and investments mainly reserved for capital and infrastructure providing some relief in case of an unexpected emergency. So far in fiscal 2012, revenues are tracking to budget and expenditures are down, causing management to forecast a slight surplus at fiscal year end.

The PUC, an independent state-level body, regulates water rates and charges. The board's lack of autonomy and ability to raise rates as needed could reduce revenue flexibility because a rate filing and actual implementation takes up to nine months. The last rate filing was approved and took effect in April 2010. The board has adopted balanced budgets to date and does not expect to raise rates for the fiscal 2013 budget year. It expects to next file in 2013, to take effect in 2014. The monthly residential water bill based on 1,000 cubic feet of usage plus the state surcharge and service charge (based on size of meter) will be \$37.89, which, according to management, is the lowest among any regulated entity in the state except for one water supplier. The rate for wholesale customers is \$1,697 per



million gallons, or \$12.70 per 1,000 cubic feet. The low unrestricted cash combined with the lack of rate-setting autonomy provides the board little flexibility to address a rapid downturn in general operating revenues.

The board supplies water to about 600,000 people, or 60% of the state of Rhode Island's population. The system's water source is the Scituate Reservoir, and it has one treatment plant with a maximum daily production of 144 mgd. There is ample capacity, with the average daily demand at 61.7 mgd in fiscal 2011 and finished water storage capacity at an estimated 3.5 days. The system serves Providence, Cranston, and the towns of Johnston and North Providence on a retail basis. In addition, it supplies water to 13 other cities and towns on a wholesale basis. The retail area has 72,000 service connections providing 66% of operating revenues, and wholesale customers make up approximately 27% of revenues. While Providence and many other areas in Rhode Island have had high unemployment rates through both the recession and recovery, net accounts receivable have consistently been 18%-24% of operating revenue over the past five years.

We believe the debt-to-plant ratio is low, at about 19.5%, and the utility expects it to remain low because the five-year capital improvement plan (CIP) focuses primarily on slight plant redesigns, distribution improvements and continuing the lead service replacement program. Management will fund most of the CIP on a pay-as-you-go basis, with restricted funds approved by the PUC and raised in the rate structure. The board also maintains a 20-year CIP. On June 30, 2011, it had \$53 million of revenue bonds outstanding. It is borrowing an additional \$3 million in the spring 2012 Rhode Island Clean Water Financing Agency pool.

## **Outlook**

The stable outlook reflects Standard & Poor's expectation that the PUC will continue to approve the rate increases necessary for the board to maintain DSC consistent with its covenants for all parity debt outstanding. We could lower the rating should the extended period of economic stress in the service delivery area begin to affect revenues. We do not expect to raise the rating during our two-year outlook period, because unrestricted cash remains below those of rating category peers.

## **Related Criteria And Research**

USPF Criteria: Standard & Poor's Revises Criteria For Rating Water, Sewer, And Drainage Utility Revenue Bonds, Sept. 15, 2008

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Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-13. Regarding the response to Div 1-24 and Schedule HJS-S7 (Regulatory Expenses): Please explain why each of the costs from the following should be included in the rate year in the current case. Does Providence Water anticipate all these issues in the Rate Year?

- a) Docket 4061 – Conservation filing
- b) Bond filing/refunding
- c) Bond filing \$33 million
- d) Regional Water District
- e) Hydrant Fees
- f) New Headquarters

Answer: In planning for this filing, Providence Water anticipated that some of these issues, as well as, similar issues would occur in the rate year. Therefore, yes it is necessary to have money available in rates for the pro-forma year for issues of this nature or similar. Over the last five years, Providence Water has spent on average \$264,822 per year for rate case expense and regulatory issues.

## Providence Water Docket 4406

### Data Requests of the Kent County Water Authority Set 2 (Issued May 31, 2013)

KCWA 2-14      Please explain why rate payers should pay any costs related to the City's proposed legislation or any other efforts related to the Regional Water District.

Answer:      Providence Water is essentially a regional asset inasmuch as it provides water to approximately two-thirds of the state via both retail and wholesale outlets. The Providence Water Supply Board however is comprised of Providence residents only. Broader representation on The Board by other interested stakeholders would clearly seem to be in the best interest of state wide rate payers.

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-15. Please explain what the regulatory cost associated with “New Headquarters” are. In addition, please provide supporting documentation for the annual capital cost of \$2,400,000 for New PW Central Operations Facility shown on Mr. Gadoury’s Exhibit PG-5.

Answer: The regulatory cost associated with “New Headquarters” is for legal fees paid for advice to our Chief Engineer and General Manager and Board on issues related to Providence Water obtaining a new centralized facility. Also, attached is a memo provided to the Board requesting approval for a new facility and costs associated with obtaining long term financing. While the Board authorized the Chief Engineer and General Manager to petition the Division, Providence Water has not yet sought Division approval. Please also see the response to KCWA2-5.



6.3

.552 Academy Avenue  
Providence, RI 02908

401-521-6300

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TO: PROVIDENCE WATER SUPPLY BOARD  
CONCUR: BOYCE SPINELLI, DEPUTY GENERAL MANAGER  
FROM: JEANNE BONDAREVSKIS, DIRECTOR OF FINANCE  
DATE: NOVEMBER 15, 2010  
RE: APPROVAL FOR NEW FACILITY

David N. Cicilline  
Mayor

Pamela Marchand, P.E.  
Chief Engineer &  
General Manager

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Joseph DeLuca  
City Councilman

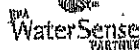
Michael A. Solomon  
City Councilman

John A. Fagnoli  
Member

Joan Badway  
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Carissa R. Richard  
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**PURPOSE:** To obtain approval from the Board for a Resolution authorizing the Chief Engineer to seek Division approval for long term debt to be used to acquire a central administration building.

**ANALYSIS:** Providence Water has occupied the Academy Avenue facility since 1950, or 60 years. In 1996, a committee was formed to evaluate various alternative office space. At that time, it was determined that a modular building located at our Scituate Avenue site would be the best way to proceed. In November 1997, the Engineering department and parts of the Finance and Support Services departments moved into the Scituate Avenue facility. Over the years, we have had to make many improvements to the Academy Avenue facility and most recently to the Scituate Avenue facility, but there are many more needed. Please see the attached memo from our Support Services department.

The Scituate Avenue location, while cost effective at the time, was not very efficient or productive for the administration of the Water Supply Board. One central location, other than the Treatment Plant, would provide a much enhanced work environment. Over several years, several studies have been completed for the Engineering department. The most recent comprehensive study was completed by Camp Dresser and McKee (CDM) which completed a full facility assessment. This provided some various alternatives and estimated cost ranges. Please see a copy of their final report on the second phase of the Facility Assessment.

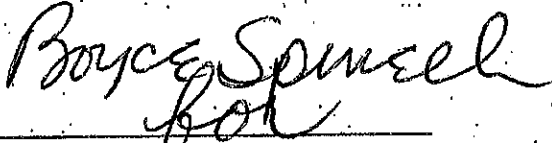
Staff has now determined that the best way to proceed is to move forward with the acquisition of land and construction of a new building, or the purchase or long term lease of an existing building. The high estimated cost could be \$39 million dollars. This would have to be paid for over a thirty year period. At a 4.5% interest rate, the annual debt service would be approximately \$2.4 million dollars per year.

**FISCAL IMPACT:** Providence Water would propose to use the Capital Improvement (CIP) Fund to pay for the annual cost of obtaining a facility. The Fruit Hill Avenue bond with debt service of approximately \$1 million dollars per year was paid off in FY 2010. The current funding for CIP is \$2,450,000 per year. We have projected the sources and uses of funds for CIP for FY 2011 through FY 2018 and have attached that as well. This demonstrates that the CIP fund has sufficient

funding for the debt for a new building, without having to raise rates.

RECOMMENDATION: That the Board approve the attached Resolution authorizing the Chief Engineer to petition the Division of Public Utilities for approval to enter into the long term debt needed to pay for a central administration facility.

Approved for Submittal



\_\_\_\_\_  
Pamela M. Marchand  
Chief Engineer & General Manager

N:\HOME\JEANNE\BACKUP\JEANNE\wpdocs\memBRD approval for New Building Nov 2010.odt



552 Academy Avenue  
Providence, RI 02908

401-521-6300

[www.provwater.com](http://www.provwater.com)

To: Joe Spremulli, Director of Support Services  
From: Antonio Araujo, Fleet & Facilities Manager  
Date: November 15, 2010  
RE: Facilities Assessment

The following is an overview of the Academy Avenue (Providence) and the Scituate Avenue (Cranston) facilities needs. This report will show some of the major areas of concern regarding safety/cost/design/energy efficiency and other facility related deficiencies.

David N. Cliffline  
Mayor

Pamela Marchand, P.E.  
Chief Engineer &  
General Manager

552 Academy Ave  
Site-2 Acres  
Building-43,510 sq feet  
Approx Office Space- 15,560 sq feet

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Legal Advisor

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- 95% of all the windows at this facility are in need of replacement. Most of the windows are inoperable and they are not energy efficient.
- All of the wood columns in the garage need to be replaced.
- The roof deck in the garage is in poor condition. The paint is peeling and there is water damage due to prior water leaks.
- The entire parking lot needs to be re-graded and re-paved. All of the drainage basins need to be replaced/repared.
- Parking for employees and PWSB vehicles is inadequate. Restricted aisle space has caused accidents and damage to vehicles.
- The customer service parking area does not have enough dedicated spaces to accommodate our customers.
- Storage and materials handling space is limited. Maneuvering space for delivery trucks and loaders is severely restricted.
- Inadequate yard storage for sand/gravel/containers/ and yard waste.
- Single entrance and access to the road is a safety hazard. At times, traffic delays can extend out onto Academy Ave.
- Most of the steam piping for the heating system is in need of replacement. Heating pipes are buried within concrete walls and subject to internal and external corrosion.
- Thermostatically operated heating zone valves continue to fail. Valves and piping are beyond their expected service life.
- All facility components are approaching or are beyond their use full service life; including the electrical & plumbing supplies.
- All six of the bathrooms need to be completely remodeled.
- Telecommunication center is outdated and is currently located on a mezzanine above the garage. Exposed wires run through the garage area.



430 Scituate Ave

Site - 3 Acres

Building - 12,624-sq feet (Modular Building)

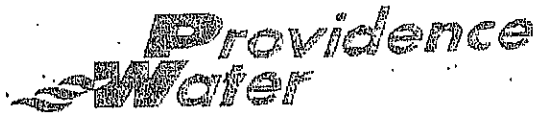
Built - 1997

- Carpets need to be replaced.
- Four(4) out of the ten (10) HVAC units have been replaced. The other five (5) will need to be replaced within the next few years.
- All toilet partitions need to be replaced. The bathrooms are undersized for the amount of employees that work in the facility.
- Roof covering is over twelve years old and will need to be replaced within the next few years.

Both of the facilities have many deficiencies. We spend a good portion of our operational budget repairing them. We are currently using Capital Improvement funds to replace some of the major components.

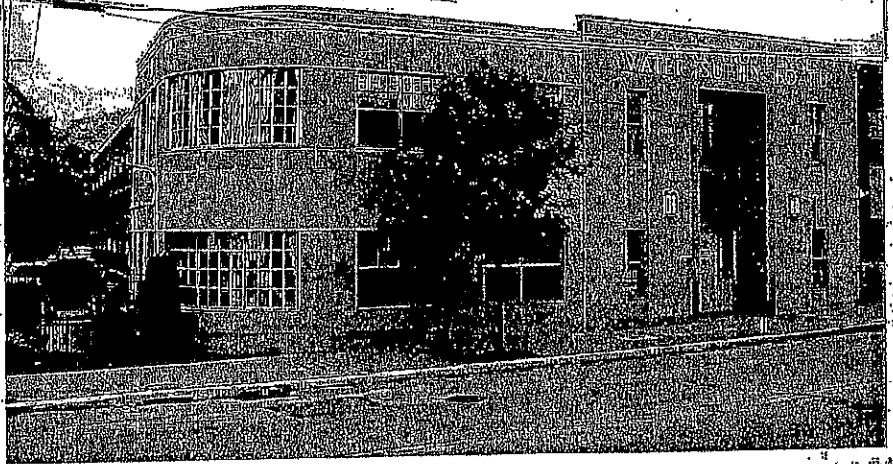
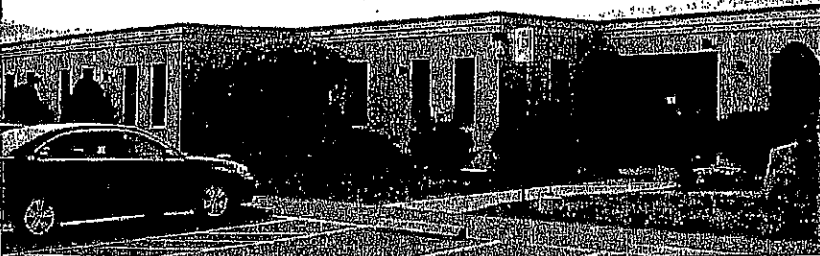
Prepared by:

Antonio Aranjó, Fleet & Facilities Manager



Providence Water Supply Board  
Facility Assessment - Phase II

August 2009



*Final Report*



## Executive Summary

The Providence Water Supply Board (PWSB) retained CDM to complete an assessment of the Scituate Avenue (Cranston) and Academy Avenue (Providence) facilities and operations. The purpose of this Phase II report is to provide the PWSB with updated space recommendations, possible configurations for new space, a listing of possible properties that meet the requirements, costs associated with obtaining properties and constructing facilities, and a summary for consideration in advance of implementation.

Under Phase I of the project, CDM's team of architects and engineers reviewed available on-site documentation and conducted a visual assessment of both facilities. Our findings and recommendations for this work are discussed further in the Phase I Final Report. However, in completing the Phase II tasks, the following concerns have been considered:

- Additional space is needed for both existing operations and future growth.
- The Academy Avenue site is functionally obsolete, and presents numerous site safety and access challenges.
- Current parking space is inadequate at the Academy Avenue site.
- There is inadequate space for heavier operations such as materials storage, truck and heavy equipment parking, tools, vehicle maintenance, and water meter service.
- Customer service facilities are limited.
- Safety and security of PWSB staff and the general public is a concern.

As a result of the market research, site visits, and work performed under Phase II of the project, updated size recommendations were compiled, various site configurations and department combinations were considered, and planning level costs have been compiled. A summary of conclusions follows:

- The combination of all operations at a single convenient site is challenging, but is an attractive possibility from a management standpoint. The Gorham site offers a feasible location for this option.
- Separating the heavy operations (field operations, T&D, vehicle maintenance, meter service and storage) provides functional flexibility at existing and potential sites. The Dike Street property offers an attractive, centrally located option for the T&D facility.
- PWSB owns the Cranston site, and its expansion for administrative offices is a feasible solution. Further development on or to the rear of this site for the T&D facility may not be feasible given abutter concerns and the lack of a separate access from Phenix Avenue. This location of this site relative to the service area may also limit its feasibility for a T&D facility.
- PWSB owns the Neutaconkanut site, which could facilitate additional development. However, it is likely that similar abutter and access concerns would be encountered.

Cost ranges to purchase or lease these sites, plus to construct the separate facilities and site improvements have been developed under this Phase of the project, and are summarized as follows:

LOCATION	COST RANGE*	
	LOW	HIGH
<i>Dike Street (T &amp; D only)</i>		
Land Purchase Price	\$1,000,000.00	\$1,000,000.00
Multifamily Property Costs (5 lots)	\$250,000.00	\$1,250,000.00
Bello Property Cost (1 lot, allowance)	\$1,000,000.00	\$1,000,000.00
Site Costs (includes demolition)	\$140,000.00	\$600,000.00
Paving Costs (low due to lot size)	\$270,000.00	\$500,000.00
T & D Building Costs	\$11,200,000.00	\$14,900,000.00
A/E Costs (20-25% site/bldg costs)	<u>\$2,350,000.00</u>	<u>\$4,000,000.00</u>
	\$16,210,000.00	\$23,250,000.00
<i>Gorham Site (Admin and T &amp; D - with land purchase, and lease buy-out)</i>		
Land Purchase Price (T & D)	\$400,000.00	\$600,000.00
Lease Buyout/Site Purchase (Admin)	\$7,500,000.00	\$9,000,000.00
Site Costs (exclusive of environmental)	\$60,000.00	\$140,000.00
Paving Costs (only needed for T & D)	\$415,000.00	\$485,000.00
Admin Building Costs (refit existing)	\$6,750,000.00	\$8,400,000.00
T & D Building Costs	\$11,200,000.00	\$14,900,000.00
A/E Costs (20-25% site/bldg costs)	<u>\$3,685,000.00</u>	<u>\$6,000,000.00</u>
	\$30,000,000.00	\$39,500,000.00
<i>Cranston (Admin)</i>		
Site Costs (Admin)	\$52,500.00	\$52,500.00
Paving Costs (Admin)	\$500,000.00	\$590,000.00
Admin Building Costs	\$7,200,000.00	\$9,000,000.00
A/E Costs (20-25% site/bldg costs)	<u>\$1,600,000.00</u>	<u>\$2,000,000.00</u>
	\$9,400,000.00	\$11,700,000.00
<i>Cranston (T &amp; D)</i>		
Site Costs (T & D)	\$300,000.00	\$300,000.00
Paving Costs (T & D)	\$415,000.00	\$485,000.00
T & D Building Costs	\$11,200,000.00	\$14,900,000.00
A/E Costs (20-25% site/bldg costs)	<u>\$2,400,000.00</u>	<u>\$3,900,000.00</u>
	\$14,350,000.00	\$19,600,000.00
<i>Nuetaconkaunut (T &amp; D)</i>		
Site Costs (T & D)	\$262,500.00	\$300,000.00
Paving Costs (T & D)	\$415,000.00	\$485,000.00
T & D Building Costs	\$11,200,000.00	\$14,900,000.00
A/E Costs (20-25% site/bldg costs)	<u>\$2,400,000.00</u>	<u>\$3,900,000.00</u>
	\$14,300,000.00	\$19,600,000.00

\*note - figures have been rounded





552 Academy Avenue  
Providence, RI 02908

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## RESOLUTION OF THE PROVIDENCE WATER SUPPLY BOARD

A Resolution of the City of Providence Water Supply Board authorizing the Chief Engineer and General Manager to petition the Division of Public Utilities to authorize long term borrowing and to provide an effective date.

David N. Cicilline  
*Mayor*

WHEREAS, the City of Providence Water Supply Board (the "Board") is an agency of the City of Providence, Rhode Island and owns and operates a Water Supply system (the "System"); and

Pamela Marchand, P.E.  
*Chief Engineer &  
General Manager*

WHEREAS, the Board has outgrown the administration building at Academy Avenue, and the Scituate Avenue facility. The current facilities are in need of many upgrades and the two administrative facilities are inefficient and not conducive to a productive work environment. The Board now desires to find one central location that will house all departments and employees not located at the Treatment Plant; and

### BOARD OF DIRECTORS

Andrew K. Moffit  
*Chairman*

WHEREAS, it is the intent of the Board to borrow funds in an amount, not to exceed thirty nine million dollars (\$39,000,000), or an annual cost of approximately \$2.4 million, for the acquisition of land, construction of a building, or the purchase or long term lease of an existing building to house all administrative and distribution departments.

Joseph D. Cataldi  
*Vice Chairman*

Bruce T. Miller  
*Ex-Officio*

NOW, THEREFORE, BE IT RESOLVED:

Joseph DeLuca  
*City Councilman*

Michael A. Solomon  
*City Councilman*

That the Board voted to authorize the Chief Engineer and General Manager to petition the Division of Public Utilities to authorize long term borrowing for the acquisition of land, construction of an administration building, or the purchase or long term lease of an existing building for all administrative and distribution departments.

John A. Fargnoli  
*Member*

Joan Badway  
*Member*

This resolution shall take effect upon passage.

Carissa R. Richard  
*Secretary*

The above and forgoing was duly adopted and approved at a meeting of the City of Providence Water Supply Board as held on November 17, 2010 by vote of the members of the Providence Water Supply Board present.

Fernando G. Cunha Esq.  
*Isor*



Andrew K. Moffit, Chairman  
Providence Water Supply Board

Carissa R. Richard, Secretary  
Providence Water Supply Board



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NAHOMBEJANNEB\CBACKUP\JEANNEB\wpdocs\Resolution on new building Nov.2010.odt

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RESOLUTION  
OF THE  
PROVIDENCE WATER SUPPLY BOARD

A Resolution of the City of Providence Water Supply Board authorizing the Chief Engineer and General Manager to petition the Rhode Island Clean Water Finance Agency to issue a pre-approval for long term borrowing and to provide an effective date.

WHEREAS, the City of Providence Water Supply Board (the "Board") is an agency of the City of Providence, Rhode Island and owns and operates a Water Supply system (the "System"); and

WHEREAS, the Board has outgrown the administration building at Academy Avenue, and the Scituate Avenue facility. The current facilities are in need of many upgrades and the two administrative facilities are inefficient and not conducive to a productive work environment. The Board now desires to find one central location that will house all departments and employees not located at the Treatment Plant; and

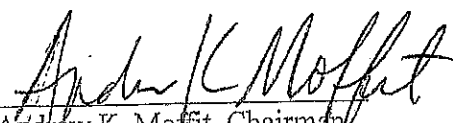
WHEREAS, in order to achieve the above stated objective it may be necessary to finance the project through a 30 year bond issue not to exceed \$39 million to be issued by Rhode Island Clean Water Finance Agency. The annual debt service on the bond will be paid utilizing funds already available in the Capital Improvement Fund (CIP). The bond proceeds will be used for the acquisition of land, construction of a building, or the purchase or long term lease of an existing building to house all administrative and distribution departments.

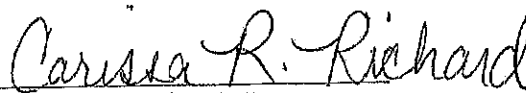
NOW, THEREFORE, BE IT RESOLVED:

That the Board voted to authorize the Chief Engineer and General Manager to petition the Rhode Island Clean Water Finance Agency to issue a pre-approval for long term borrowing for the acquisition of land, construction of an administration building, or the purchase or long term lease of an existing building for all administrative and distribution departments.

This resolution shall take effect upon passage.

The above and forgoing was duly adopted and approved at a meeting of the City of Providence Water Supply Board as held on November 17, 2010 by vote of the members of the Providence Water Supply Board-present.

  
Andrew K. Moffit, Chairman  
Providence Water Supply Board

  
Carissa R. Richard, Secretary  
Providence Water Supply Board

David N. Cicilline  
*Mayor*

Pamela Marchand, P.E.  
*Chief Engineer &  
General Manager*

BOARD OF DIRECTORS

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*Vice Chairman*

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*Ex-Officio*

Joseph DeLuca  
*City Councilman*

Michael A. Solomon  
*City Councilman*

John A. Fagnoli  
*Member*

Joan Badway  
*Member*

Carissa R. Richard  
*Secretary*

Fernando S. Cunha, Esq.  
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## RESOLUTION OF THE PROVIDENCE WATER SUPPLY BOARD

A Resolution of the City of Providence Water Supply Board authorizing the Chief Engineer and General Manager to petition the Division of Public Utilities to authorize long term borrowing and to provide an effective date.

David N. Cicilline  
*Mayor*

WHEREAS, the City of Providence Water Supply Board (the "Board") is an agency of the City of Providence, Rhode Island and owns and operates a Water Supply system (the "System"); and

Pamela Marchand, P.E.  
*Chief Engineer &  
General Manager*

WHEREAS, the Board has outgrown the administration building at Academy Avenue, and the Scituate Avenue facility. The current facilities are in need of many upgrades and the two administrative facilities are inefficient and not conducive to a productive work environment. The Board now desires to find one central location that will house all departments and employees not located at the Treatment Plant; and

### BOARD OF DIRECTORS

Andrew K. Moffit  
*Chairman*

WHEREAS, it is the intent of the Board to borrow funds in an amount, not to exceed thirty nine million dollars (\$39,000,000), or an annual cost of approximately \$2.4 million, for the acquisition of land, construction of a building, or the purchase or long term lease of an existing building to house all administrative and distribution departments.

Joseph D. Cataldi  
*Vice Chairman*

Bruce T. Miller  
*Ex-Officio*

Joseph DeLuca  
*City Councilman*

NOW, THEREFORE, BE IT RESOLVED:

Michael A. Solomon  
*City Councilman*

That the Board voted to authorize the Chief Engineer and General Manager to petition the Division of Public Utilities to authorize long term borrowing for the acquisition of land, construction of an administration building, or the purchase or long term lease of an existing building for all administrative and distribution departments.

John A. Fagnoli  
*Member*

Joan Badway  
*Member*

This resolution shall take effect upon passage.

Carissa R. Richard  
*Secretary*

Fernando G. Costa Esq.  
*Isor*

The above and forgoing was duly adopted and approved at a meeting of the City of Providence Water Supply Board as held on November 17, 2010 by vote of the members of the Providence Water Supply Board present.



*Andrew K. Moffit*  
Andrew K. Moffit, Chairman  
Providence Water Supply Board

*Carissa R. Richard*  
Carissa R. Richard, Secretary  
Providence Water Supply Board



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Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2**

KCWA 2-16. What was the total cost for the "Full Rate Filing" and for "Legal" in Docket No. 4061?

Answer: See below the approximate total costs to Providence Water for Dk3832 (Full Rate Filing), DK4061 (Abbreviated/Conservation Filing) and estimated cost for DK4406 (Current Filing).

<b>Docket 3832</b>		<b>Docket 4061</b>		<b>Current DK 4406</b>	
<b>Filed 3/30/2007</b>		<b>Filed 4/30/2009</b>		<b>Filed 3/29/2013</b>	
Division	55,786	Division	20,359	Division	58,575
Accounting		Accounting		Accounting	
Contract	99,613	Contract	92,285	Contract	84,035
Travel/Hearings		Travel/Hearings		Travel/Hearings	17,380
legal	<u>59,677</u>	legal	<u>57,588</u>	Legal	<u>73,632</u>
<b>Total Cost</b>	<b>\$ 215,076</b>	<b>Total Cost</b>	<b>\$ 170,231</b>	<b>Total Cost</b>	<b>\$ 233,622</b>

Providence Water Docket 4406

**Data Requests of the  
Kent County Water Authority  
Set 2 (Issued May 31, 2013)**

KCWA 2-17. Referring to the response to Div 1-31: Please provide a comparison of the actual amounts spent on IFR projects vs. the budget amounts shown for 2011 (\$26,860,000 budget), 2012 (\$ 17,575,000 budget), and, to extent possible, 2013 (\$23,815,000).

Answer: Below are comparisons of the actual IFR expenditures vs. the budgeted amounts for the referenced fiscal years:

FY	Budgeted IFR	Actual IFR Expenditures
2011	\$26,860,000	\$26,850,302
2012	\$17,575,000	\$19,731,159
2013	\$23,815,000	\$11,690,619 **

\*\* Represents only a partial accounting of expenditures incurred through April 30, 2013.

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**Data Requests of the  
Kent County Water Authority  
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KCWA 2-18. Regarding the response to KCWA 1-2: Is it the contention of Providence Water that unspent bond proceeds constitute Construction Work in Progress? If so, please explain the basis for this.

Answer: No, Providence Water considers unspent bond funds Investments and Special Funds.

The amounts in the response to KCWA 1-2 are internal Construction Work In Progress (CWIP) and CWIP from Bond funds. The funds have been spent on the project, the project is in progress and has not been closed to a plant asset account.

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**Data Requests of the  
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KCWA 2-19. Regarding the response to KCWA 1-3: Are there Capital Leases associated with the Fruit Hill system and with an Office Building in Cranston as indicated in the attachment to the response? If so, please provide details of these leases and explain the statement in Exhibit 2 to Mr. Smith's testimony (Index and Responses in Compliance with Part 2), item 2.9(g).

Answer: There were leases associated with the Fruit Hill system and the Office Building in Cranston. The leases have been paid and will be reclassified to an asset in FY 2013.

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**Data Requests of the  
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KCWA 2-20. Regarding the response to KCWA 1-10(b) (symbols N, NO, and NP): The question was concerned with why none of the costs of these pumping facilities were allocated to fire protection. Is it the contention of Providence Water that no water used for firefighting is pumped through any of the pumping stations? Please explain.

Response: No, that is not Providence Water's contention.

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**Data Requests of the  
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KCWA 2-21. Regarding the response to KCWA 1-11: did Mr. Smith review the peaking factors that were used in Docket 3832 for this docket? Considering the information provided in response to Div 1-7, does Mr. Smith still believe they are appropriate?

Response: I have reviewed the peaking factors in light of the water sales data provided for the response to DIV 1-7. While some adjustments could be made based on these data, the cost shifts and resultant rate impact would be significant within the retail class. Additionally, as the water sales data demonstrate, the demand characteristics have been quite volatile for the retail classes. Accordingly, the factors used in Docket 3832 should be maintained. As I stated in response to 2-3, the factors do not impact the calculation of wholesale rates.