

GENERAL RATE FILING

DIRECT TESTIMONY
OF PAULA L. MCEVOY

August 2013

Submitted to:
State of Rhode Island and Providence
Plantations Public Utilities Commission

RIPUC Docket No.

Submitted by:

United Water Rhode Island Inc.

UNITED WATER RHODE ISLAND INC.
PAULA McEVOY

1 **Q. Please state your name, title, affiliation and address.**

2 A. My name is Paula McEvoy I am the Director of Engineering for the New York
3 Division of United Water, which includes United Water New York Inc, United
4 Water New Rochelle Inc, United Water Westchester Inc, United Water Owego Inc,
5 United Water South County Inc, and United Water Rhode Island Inc (UWRI or the
6 Company). My current business address is 700 Kinderkamack Road, Oradell, NJ
7 07469

8
9 **Q. What are your duties of employment?**

10 A. Reporting directly to the Vice President and General Manager for the New York
11 Division, I am responsible for the development and implementation of the capital
12 plan for the Company, as well as the other New York Division companies.

13
14 **Q. What is your education and professional background?**

15 A. I hold a Bachelors Degree in Civil Engineering (received 1995) and a Master's
16 Degree in Civil Engineering (received 1998), both from the New Jersey Institute of
17 Technology. I have worked at United Water since August of 1995. In addition to
18 my current role I have held positions in various engineering capacities. As
19 Director of Engineering, NY Division, I manage the capital plans for the United
20 Water New York Division. In this capacity, I direct the design and construction of
21 capital projects concerning sources of water supply, dams and reservoirs, water
22 treatment plants, transmission and distribution systems, customer service lines,

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1 meters, distribution system storage tanks, and pumping facilities. Additionally, I
2 am a registered professional engineer, licensed in the State of New Jersey.

3

4 **Q. Have you previously testified before any regulatory commissions?**

5 A. No. I have prepared responses to interrogatories from both the New York State
6 Department of Public Service staff and the Board of Public Utilities in the State of
7 New Jersey, but have not previously provided testimony.

8

9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to describe the capital needs of the Company,
11 specifically focusing on the major capital investment items. I will present the
12 Company's capital projects on Exhibit PM-1.

13

14 **Q. Please describe the Company's plans for capital investment.**

15 A. The main focus of the Company's plans for capital investment are the critical
16 areas of need specifically, water storage tank construction, underground
17 infrastructure improvements, and other regular capital improvements.

18 Over the past two years the Company has managed infrastructure
19 improvement projects, plus other capital projects and will soon complete the
20 construction of the Tower Hill Tank, which will replace the existing Tower Hill
21 Tank. These projects have improved the overall system reliability, flexibility, fire
22 flow availability, and resiliency for the benefit of our customers.

23

1 **Q. Please explain Exhibit PM-1.**

2 A. Exhibit PM-1 provides lists of capital projects that will be placed in-service for our
3 customers between March 1, 2013 and December 31, 2014. I have provided this
4 information to Mr. Michaelson for inclusion in the Company's rate base.

5

6 **Q. Please describe the more significant projects shown on Exhibit PM-1.**

7 A. Following are brief descriptions of the more significant projects shown on Exhibit
8 PM-1. The discussion of the projects have been grouped into three categories:
9 storage tank replacement, infrastructure improvements, and operations
10 improvements:

11

12 **1. Storage Tank Replacement**

13 • **Tower Hill Tank:** The Tower Hill Tank is located at 4640 Tower Hill
14 Road in South Kingston, Rhode Island. This storage tank is utilized to
15 maintain adequate pressures in the distribution system, both during daily
16 service and during fire flow. The existing Tower Hill storage tank was a
17 30' diameter, 100' tall ground storage tank, holding 500,000 gallons of
18 water. A study was prepared of the storage for UWRI and determined that
19 there was insufficient effective storage in the system, and specifically that
20 the Tower Hill Tank had only 10% effective storage due to the elevations
21 served relative to the operating range of the tank. Effective storage is the
22 volume of water in the tank when the system has at least 35 psi.

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1 The Rhode Island system has experienced boil water alerts during
2 peak periods because there was insufficient effective storage. The new
3 Tower Hill tank has a larger volume, at 1 Million Gallons, and is at a higher
4 elevation which provides improved pressures to the system. The elevated
5 tank allows for a higher volume of effective storage and improved fire flow
6 because the entire tank volume is usable. The Company evaluated both
7 traditional steel elevated tanks and the Aquastore Tank, which is a glass,
8 fused to steel coating system. The Aquastore tank was selected for this
9 project. The Tower Hill Tank was placed in service in July 2013.

10 • **Sherman Hill Tank** After construction of Tower Hill Tank is
11 complete, design will be underway to rebuild the Sherman Tank. The
12 Sherman Tank project is anticipated to be completed in 2015 and is not
13 part of this rate case.

14 **2. Infrastructure Improvements:**

15 • **Boston Neck Road:** The Company owns and maintains 78 miles of
16 transmission and distribution water mains. This project was to replace
17 2600' of 4" and 8" cast iron water mains on Boston Neck Road with a
18 12' ductile iron water main. In addition, a new metering chamber and
19 pressure reducing vault were constructed as part of maintaining
20 pressure and flow from this district into the district served by Sherman
21 Tank. This project improved the water transmission in the system and
22 fire flow in the area.

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1 • **Kenyan Avenue Water Main:** The Company owns and maintains
2 78 miles of transmission and distribution water mains. This project is to
3 replace 2000' of existing 6" water main with 12" water main to improve the
4 transmission capabilities in the system.

5 • **Pond Avenue Water Main:** This project is to replace
6 approximately 3000' of 6" water main with 8" ductile iron water main to
7 improve fire flow in the area.

8 **3. Operations Improvements:**

9 • **IT System Enhancements:** United Water performs a number of IT
10 system improvement projects each year on the IT infrastructure, hardware
11 and software. The Company's capital plan includes the initiatives such as:

12 - **Data Center Upgrades** - Upgrades to the data center in the
13 Harrington Park office including improvements to the HVAC system,
14 and new racks for the servers as well as a new generator and new
15 UPS system. These improvements enable the computer and data
16 systems to remain operational during storm events such as
17 Hurricane Sandy.

18 - **CC&B Enhancements** - CC&B (Customer Care and Billing) is
19 billing system that went live in 2011. CC&B improved the workflow,
20 processes and has stream lined our billing system. After CC&B was
21 live, it was determined that additional improvements were required
22 to the system to improve reporting and querying functions and to
23 respond to some regulatory requirements.

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1 - Financial System Improvements - Implementation of a new
2 version of PeopleSoft and document imaging system. Existing
3 systems will no longer be supported after 2013. New systems will
4 have improved reliability, better reporting, increased flexibility and
5 improved controls.

6 - CIS improvements - Additional functionality and
7 improvements to the original design are necessary to maintain
8 consistency with regulatory requirements along with the
9 development of an additional regulatory and management reporting
10 framework including additional querying capabilities.

11 - QEHS - Quality, Environment Health and Safety program
12 which will be utilized to enable the Company to automate the health
13 and safety compliance reporting.

14
15 **Q. Please generally describe the Company's other capital projects included in**
16 **Exhibit PM-1.**

17 A. The remaining capital projects included in Exhibit PM-1 are somewhat self-
18 explanatory, but are required to maintain asset conditions to meet customer
19 service standards and regulatory requirements. Below is a general description of
20 these projects by major category.

- 21 • **Treatment:** This category includes replacement of chemical
22 equipment and other treatment equipment as needed to maintain the

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1 treatment production capability and meet water quality standards /
2 regulations.

3 • **Pumping**: This category includes the replacement of well pumps to
4 meet the system water demands, and replacement / upgrade of SCADA
5 equipment required to provide effective system monitoring and control.

6 • **Transmission and Distribution**: This category includes new and
7 replacement water mains, valves, and hydrants. All of these projects are
8 needed to meet the demands in the distribution system, replace inoperable
9 valves or damaged sections of water main and replace damaged hydrants.

10 • **Services**: This category includes the installation of new domestic
11 services to meet the growth in the system and replacement services to
12 improve water quality and maintain supply / pressure.

13 • **Meters**: This category includes the installation of meters for new
14 customers and replacing meters in accordance with regulatory
15 requirements. Replacement meter reading equipment is also included to
16 maintain efficient and effective meter reading operations.

17 • **Information Technology**: This category includes replacement of
18 computers that are required to maintain efficient operations.

19 • **General**: This category includes new and replacement tools and
20 work equipment, and the replacement of office furniture and equipment as
21 required for efficient operations.

22
23 **Q. Does the Company have any plans to paint tanks?**

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1 A. No. The Boston Neck Tank was painted in 2012, and the Howland Wellfield
2 clearwell was painted in 2008. The Tuckertown clearwell will be inspected in
3 2014.

4

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

6 A. Yes.