

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: KENT COUNTY WATER AUTHORITY
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO. 4611

NOTICE OF PUBLIC HEARINGS

Pursuant to R.I. Gen. Laws § 39-3-11, the Public Utilities Commission (PUC) will conduct a public hearing on **Wednesday, July 13, 2016 at 6:00 P.M.** in the West Warwick High School Auditorium located at Webster Knight Drive, West Warwick, Rhode Island. The purpose of the hearing is to solicit comments regarding the Kent County Water rate application. The evidentiary hearing will continue on **Tuesday, December 6, 2016 at 9:30 A.M.** at the PUC's office located at 89 Jefferson Blvd., Warwick, Rhode Island.

In this docket, the PUC will examine the propriety of an application by the Kent County Water Authority (KCWA) seeking to implement a multi-year rate plan through a three step rate increase. In the first step, KCWA seeks approval of new rates designed to generate additional revenues in the amount of \$3,296,334 to support total operating revenue requirements of \$23,023,351. The impact on a residential quarterly bill with an average consumption of 20 HCF will be an increase of \$14.61 per quarter, from \$115.34 to \$129.95 or 12.7%. The impact of the proposed rate increase on other retail customers is between -1.2% and 14.6%. Private Fire Service is proposed to increase between 72.2% and 74.9%. Public Fire Service Charges is proposed to increase by 80.31% per hydrant. The PUC may approve different rates that may be higher or lower than those proposed by KCWA.

KCWA also proposes the following: 1) a demand surcharge that would be fixed charge based on meter size to fund \$500,000 of KCWA's debt service, 2) an alternative seasonal rate to promote conservation pursuant to R.I.G.L. § 39-15.1-3(d), and 3) an optional Public Fire Service Charge based on size of meter. Approval of the optional Public Fire Service Charge would eliminate the Public Fire Service Charge to municipalities and fire districts and re-allocate this cost directly to the retail customer through the customer charge.

In the second step of the rate plan, KCWA proposes to implement rates effective July 1, 2017 to collect additional operating revenues of \$874,192. The impact of the second step will be an across-the-board rate increase of 3.85% on all rate classes. In the third step of the rate plan, KCWA proposes to implement rates effective July 1, 2018 designed to collect additional operating revenues of \$1,480,302. The impact of the third step will be an across-the-board rate increase of 6.28% on all rate classes. The actual amount of rate changes related to the second and third steps will be subject to further PUC review.

The filing may be examined at the PUC's office. The filing can also be accessed at www.ripuc.org.eventsactions/docket/4611page.html. Reference is made to R.I. Gen. Laws §§ 39-1, 39-3 and 42-35. These buildings are accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Commission Clerk's office at 780-2107, seventy-two hours in advance of hearing date.

Luly E. Massaro, Commission Clerk
July 1, 2016