



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

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Peter F. Kilmartin, Attorney General

July 6, 2018

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

Re: Docket 4800 - In Re: SUEZ Water Rhode Island, Inc.
Application to Change Rates

Dear Ms. Massaro:

Enclosed for filing by the Division of Public Utilities and Carriers ("Division") in the above-captioned proceeding please find an original and nine (9) copies of Division responses to Suez's Second Set of Data Requests to the Division. An electronic copy shall be served upon the service list. Please note that the responses from Matthew I. Kahal reference certain confidential and proprietary resources/documents which are being provided to the Commission by sealed envelope. Said responsive documents are being provided to Suez Water Rhode Island, Inc. subject to the execution of a Non-Disclosure Agreement (NDA) with Acknowledgements. Attached also please find a Motion for Protective Treatment of Confidential Information in connection with this filing.

Thank you for your attention in this matter and if you should have any questions kindly contact me at your convenience.

Very truly yours,

Christy Hetherington
Special Assistant Attorney General

Enclosure

cc: Service List

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

In Re: SUEZ Water Rhode Island, Inc.
Application to Change Rates

Docket No. 4800

**DIVISION'S MOTION FOR PROTECTIVE TREATMENT OF
CONFIDENTIAL INFORMATION**

The Division of Public Utilities and Carriers ("Division") respectfully requests that the Public Utilities Commission ("Commission") provide confidential treatment and grant protection from public disclosure certain purported confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.2(g) and R.I. Gen. Laws § 38-2-2(4)(B). The Division also respectfully requests that, pending entry of that finding, the Commission preliminary grant the Division's request for confidential treatment pursuant to Rule 1.2(g)(2).

I. Background

On July 6, 2018, the Division will file with the Commission its responses to Suez's Second Set of Data Requests to the Division. Referenced in responses from Matthew I. Kahal are two "RRA" Reports that are identified as confidential and proprietary and available only by subscription.

II. Legal Standard

The Commission's Rule 1.2(g) provides that access to public records shall be granted in accordance with the Access to Public Records Act ("APRA"), R.I. Gen. Laws § 38-2-1 *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency are deemed to be "public record," unless the information contained in such documents and materials falls

within one or more of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). Therefore, to the extent that information provided to the Commission falls within one of the designated exceptions to the public records laws, the Commission has the authority under the terms of the APRA to treat such information as confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where disclosure of information would likely either (1) impair the Government's ability to obtain necessary information in the future; or (2) cause substantial harm to the competitive position of the person from whom the information was obtained. Providence Journal Company v. Convention Center Authority, 774 A. 2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is voluntarily provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. Providence Journal, 774 A. 2d at 47.

Mr. Kahal has identified in his responses the confidential and/or proprietary reports. The Division seeks protective confidential treatment for these documents.

Conclusion

Wherefore, for the foregoing reasons, the Division respectfully requests that the Commission grant its motion for protective treatment.

Respectfully submitted,

DIVISION OF PUBLIC UTILITIES
AND CARRIERS

By its attorney,

PETER F. KILMARTIN
ATTORNEY GENERAL



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CERTIFICATE OF SERVICE

I certify that a copy of the within motion was forwarded to the Service List by e-mail on July 6, 2018.



**SUEZ WATER RHODE ISLAND INC.
DOCKET NO. 4800**

SECOND SET OF DATA REQUESTS TO DIVISION

Request No.: SWRI-2

Requesting Party: SUEZ Water Rhode Island Inc.

Information Requested of: Matthew I. Kahal, Rhode Island Division of Public Utilities and Carriers Staff

Date of Request: 6/22/2018

Response Due Date: 7/6/2018

Subject: Requested document

Response Provided By: Matthew I. Kahal

Date of Reply: 7/6/2018

Question:

Please provide a complete copy of “RRA Water Advisory Major Rate Case Decision January – December 2017, (March 26, 2018)” cited on page 8, footnote 1 of your testimony.

Response:

Attached with this response is the requested document. The RRA reports are proprietary, available by subscription, and may not be copied or used for any purpose other than for use in this case.

**SUEZ WATER RHODE ISLAND INC.
DOCKET NO. 4800**

SECOND SET OF DATA REQUESTS TO DIVISION

Request No.: SWRI-3

Requesting Party: SUEZ Water Rhode Island Inc.

Information Requested of: Matthew I. Kahal, Rhode Island Division of Public Utilities and Carriers Staff

Date of Request: 6/22/2018

Response Due Date: 7/6/2018

Subject: Requested document

Response Provided By: Matthew I. Kahal

Date of Reply: 7/6/2018

Question:

Please provide a complete copy of “Water Utility Equity Returns Trend Downward Driven by California Decisions, (RRA Regulatory Focus), April 20, 2018” referenced on page 8, footnote 1 of your testimony.

Response:

Attached with this response is the requested document. The RRA reports are proprietary, available by subscription, and may not be copied or used for any purpose other than for use in this case.

**SUEZ WATER RHODE ISLAND INC.
DOCKET NO. 4800**

SECOND SET OF DATA REQUESTS TO DIVISION

Request No.: SWRI-4

Requesting Party: SUEZ Water Rhode Island Inc.

Information Requested of: Matthew I. Kahal, Rhode Island Division of Public Utilities and Carriers Staff

Date of Request: 6/22/2018

Response Due Date: 7/6/2018

Subject: Risk Premium

Response Provided By: Matthew I. Kahal

Date of Reply: 7/6/2018

Question:

Please provide a copy of the source of information from the textbook by Brealey, Myers and Allen, *Principles of Corporate Finance*, referenced on page 35 of your testimony which supports the “5 to 8 percent” equity risk premium used in the CAPM.

Response:

The basis of the 5 to 8 percent risk premium is provided in the text book excerpt provided by the Division in response to the Company’s first request, SWRI-1. That excerpt discusses in general the type of evidence considered by Brealey et. al. in reaching the conclusion. There are no further documents relied upon by Mr. Kahal responsive to this request.

**SUEZ WATER RHODE ISLAND INC.
DOCKET NO. 4800**

SECOND SET OF DATA REQUESTS TO DIVISION

Request No.: SWRI-005

Requesting Party: SUEZ Water Rhode Island Inc.

Information Requested of: Roxie McCullar, Rhode Island Division of Public Utilities
and Carriers Staff

Date of Request: 6/22/2018

Response Due Date: 7/6/2018

Subject: Depreciation

Response Provided By: Roxie McCullar

Date of Reply: 7/6/2018

Question:

Please provide Schedules RMM-1, RMM-6 and RMM-7 to the testimony of Witness Roxie McCullar in working Excel format with formulae intact.

Response:

The referenced Schedules were provided in the Division's responses to Suez's First Set of Data Requests to the Division.

**SUEZ WATER RHODE ISLAND INC.
DOCKET NO. 4800**

SECOND SET OF DATA REQUESTS TO DIVISION

Request No.: SWRI-006

Requesting Party: SUEZ Water Rhode Island Inc.

Information Requested of: Roxie McCullar, Rhode Island Division of Public Utilities
and Carriers Staff

Date of Request: 6/22/2018

Response Due Date: 7/6/2018

Subject: Depreciation

Response Provided By: Roxie McCullar

Date of Reply: 7/6/2018

Question:

Please provide the workpapers and other documents that support Schedules RMM-1, RMM-6 and RMM-7 to the testimony of Witness Roxie McCullar. When possible, provide the workpapers and other documents requested electronically in Excel format (or in text delimited format if not available in Excel), with formulae intact.

Response:

All responsive supportive documents were provided in the Division's responses to Suez's First Set of Data Requests to the Division.