

SUEZ WATER RHODE ISLAND, INC.
Docket No. 4800
Sixth Set of Data Requests of the
Division of Public Utilities and Carriers
April 16, 2018

6-1
Page 1 of 2
(Jacobs)

6-1 Reference the response to DIV 1-1:

- a. Under the Total subheading, should the first line be maximum month or daily consumption?
- b. Under the South Kingstown and Narragansett subheadings, should the first line be maximum month or daily consumption?
- c. Please explain why the 2015 and 2016 wholesale total maximum month consumption differs from the sum of South Kingstown and Narragansett consumption.

Response:

- a. Should be Maximum Month Demand – see corrected table
- b. Should be Maximum Month Demand – see corrected table

Total

-Maximum Month Demand last 3 years.

2015 MMD = 49,429,311 gals

2016 MMD = 54,963,247 gals

2017 MMD = 49,910,887 gals

-Average Day Demand last 3 years

2015 ADD = 944,373 gals

2016 ADD = 970,183 gals

2017 ADD = 885,970 gals

South Kingstown

-Maximum Month Demand last 3 years.

2015 MMD = 22,413,920 gals

2016 MMD = 23,675,096 gals

2017 MMD = 22,413,920 gals

-Average Day Demand last 3 years

2015 ADD = 381,557 gals

2016 ADD = 394,148 gals

2017 ADD = 381,557 gals

Narragansett

-Maximum Month Demand last 3 years.

2015 MMD = 30,123,247 gals

2016 MMD = 32,353,951 gals

2017 MMD = 27,496,967 gals

-Average Day Demand last 3 years

2015 ADD = 562,815 gals

2016 ADD = 576,034 gals

2017 ADD = 504,412 gals

SUEZ WATER RHODE ISLAND, INC.
Docket No. 4800
Sixth Set of Data Requests of the
Division of Public Utilities and Carriers
April 16, 2018

6-1
Page 2 of 2
(Jacobs)

- c. Total Maximum Month can differ from the Maximum Month of South Kingstown (SK) and Narragansett (Nar). Narragansett on average uses approximately 70% more water than SK. That being said in 2015 and 2016 Maximum Month demand for Nar was in August and Maximum Month Demand for SK was in July making the total maximum month for those two years occur in August. In 2017 the max month for both South Kingstown and Narragansett was in July making the total maximum month in July.

SUEZ WATER RHODE ISLAND, INC.
Docket No. 4800
Sixth Set of Data Requests of the
Division of Public Utilities and Carriers
April 16, 2018

6-2
(Fox)

- 6.2** Reference the response to DIV 1-11. Please explain:
- a. Why an increasing block rate is appropriate for the residential class;
 - b. The basis for assessing a different rate to residential usage over 8 Ccf/month;
 - c. The basis for an increase in the residential second block rate which is more than twice the increase in the first block.

Response:

- a. An increasing block rate for residential customers is appropriate, and very typical in the water industry, for purposes of achieving a water utility's goal of incentivizing conservation and in turn the efficient use of water.
- b. As stated in response (a), the purpose of an increasing block rate structure is to incentivize the efficient use of water, or to put another way, to reduce discretionary usage. In order to approximate the cutoff for essential and discretionary usage, we utilized an estimate of 3 persons per household for residential customers, and targeted 65 gallons per capita per day as essential usage per Rhode Island General Laws §46-15.3-5.1 (c) and §46-15.8-5. Assuming an average month of 30 days, along with 3 persons per household and 65 gallons per person per day (30 x 3 x 65), we arrive at approximate efficient monthly water usage per household of 5,850 gallons, or approximately 8 Ccf. For purposes of establishing a block cutoff, we assumed all usage above the 8 Ccf would be targeted for reductions in consumption with a higher per Ccf rate.
- c. We established the differential between block 2 and block 1 to send an adequate pricing signal to incentivize conservation and in turn the efficient use of water.