

SUEZ WATER RHODE ISLAND, INC.
Docket No. 4800
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE SEPTEMBER 2021
PUBLIC UTILITIES COMMISSION'S (Commission)
FIRST SET OF DATA REQUESTS DIRECTED TO SUEZ
(Issued September 29, 2021)

1-1
(Prettyman)

1-1. The effective date of the Commission's decision was October 5, 2018. Please confirm that this was the commencement of the DSIC.

Response: Yes, the commencement of DSIC began with the Commission's order effective October 5, 2018.

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1-2
(Prettyman)

1-2. Please provide schedules that show the Qualified Additions, if any, for each six-month period prior to January 31, 2021.

Response: Please see 1-2 Attachment. Please note that the total cost on the attachment is \$3,696,111 as compared to the as-filed amount of \$3,682,933, a difference of \$13,178. This difference will not change the 2.50% DSIC surcharge since the calculated amount is 5.25%.

SUEZ Water Rhode Island
DSIC Filing 10/1/18 to 7/31/21
Response to Commission 1-2 and 1-4

Oct 1, 2018 - Feb 1, 2019 - Aug 1, 2019 - Feb 1, 2020 - Aug 1, 2020 - Feb 1, 2021 - Aug 1, 2020 - Feb 1, 2021 - Jul 31, 2021 - Jul 31, 2021 - Jul 31, 2021 - In-Service Date

Main Replacement Projects

	Oct 1, 2018 - Jan 31, 2019	Feb 1, 2019 - Jul 31, 2019	Aug 1, 2019 - Jan 31, 2020	Feb 1, 2020 - Jul 31, 2020	Aug 1, 2020 - Jan 31, 2021	Feb 1, 2021 - Jul 31, 2021	Total	In-Service Date
C19D601	\$0	\$16,146	\$316,874	\$116,961	\$136,229	\$70,975	\$657,185	9/30/2020
C20D602	\$0	\$0	\$0	\$179,072	\$984,750	-\$5,806	\$1,158,016	10/1/2020
River Street Winchester Drive Total based on in-service date								\$1,815,201

Blankets

CYYF501	\$65,649	\$60,723	\$47,515	\$66,679	\$55,306	\$20,012	\$315,885	Each Month
CYYD502	\$59,249	\$39,820	\$122,872	\$145,828	\$88,187	\$155,178	\$611,134	Each Month
CYYD501	\$6,386	\$20,794	\$11,854	\$16,936	\$30,809	\$5,050	\$91,829	Each Month
CYYG501	\$100,593	\$135,625	\$232,786	\$135,401	\$242,562	\$15,095	\$862,061	Each Month
Total based on in-service date Cumulative Blankets								\$1,880,910
Cumulative Total								\$3,696,111

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1-3
(Prettyman)

1-3. Referencing SUEZ's main replacement projects listed on page 6 of 7 of the filing, is the "engineering in service date" the date when the project was placed in service for purposes of the DSIC? If not, what is it? If so, why was a DSIC not filed earlier?

Response: The engineering in service date is when the project was completed from an engineering standpoint and providing service to customers. Since the project is providing service to the customer it is therefore eligible for DSIC.

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1-4
(Prettyman)

1-4. Referencing the Blankets for the period 10/1/2018 to 7/31/2021, please provide the expenditures for each of the six-month periods between October 1, 2018 and July 31, 2021, ending with the six-month period January 31, 2021 through July 31, 2021.

Response: Please see response to 1-2.

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1-5
(Prettyman)

1-5. The DSIC Calculation on page 2 of 7 of the filing includes the total spend on Qualified Projects for the 33-month period with the amount included in Base Rates for the period October 1, 2018-September 30, 2019 and the Base Spend for a one-year period “annual base spending”. Why isn’t the amount included in Base Rates and Base Spend amount also based on a 33-month revenue period?

Response: The rates that went into effect on October 5, 2018 included capital investment out to September 30, 2019. Within that capital investment was \$2,224,330 of projected DSIC expenditures. As a result, accumulated depreciation (base spend) was also included out to September 30, 2019 which was calculated on the total capital investment included DSIC. Additionally, until rates change, such as DSIC the base spend on the amount included in base rates continues.

When the DSIC surcharge rate goes into effect, the surcharge includes the amount of investment over the amount allowed in the rate case less one year’s worth of base spend. Base spend is to reflect depreciation expense on the amount of investment over the \$2,224,330. As shown in the attachment to 1-2, the Company did not reach the level of necessary investment to file a DSIC until approximately December 2020. In summary, if base spend were included for more than the 12 months that the Company filed, it would be double counting what is already in rates.

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1-6
(Prettyman)

1-6. The purpose of the DSIC was to accelerate infrastructure investment in the system. Given that this is the first DSIC filing almost three years following the decision in the rate case, please provide an explanation for any deviation from the illustrative or proposed schedules of investment filed in the rate case (example: response to RR-4).

Response: The response to RR-4 from the rate case (copy attached) represented a five year projected construction budget for all projects that was prepared in 2017. The construction budget is based upon dollars spent and not projected in-service. Regarding the main replacement projects, as priorities shift, projects and project timing shifts.

The rate case effective October 5, 2018 included DSIC projects that were projected to be in service by September 30, 2019. Because of that, the Company needed to spend and have completed eligible DSIC projects amounting to \$2,224,330 before it could request a DSIC surcharge. Additionally, the Company would also need to spend \$314,148 of base spend for a total of \$2,538,478.

The **main replacement projects** listed in RR-4 are listed below:

	Projected In-service	Projected Amount	Actual In-Service	Actual Amount
Pond St/ Winchester Dr	2020	\$950,000	10/1/20	\$1,158,016
Ocean Rd	2022	\$1,843,823	Delayed due to RIDOT 2022-24	
Upper Pond St	2020	\$250,000	Replaced by River St.	
Blossom	2021	\$380,000	Replaced by River St.	
Hunt Ave	2022	\$385,000	Replaced by River St.	
River St	n/a	n/a	9/30/20	\$657,185

Blanket Projects are completed and booked on a monthly basis.

For the DSIC period Blanket Projects:
 RR-4 included \$1,824,509 of projected expenditures. (note 2018 and 2022 were pro-rated).
 Actual DSIC expenditures placed in-service were \$1,880,910.

	2018	2019	2020	2021	2022	2023	2024
Business Unit							
Suez Water	593,705	1,546,007	1,219,249	1,029,931	876,792	516,387	587,000
Capital Plan Year	593,705	1,546,007	1,219,249	1,029,931	876,792	516,387	587,000

061
Rhode Island
2019

Project ID	Project Title	2018	2019	2020	2021	2022	2023	2024
C19D601_061	Pond St/Winchester Dr Main Replacement - DSIC	50,000	500,000	400,000				
C19D601_061	Ocean Road Main Replacement including Westmoreland tie-in - DSIC	30,000	550,000	100,000				
C20D601_061	Upper Pond St Main Replacement - DSIC		50,000	200,000	150,000			
C21D601_061	Blossom Way Main Replacement - DSIC			20,000	360,000			
C22D602_061	Hunt Ave Main Replacement - DSIC				30,000	355,000		
CYD501_061	Replacement Fire Hydrants - DSIC	21,700	21,700	21,700	22,000	22,000	22,000	22,000
CYD502_061	Replacement Short Mains & Valves - DSIC	100,000	120,000	120,000	120,000	120,000	120,000	120,000
CYD503_061	Replacement Valves - DSIC	30,000	30,000	40,000	60,000	90,000	90,000	90,000
CYF501_061	Replacement Domestic Services - DSIC	50,000	80,000	80,000	80,000	80,000	80,000	80,000
CYF502_061	Replacement Domestic Services - DSIC	25,000						
CYYG501_061	Replacement Customer Meters - DSIC	287,005	194,307	237,549	207,931	209,792	204,387	275,000