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July 19, 2019

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

*Re: City of Newport, Utilities Department, Water Division
Docket 4933*

Dear Ms. Massaro:

Enclosed please find an original and nine copies of:

1. City of Newport, Utilities Division, Water Department's Response to the Town of Middletown's Data Request (Set 3).

Please note a copy of this filing has been provided to the service list via email.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK:prc
Enclosure
cc: Docket 4933 Service List (*via electronic mail*)

MIDD 3-1: [Ref. – Response to MIDD 1-32, and HJS Sch. A-1A]. For each year from FY2016 through FY2019 please provide a schedule listing all “services or use of assets to any city department or agency” (separately along with associated amounts) that Newport Water (NW) is compensated for as “miscellaneous charges” or “accounted for as a revenue offset.” In the requested schedule above, please include a separate line for the billing services provided by NW to the WPCD, and describe in detail all tasks and materials that collectively result in the annual charges for these billing services.

Response: The attached schedule provides a listing of Miscellaneous Charges paid by other City Departments to the NWD for FY2016 through FY 2019. Also included on the schedule is the annual payment from the WPCD for cost share on customer service which is accounted for as a revenue offset. The detail of the WPCD cost share is provide with the response to Middletown 3-7.

Prepared by: Julia A. Forgue

City of Newport Water Division
RIPUC Docket #4933
Middletown 3-1
Data Response
Misc. Charges or Revenue Offsets with City

Miscellaneous Charges

City Department	Property Use	FY 2016	FY 2017	FY 2018	FY 2019	Description
REDEVELOPMENT	Historical Society				\$40	Emergency Shut Down
BLDG MAINTENANCE	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Irrigation	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Concessions		\$40	\$40	\$40	Seasonal Shut Down
			\$40	\$40	\$40	Seasonal Turn On
RECREATION	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Pond/Horse Trough	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
ECONOMIC DEV	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Restrooms/Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Irrigation		\$40	\$40	\$40	Seasonal Shut Down
			\$40	\$40	\$40	Seasonal Turn On
RECREATION	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40		Seasonal Shut Down
		\$40	\$40			Seasonal Turn On
BLDG MAINTENANCE	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Irrigation	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down

		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
BLDG MAINTENANCE	Fountain	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Irrigation	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION					\$40	Emergency Shut Down
RECREATION	Restrooms	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION	Irrigation	\$40	\$40	\$40	\$40	Seasonal Shut Down
		\$40	\$40	\$40	\$40	Seasonal Turn On
RECREATION					\$100	Service Application Fee
FIRE		\$1,228				New 2" Meter
REDEVELOPMENT				\$494		New 1" Meter
SCHOOL DEPARTMENT		\$327				Service Call
SCHOOL DEPARTMENT				\$3,273		Hydrant Rental
	Total Misc. Charges	\$3,795	\$2,400	\$6,127	\$2,500	
Revenue Offsets						
WPCD		\$291,792	\$328,399	\$331,646	\$329,614	Customer Service Cost Share

MIDD 3-2: [Ref. – Response to MIDD 1-33]. Does the response to MIDD 1-33 include all public schools, WPCD facilities and NW facilities? If any of these schools or facilities are not charged for water usage, please provide a list of each and either the metered consumption or an estimate of unmetered consumption for each year from FY2016 through FY2019. Does the NW charge all churches and other non-profit organizations for the water supplied to each? If any churches or buildings owned by non-profit organizations are not charged for water usage, provide a list of each and include either the metered consumption or an estimate of unmetered consumption for each year from FY2016 through FY2019.

Response: Newport Water's response to Middletown 1-33 includes all public schools, all City properties, the Water Pollution Control Facilities, and the Water Division's office and garage building.

Newport Water charges all churches, private schools, and other non-profit organizations for water usage.

Prepared by: William Yost

MIDD 3-3: [Ref. – Response to MIDD 1-34]. For each year from FY2004 through FY2018 was there any six-month period (May through October) in which NW would agree that “high rainfall” resulted “in decreased water demand for irrigation purposes?” If positive, in which year(s) did this occur and what is your best estimate of the level of decreased water demand? Similarly, for each year from FY2004 through FY2018 was there any six-month period (May through October) in which NW would agree that low rainfall and high average temperatures resulted in increased water demand for irrigation (and/or other) purposes? If positive, in which year(s) did this occur and what is your best estimate of the level of increased water demand?

Response: As stated in response to MIDD 1-34, Newport does not have the information sought to respond to this request. Furthermore, precipitation and temperature information for “any six-month period” for the four years referenced would be public information available to Middletown. In addition, as stated in response to MIDD 1-34, a summer with high rainfall could possibly result in decreased water demand for irrigation purposes, but total rainfall in a six month period alone does not directly correlate to decreased irrigation. An analysis of rainfall data would have to be undertaken to analyze individual rain events and take into account shorter duration, high intensity rain events. If the majority of the rainfall is from one or two extreme events then the effect on irrigation use would be negligible. The analysis would also have to examine if the “high rainfall” occurred in months when customers don’t typically use water for irrigation (e.g. October). NWD believes the analysis requested requires an expert to review precipitation and temperature data and document their direct effect on water demand for irrigation to support the hypotheses set forth in this request.

Prepared by: Julia Forgue

MIDD 3-4: [Ref. – Response to MIDD 2-4]. The URL provided in your response only brings up the RIPUC website for Docket 4128. Rather than going through every listing contained on that website, it would be appreciated if you would identify which listing or discovery (Information Reqst. - IR) number contains the requested document sought in MIDD 2-4.

Response: The “cost allocation study and demand study,” filed with the Commission in Docket 4128 can be found on the Commission’s Web Site through the URL originally provided in the link entitled “Direct Testimony of Harold J. Smith, including Cost of Service Study.” A revised Cost of Service Study was then presented in Harold J. Smith’s rebuttal testimony for which there is also a link on the Commission’s Web Site. The final Cost Of Service Study approved by the parties in a settlement agreement, and approved by the Commission in its final order, can be found in the links entitled “Settlement Agreement” and “Commission issues Order No. 20181 approving the parties Settlement Agreement on Newport Water’s application.”

Prepared by: Harold Smith

MIDD 3-5: [Ref. – Response to MIDD 2-5]. The URL provided in your response only brings up the RIPUC website for Docket 4355. Rather than going through every listing contained on that website, it would be appreciated if you would identify which listing or discovery (IR) number that contains the requested model sought in MIDD 2-5 ("Newport COS Model"). I was able to find the cited settlement agreement.

Response: The "Newport COS Model," filed with the Commission in Docket 4355 can be found on the Commission's Web Site through the URL originally provided in the links entitled: "Newport Water Division - Application to change rate schedules, including the direct testimony of witness Harold J. Smith"; Newport Water Division - Harold Smith's Supplemental Direct Testimony and updated Rate Model (10/25/12); Newport Water Division - Rebuttal Testimony of Harold Smith (1/10/13); Newport Water Division - Supplemental Rebuttal Testimony of Harold Smith (1/16/13); Settlement Agreement executed by Newport Water, Division of Public Utilities & Carriers and Portsmouth Water & Fire District (3/28/13); Newport Water Division - Compliance Filing, including Compliance Schedules and proposed revised Tariffs effective May 1, 2013; and, Commission Order No. 21104 issued to Newport Water approving the March 28, 2013 Settlement Agreement and new rates effective May 1, 2013. Written Order issued July 16, 2013.

Prepared by: Harold Smith

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 4933
Response Of The City Of Newport,
Utilities Division, Water Department
To The Town of Middletown's
Data Requests
Set 3

MIDD 3-6: [Ref. – Response to MIDD 2-13]. To the attachment provided in response to MIDD 2-13 please provide corresponding amounts for FY2019 through May (or the most recent month with reported numbers), and include your best estimates for June (and May if not available). Please update these totals for the fiscal year as soon as June data is available.

Response: Attached is the attachment provided in response to MIDD 2-13 modified to include the corresponding amounts for the 12 months of FY 2019. Note that the FY 2019 amounts are unaudited.

Prepared by: William Yost

City of Newport Water Division
RIPUC Docket #4933
Middletown 3-6
Data Response
Selected Line Item Revenue by FY 2015 - 2019

		<u>FY 2015</u>		<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>		<u>FY 2019</u> <i>unaudited</i>
Sundry charges	\$	147,125	\$	120,239	\$	134,714	\$	144,002	\$	119,410
Operating Revenue Allowance	\$	262,028	\$	144,428	\$	144,428	\$	144,428	\$	144,428
WPC cost share on customer service	\$	291,365	\$	291,792	\$	328,399	\$	331,646	\$	329,614
Middletown cost share on customer service	\$	146,895	\$	147,785	\$	166,314	\$	166,727	\$	167,823
Water Penalty	\$	54,474	\$	55,922	\$	53,909	\$	48,707	\$	40,344
Miscellaneous	\$	7,853	\$	4,972	\$	17,876	\$	4,434	\$	5,572

MIDD 3-7: [Ref. – Response to MIDD 2-13]. Please provide all assumptions, calculations, analysis and supporting documents used to calculate the “WPC cost share on customer service.” Include all labor costs, materials and equipment used in deriving those total costs. Also include two detailed examples showing how these costs were determined for FY2016 and FY2018.

Response: The Docket 3675 Order and Settlement Agreement, which became effective November 11, 2005, required the WPC Division to make an annual payment starting in FY 2007 to the Water Fund equal to 50% of certain Customer Service expenses due to the benefit of the water data used for sewer billing. Middletown also benefits from the customer service expenses since they use the metered water data for the Town’s sewer billings. Starting in FY 2007 the WPCD billed the Middletown their proportional share based on the number of accounts for the use of the metered water data. Effective with Docket 4025, July 1, 2009, NWD began directly billing WPC and Middletown for their proportional share based on number of accounts of the 50% of the Customer Service expenses. The methodology has been followed for each year thereafter.

Attached are the details for the FY2016 and FY2018 WPCD cost share.

Prepared by: William Yost

Attachment 1**Newport Water Division
Allocation of Customer Service Costs
Per Docket 4243
Effective 12/1/2011****Summary**

				FY 2016
Customer Service Expenses				
O&M				\$613,500
Radio Read Debt Service				\$223,078
Meter Replacement Costs				\$81,300
Remote Read Laptops				\$0
Total				\$917,878
Customer Service Expenses 50%				\$458,939
Customers:				
Newport	9,268	Charge To WPC	63.58%	\$291,792
Middletown	4,694	Charge To Middletown Sewer	32.20%	\$147,785
Water Customers	14,577			

RFC Schedule 3 Compliance

Customer Service

Account No. 15-500-2209		FY 2010		Test Year		Projected		Test Year		Normalized		Rate Year		Original		Rebuttal		Revised FY	
		Test Year		(1)		FY 2011		Normalizing		Test Year		Adjustments		Request		Adjustments		2012 Rate Year	
Personnel																			
001	Salaries & Wages	\$ 326,100	\$ 263,978	\$ 250,088	\$ -	\$ 263,978	\$ -	\$ 263,978	\$ -	\$ 263,978	\$ -	\$ (7,578)	\$ (65)	\$ 256,400	\$ -	\$ (65)	\$ -	\$ 256,335	\$ -
002	Overtime	\$ 21,218	\$ 22,127	\$ 21,218	\$ -	\$ 21,218	\$ -	\$ 22,127	\$ -	\$ 22,127	\$ -	\$ (11,927)	\$ -	\$ 10,200	\$ -	\$ -	\$ -	\$ 10,200	\$ -
004	Temp Salaries	\$ 22,800	\$ 22,917	\$ 21,280	\$ -	\$ 21,280	\$ -	\$ 22,917	\$ -	\$ 22,917	\$ -	\$ (12,717)	\$ -	\$ 10,200	\$ -	\$ -	\$ -	\$ 10,200	\$ -
056	Injury Pay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	Employee Benefits	\$ 175,200	\$ 136,661	\$ 154,946	\$ -	\$ 154,946	\$ -	\$ 136,661	\$ -	\$ 136,661	\$ -	\$ 47,239	\$ (15,107)	\$ 183,900	\$ -	\$ (15,107)	\$ -	\$ 168,793	\$ -
	Subtotal	\$ 545,318	\$ 445,683	\$ 447,532	\$ -	\$ 447,532	\$ -	\$ 445,683	\$ -	\$ 445,683	\$ -	\$ 15,017	\$ (15,172)	\$ 460,700	\$ -	\$ (15,172)	\$ -	\$ 445,528	\$ -
Other Operating																			
205	Copy & Binding	\$ 1,000	\$ 550	\$ 800	\$ -	\$ 800	\$ -	\$ 550	\$ -	\$ 550	\$ -	\$ (50)	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500	\$ -
212	Conferences and Training	\$ 5,000	\$ 850	\$ 5,000	\$ 4,150	\$ 5,000	\$ 4,150	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
225	Contract Services (Support Services)	\$ 21,000	\$ 13,278	\$ 24,850	\$ 7,725	\$ 24,850	\$ 7,725	\$ 21,003	\$ -	\$ 21,003	\$ -	\$ 5,997	\$ (998)	\$ 27,000	\$ -	\$ (998)	\$ -	\$ 26,002	\$ -
238	Postage & Delivery	\$ 34,300	\$ 29,886	\$ 30,800	\$ 1,914	\$ 30,800	\$ 1,914	\$ 31,800	\$ -	\$ 31,800	\$ -	\$ -	\$ (94)	\$ 31,800	\$ -	\$ (94)	\$ -	\$ 31,706	\$ -
271	Gasoline & Vehicle Maintenance	\$ 27,852	\$ 31,408	\$ 33,421	\$ -	\$ 33,421	\$ -	\$ 31,408	\$ -	\$ 31,408	\$ -	\$ 2,092	\$ (79)	\$ 33,500	\$ -	\$ (79)	\$ -	\$ 33,421	\$ -
275	Repair & Maint - Equipment	\$ 41,500	\$ 19,606	\$ 41,475	\$ 20,394	\$ 41,475	\$ 20,394	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ -
299	Meter Maintenance	\$ 11,000	\$ 8,183	\$ 11,000	\$ 1,817	\$ 11,000	\$ 1,817	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
311	Operating Supplies	\$ 9,000	\$ 1,604	\$ 7,000	\$ 3,396	\$ 7,000	\$ 3,396	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
320	Uniforms & Protective Gear	\$ 1,000	\$ 28	\$ 1,000	\$ 972	\$ 1,000	\$ 972	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -
380	Customer Service Supplies	\$ 15,000	\$ -	\$ 5,000	\$ 10,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ 343	\$ 10,000	\$ -	\$ 343	\$ -	\$ 10,343	\$ -
175	Annual Leave Buy-back	\$ 4,950	\$ 4,513	\$ 5,400	\$ 487	\$ 5,400	\$ 487	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
	Subtotal	\$ 171,602	\$ 109,907	\$ 165,746	\$ 50,855	\$ 165,746	\$ 50,855	\$ 160,762	\$ -	\$ 160,762	\$ -	\$ 8,038	\$ (828)	\$ 168,800	\$ -	\$ (828)	\$ -	\$ 167,972	\$ -
Total Customer Accounts Operating Requirements		\$ 716,920	\$ 555,590	\$ 613,278	\$ 50,855	\$ 613,278	\$ 50,855	\$ 606,445	\$ -	\$ 606,445	\$ -	\$ 23,055	\$ (16,000)	\$ 629,500	\$ -	\$ (16,000)	\$ -	\$ 613,500	\$ -

City of Newport, Rhode Island
FY 2012 Rate Filing
Debt Service

RFC Schedule 5 Compliance

Fiscal Year	Existing (1)				Proposed (2)				Total Existing and Proposed Debt Service			
	2008 SRF B \$5.9 M Fed Dir.		2009 SRF A \$3.3 M		2012 SRF B (City Agent, Sta 1 Improvements and New Plant)		2013 SRF A (Sta 1 Improvements and New Plant)			2014 SRF A (Sta 1 Improvements and New Plant)		
	Revenue Bonds	2007 SRF A \$3.0M	2008 SRF A \$3.1 M	2008 SRF B Loan	2009 SRF A \$3.3 M	Total Existing SRF Debt Service	Total Existing	2012 SRF A (Dam Repair) and New Plant		2013 SRF A \$32.3 M	2014 SRF A \$5.7 M	Total Proposed Debt Service
2008	1,009,932	72,901	-	-	-	72,901	1,082,833	-	-	-	-	\$1,082,833
2009	959,782	211,318	-	66,753	1,213	279,284	1,239,066	-	-	-	-	\$1,239,066
2010	910,552	211,749	-	157,915	2,388	372,052	1,282,604	-	-	-	-	\$1,282,604
2011	642,596	211,990	-	642,596	61,108	684,922	1,327,518	-	-	-	-	\$1,327,518
2012	571,079	211,081	-	424,858	182,028	817,966	1,389,045	200,323	-	-	200,323	\$1,589,369
2013	388,755	211,034	-	424,365	181,965	817,365	1,206,120	543,762	4,111,987	-	4,655,749	\$5,851,869
2014	-	210,828	-	424,365	181,518	816,710	816,710	543,763	4,123,699	-	7,440,648	\$8,257,358
2015	-	211,441	-	424,945	181,416	817,802	817,802	543,758	4,136,115	-	7,959,300	\$8,777,103
2016	-	210,861	-	424,070	181,648	816,579	816,579	543,734	4,143,275	495,981	7,986,396	\$8,802,975
2017	-	184,069	-	423,727	181,504	789,301	789,301	543,774	4,163,225	499,114	8,015,184	\$8,804,485
2018	-	184,052	-	422,898	181,058	788,008	788,008	543,764	4,178,012	501,374	8,045,646	\$8,833,653
2019	-	210,815	-	422,537	181,105	814,457	814,457	543,786	4,193,686	503,771	8,077,968	\$8,892,425
2020	-	210,360	-	422,607	180,896	813,863	813,863	543,725	4,210,301	506,310	8,112,146	\$8,926,009
2021	-	210,677	-	423,085	180,444	814,205	814,205	543,764	4,227,913	509,003	8,148,478	\$8,962,683
2022	-	210,752	-	421,968	180,521	813,240	813,240	543,782	4,246,581	511,857	8,186,967	\$9,000,207
2023	-	210,583	-	421,274	180,357	812,213	812,213	543,764	4,265,369	514,882	8,227,727	\$9,039,941
2024	-	210,169	-	421,946	180,701	812,815	812,815	543,690	4,287,345	518,088	8,270,879	\$9,083,694
2025	-	210,489	-	420,969	180,056	811,515	811,515	543,739	4,309,579	521,487	8,316,747	\$9,128,262
2026	-	209,543	-	420,366	179,832	809,740	809,740	543,692	4,333,148	525,090	8,365,268	\$9,175,008
2027	-	209,336	-	421,064	180,151	810,551	810,551	543,725	4,358,130	528,909	8,416,784	\$9,227,335
2028	-	209,832	-	420,053	180,205	810,089	810,089	543,717	4,384,611	532,957	8,471,347	\$9,281,436
2029	-	-	-	419,321	179,974	599,295	599,295	-	4,412,682	537,248	7,995,475	\$8,584,770
2030	-	-	-	426,632	179,449	606,081	606,081	-	4,442,436	541,797	8,046,792	\$8,652,872
2031	-	-	-	-	178,652	178,652	178,652	-	4,473,976	546,618	8,111,787	\$8,290,438
2032	-	-	-	-	-	-	-	-	4,507,408	551,729	8,180,682	\$8,180,682
2033	-	-	-	-	-	-	-	-	3,153,718	557,146	3,710,865	\$3,710,865
2034	-	-	-	-	-	-	-	-	-	562,889	562,889	\$562,889
2035	-	-	-	-	-	-	-	-	-	-	-	\$0
2036	-	-	-	-	-	-	-	-	-	-	-	\$0
2037	-	-	-	-	-	-	-	-	-	-	-	\$0
2038	-	-	-	-	-	-	-	-	-	-	-	\$0
	\$4,482,696	\$ 4,233,879	\$ -	\$ 8,667,539	\$ 3,678,188	\$ 16,579,506	\$ 21,062,302	\$ 8,900,262	\$ 85,516,478	\$ 10,462,219	\$ 163,496,045	\$ -

(1) Debt service on existing debt based on debt service schedules provided by City of Newport Finance Dept.

(2) Debt service for SRF 2012 A is based on debt service schedules provided by RICWFA plus interest payment on a BAN used to fund the City Agent in FY 2012.

Debt service on proposed loans assumes full principal and interest payments in the year following the year in which debt is issued.

Interest on SRF loans is assumed to be 6%.

Attachment 4

City of Newport, Rhode Island

Debt Service Schedule Detail For Radio Read Project

<u>Fiscal Year</u>	2008 SRF B Sta 1 and LV Improvements \$2.8M	2008 SRF B Radio Read \$3.1M	Total 2008 SRF B \$5.9 M Fed Dir. Loan
2008	-	-	-
2009	43,405	23,347	66,753
2010	96,021	61,894	157,915
2011	201,409	210,414	411,824
2012	201,652	223,206	424,858
2013	201,567	222,797	424,365
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2019	200,404	222,133	422,537
2020	200,692	221,915	422,607
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2028	199,512	220,541	420,053
2029	199,043	220,278	419,321
2030	203,109	223,522	426,632
	-	-	-
	\$ 4,152,597	\$ 4,514,942	\$ 8,667,539

City of Newport, Rhode Island
FY 2012 Rate Filing
Capital Improvement Plan

Attachment 5

RFC Schedule 4

Safe Yield Study - WP

Funding Source	2013 RATE YEAR	2014	2015	2016
Rates				

GIS and Hydraulic Modeling - WP

Rates

IRP Update - WP

Rates

Water Quality Protection Plan Update- RIWRB - F&O

Rates

WSSMP 5 year Update- RIWRB due 9/30/13

Rates \$ 80,000

Sediment Assessment - Lawton Brook - LBG

Rates

RIDQH & RIDEM- Reservoir Monitoring

Rates \$ 150,000

Main from Gardiner to Paradise

Rates \$ 1,600,000

Intake at Paradise

Rates

Intake at Watson & Nonquit

Rates

Intake at Sissons

Rates

Aeration- St Mary's Reservoir

Rates

Demolition of Old Nonquit Pump Sta

Rates

Dam Repair- Easton Pond Dam

SRF

Dam and Dike Rehabilitation - Lawton Valley

Rates \$ 800,000

Dam and Spillway Rehabilitation - Station 1

Rates \$ 250,000 \$ 100,000

Paradise Pump Station Improvements

Rates

Sakonnet River Pump Station Improvements

Rates

Station 1 Raw Water Pump Station Improvements

Rates \$ 195,000

St Mary's Pump Station Improvements

Rates \$ 185,000

Storage Tank Painting - 2MG standpipe

Rates \$ 700,000

Water Department Office/Garage Rehabilitation

Rates \$ 400,000

Mitchells Lane meter and PRV

Rates

RIDQH- DB Review Assistance

Rates \$ 100,000

City Agent for New LVWTP & Sta1 Imprv

SRF \$ 575,000 \$ 575,000 \$ 350,000

Professional Service for WTP Imprv (Legal & Financial)

SRF \$ 125,000 \$ 125,000

Station One Improvements

SRF \$ 12,000,000 \$ 7,800,000

LVWTP New Treatment Plant

SRF \$ 20,000,000 \$ 20,000,000 \$ 4,739,000

System Wide Main Improvements

Rates \$ 3,200,000 \$ 300,000 \$ 3,500,000 \$ 300,000

Distribution Main Improv (Sherman St) Design & Construct

Rates

Meter Replacement

Rates \$ 72,269 \$ 75,200 \$ 78,200 \$ 81,300

Radio Read Remote reading laptop

Rates \$ 13,000

Forest Ave Pump Sta Imprv.

Rates

Water Trench Restoration

Rates \$ 84,365 \$ 87,700 \$ 91,200 \$ 94,800

Fire Hydrant Replacement

Rates \$ 18,000 \$ 18,000 \$ 18,000 \$ 19,000

Equipment and Vehicle Replacement

Rates \$ 92,000 \$ 120,000 \$ 66,000

Project

Project

Project

Project

Project

Project

Project

Project

101 Water Revenue Bonds
201 SRF Loan
301 Rates
401 Other
501 Other

2013	2014	2015	2016
\$ 32,700,000	\$ 28,500,000	\$ 5,089,000	
\$ 6,654,634	\$ 1,285,900	\$ 3,763,400	1,195,200
\$ 39,354,634	\$ 29,785,900	\$ 8,852,400	\$ 1,195,200

Attachment 1

**Newport Water Division
Allocation of Customer Service Costs
Per Docket 4595
Effective 10/1/2016**

Summary

Customer Service Expenses

O&M
Radio Read Debt Service
Meter Replacement Costs

Total

Customer Service Expenses 50%

Customers:

Newport 9,349

Charge To WPC

63.99%

Middletown 4,700

Charge To Middletown Sewer

32.17%

Water Customers 14,609

FY 2018
\$726,526
\$222,051
\$87,900
\$1,036,477
\$518,239
\$331,646
\$166,727

\$ 726,526

Attachment 4

City of Newport, Rhode Island

Debt Service Schedule Detail For Radio Read Project

<u>Fiscal Year</u>	2008 SRF B Sta		
	1 and LV Improvements \$2.8M	2008 SRF B Radio Read \$3.1M	Total 2008 SRF B \$5.9 M Fed Dir. Loan
2008	-	-	-
2009	43,405	23,347	66,753
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2028	199,512	220,541	420,053
2029	199,043	220,278	419,321
2030	203,109	223,522	426,632
	-	-	
	\$ 4,152,597	\$ 4,514,942	\$ 8,667,539

**City of Newport, Rhode Island
FY 2012 Rate Filing
Capital Improvement Plan**

Attachment 5

RFC Schedule 4

	Funding Source	2013	2016	2017	2018
		RATE YEAR			
WSSMP 5 year Update- RIWRB due 9/30/13	Rates	\$ 80,000			\$ 80,000
RIDOH & RIDEM- Reservoir Monitoring	Rates	\$ 150,000			
Main from Gardiner to Paradise	Rates	\$ 1,600,000			
Dam and Dike Rehabilitation - Lawton Valley	Rates	\$ 800,000			
Dam and Spillway Rehabililtation - Station 1	Rates	\$ 250,000			
Station 1 Raw Water Pump Station Improvements	Rates	\$ 195,000			
Easton Pond Dam	Rates				\$ 750,000
Storage Tank Painting - 2MG standpipe	Rates		\$ 700,000		
Dam Rehab St Mary's Pond	Rates				\$ 500,000
Source Water Phosphorous Reduction Feasiblilty Plan	Rates		35,000		
RIDOH- DB Review Assistance	Rates	\$ 100,000			
City Agent for New LVWTP & Sta1 Imprv	SRF	\$ 575,000			
Professional Service for WTP Imprv (Legal & Financial)	SRF	\$ 125,000			
Station One Improvements	SRF	\$ 12,000,000			
LVWTP New Treatment Plant	SRF	\$ 20,000,000			
System Wide Main Improvements	Rates	\$ 3,200,000	\$ 1,000,000	\$ 1,200,000	\$ 1,600,000
Fence repairs	Rates				\$ 30,000
Meter Replacement	Rates	\$ 72,269	\$ 81,300	\$ 84,500	\$ 87,900
Radio Read Remote reading laptop	Rates	\$ 13,000			
Dam & Dike Rehab Station 1 & Lawton Valley	Rates		\$ 503,543	\$ 696,457	
Water Trench Restoration	Rates	\$ 84,365	\$ 94,900	\$ 98,700	\$ 100,000
Fire Hydrant Replacement	Rates	\$ 18,000	\$ 19,000	\$ 76,000	\$ 50,000
Equipment and Vehicle Replacement	Rates	\$ 92,000	\$ 66,000	\$ 66,000	\$ 112,000

Total

2013	2016	2017	2018
39,354,634	2,499,743	2,221,657	3,309,900

MIDD 3-8: [Ref. – Response to MIDD 2-13]. Please provide all assumptions, calculations, analysis and supporting documents used to calculate the “Middletown cost Share on customer service.” Include all labor costs, materials and equipment used in deriving those total costs. Also include two detailed examples showing how these costs were determined for FY2016 and FY2018.

Response: The Docket 3675 Order and Settlement Agreement, which became effective November 11, 2005, required the WPC Division to make an annual payment starting in FY 2007 to the Water Fund equal to 50% of certain Customer Service expenses due to the benefit of the water data used for sewer billing. Middletown also benefits from the customer service expenses since they use the metered water data for the Town's sewer billings. Starting in FY 2007 the WPCD billed the Middletown their proportional share based on the number of accounts for the use of the metered water data. Effective with Docket 4025, July 1, 2009, NWD began directly billing WPC and Middletown for their proportional share based on number of accounts of the 50% of the Customer Service expenses. The methodology has been followed for each year thereafter.

Attached are copies of the actual invoices for FY2016 and FY 2018 that were submitted to the Town of Middletown which include the details of the Towns cost share for customer service expenses. The invoices for FY 2016 and FY2018 are typical of the detail provided in all of the annual invoices sent to the Town for the customer service cost share.

Prepared by: William Yost



THE CITY OF NEWPORT, RHODE ISLAND - AMERICA'S FIRST RESORT
DEPARTMENT OF UTILITIES

January 12, 2016

Julia A. Forgue, PE
Director

George Durgin, Tax Assessor
Town of Middletown
350 East Main Road
Middletown, RI 02842

RE: Invoice for Water Data Charges

Dear Mr. Durgin,

Enclosed is the annual invoice for the Middletown Water Charges along with the following backup for the invoice from RIPUC docket #4243 Newport Water Division Rate Filing. Note that in August we started monthly billings and this caused an increase in our Customer Service Costs which may be reflected in future invoices.

1. Allocation of Customer Service Costs
2. Customer Service Operating Costs
3. Debt Service Schedule Total
4. Debt Service Schedule Detail for Radio Read Project
5. Rate Funded Capital showing Meter Replacement

Please contact me if you have any questions regarding the invoice or the backup.

While we assume full responsibility for the metered water data we provide to you, we take no responsibility for how you choose to use the data in your sewer billing process and as a result we cannot answer Middletown Customer billing inquiries. We have noted problems related to changes in property ownership where the new owner's water usage is significantly lower than the previous owners but that will not be reflected in their sewer bill for over a year.

As soon as we receive payment, we will release the data file to you.

Sincerely,

William Yost, Jr.
Deputy Utilities Director- Finance
401-845-5602

WY/jlr

cc: Julia Forgue, PE, Director of Utilities
Laura Sitrin, CPA, Finance Director
Carolyn Cleary, Accounting Manager

City of Newport - Water Division**I n v o i c e****2016 Sundry
DATA CHARGES**

Service Date: 01/13/2016

Invoice Number: S016-06523

Total Amount Due: \$147,785.00

Date Due: ON RECEIPT

Amount Enclosed:

Bill To: MIDDLETOWN, TOWN OF
C/O TAX ASSESSOR
350 EAST MAIN RD
MIDDLETOWN, RI 02842Please Remit Payment To:
City of Newport - Water Division
Collections Dept 43 Broadway
Newport, R. I. 02840

Invoice Printed : 01/13/2016

RETURN ABOVE PORTION WITH PAYMENT TO THE ABOVE ADDRESS

Item Type	Description	Quantity	Type	Rate	Sales Tax?	Amount
Miscellaneous	Data Charges CUSTOMER DATA FEE FY 2016 CALENDAR YEAR 2015 DATA PROVIDED	100.0000	Units	1,477.85		147,785.00

DATA CHARGES

Invoice Number: S016-06523

Bill To: MIDDLETOWN, TOWN OF
C/O TAX ASSESSOR
350 EAST MAIN RD
MIDDLETOWN, RI 02842

Date Due: ON RECEIPT

Remit Payment To:City of Newport - Water Division
Collections Dept 43 Broadway
Newport, R. I. 02840

Attachment 1

Newport Water Division Allocation of Customer Service Costs Per Docket 4243 Effective 12/1/2011

Summary

				FY 2016
Customer Service Expenses				
O&M				\$613,500
Radio Read Debt Service				\$223,078
Meter Replacement Costs				\$81,300
Remote Read Laptops				\$0
Total				\$917,878
Customer Service Expenses 50%				\$458,939
Customers:				
Newport	9,268	Charge To WPC	63.58%	\$291,792
Middletown	4,694	Charge To Middletown Sewer	32.20%	\$147,785
Water Customers	14,577			

RFC Schedule 3 Compliance

Customer Service

Account No. 15-500-2209										
	Docket 4025	FY 2010 Test Year (1)	Projected FY 2011	Test Year		Normalized Test Year	Rate Year Adjustments	Original Request	Rebuttal Adjustments	Revised FY 2012 Rate Year
				Normalizing Adjustments	Test Year					
Personnel										
001	\$ 326,100	\$ 263,978	\$ 250,088	\$ -	\$ 263,978	\$ (7,578)	\$ 256,400	\$ (65)	\$ 256,335	
002	\$ 21,218	\$ 22,127	\$ 21,218	\$ -	\$ 22,127	\$ (11,927)	\$ 10,200	\$ -	\$ 10,200	
004	\$ 22,800	\$ 22,917	\$ 21,280	\$ -	\$ 22,917	\$ (12,717)	\$ 10,200	\$ -	\$ 10,200	
056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
100	\$ 175,200	\$ 136,661	\$ 154,946	\$ -	\$ 136,661	\$ 47,239	\$ 183,900	\$ (15,107)	\$ 168,793	
Subtotal	\$ 545,318	\$ 445,683	\$ 447,532	\$ -	\$ 445,683	\$ 15,017	\$ 460,700	\$ (15,172)	\$ 445,528	
Other Operating										
205	\$ 1,000	\$ 550	\$ 800	\$ -	\$ 550	\$ (50)	\$ 500	\$ -	\$ 500	
212	\$ 5,000	\$ 850	\$ 5,000	\$ 4,150	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 5,000	
225	\$ 21,000	\$ 13,278	\$ 24,850	\$ 7,725	\$ 21,003	\$ 5,997	\$ 27,000	\$ (998)	\$ 26,002	
238	\$ 34,300	\$ 29,886	\$ 30,800	\$ 1,914	\$ 31,800	\$ -	\$ 31,800	\$ (94)	\$ 31,706	
271	\$ 27,852	\$ 31,408	\$ 33,421	\$ -	\$ 31,408	\$ 2,092	\$ 33,500	\$ (79)	\$ 33,421	
275	\$ 41,500	\$ 19,606	\$ 41,475	\$ 20,394	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ 40,000	
299	\$ 11,000	\$ 8,183	\$ 11,000	\$ 1,817	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 10,000	
311	\$ 9,000	\$ 1,604	\$ 7,000	\$ 3,396	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 5,000	
320	\$ 1,000	\$ 28	\$ 1,000	\$ 972	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000	
380	\$ 15,000	\$ -	\$ 5,000	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ 343	\$ 10,343	
175	\$ 4,950	\$ 4,513	\$ 5,400	\$ 487	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 5,000	
Subtotal	\$ 171,602	\$ 109,907	\$ 165,746	\$ 50,855	\$ 160,762	\$ 8,038	\$ 168,800	\$ (828)	\$ 167,972	
Total Customer Accounts Operating Requirements										
	\$ 716,920	\$ 555,590	\$ 613,278	\$ 50,855	\$ 606,445	\$ 23,055	\$ 629,500	\$ (16,000)	\$ 613,500	

City of Newport, Rhode Island
FY 2012 Rate Filing
Debt Service

RFC Schedule 5 Compliance

Fiscal Year	Existing(1)				Proposed (2)				Total Existing and Proposed Debt Service			
	2007 SRF A \$3.0M	2008 SRF A \$3.1 M	2008 SRF B \$5.9 M Fed Dir. Loan	2009 SRF A \$3.3 M	Total Existing SRF Debt Service	Total Existing	2012 SRF A (City Agent, Sta 1 Improvements and New Plant)	2012 SRF B (City Agent, Sta 1 Improvements and New Plant)		2013 SRF A (Sta 1 Improvements and New Plant)	2014 SRF A (Sta 1 Improvements and New Plant)	Total Proposed Debt Service
2008	1,009,932	72,901	-	-	72,901	1,082,833	-	-	-	-	-	\$1,082,833
2009	959,782	211,318	-	66,753	279,284	1,239,066	-	-	-	-	-	\$1,239,066
2010	910,552	211,749	-	157,915	372,052	1,282,604	-	-	-	-	-	\$1,282,604
2011	642,596	211,990	-	411,824	684,922	1,327,518	-	-	-	-	-	\$1,327,518
2012	571,079	211,081	-	424,858	817,966	1,389,045	200,323	-	-	-	200,323	\$1,589,369
2013	388,755	211,034	-	424,365	817,365	1,206,120	543,762	4,111,987	-	-	4,655,749	\$5,861,869
2014	-	210,828	-	424,365	816,710	816,710	543,763	4,123,699	2,773,186	-	7,440,648	\$8,257,358
2015	-	211,441	-	424,945	817,802	817,802	543,758	4,136,115	2,784,458	494,970	7,959,300	\$8,777,103
2016	-	210,861	-	424,070	816,579	816,579	543,734	4,149,275	2,796,406	496,981	7,986,396	\$8,802,975
2017	-	184,069	-	423,727	789,301	789,301	543,774	4,163,225	2,809,070	499,114	8,015,184	\$8,804,485
2018	-	184,052	-	422,898	788,008	788,008	543,764	4,178,012	2,822,495	501,374	8,045,646	\$8,833,653
2019	-	210,815	-	422,537	814,457	814,457	543,786	4,193,686	2,836,725	503,771	8,077,968	\$8,892,425
2020	-	210,360	-	422,607	813,863	813,863	543,725	4,210,301	2,851,810	506,310	8,112,146	\$8,926,009
2021	-	210,677	-	423,085	814,205	814,205	543,764	4,227,913	2,867,799	509,003	8,148,478	\$8,962,683
2022	-	210,752	-	421,968	813,240	813,240	543,782	4,246,581	2,884,747	511,857	8,186,967	\$9,000,207
2023	-	210,583	-	421,274	812,213	812,213	543,764	4,266,369	2,902,712	514,882	8,227,727	\$9,039,941
2024	-	210,169	-	421,946	812,815	812,815	543,690	4,287,345	2,921,756	518,088	8,270,879	\$9,083,694
2025	-	210,489	-	420,969	811,515	811,515	543,739	4,309,579	2,941,942	521,487	8,316,747	\$9,128,262
2026	-	209,543	-	420,366	809,740	809,740	543,692	4,333,148	2,963,339	525,090	8,365,268	\$9,175,008
2027	-	209,336	-	421,064	810,551	810,551	543,725	4,358,130	2,986,020	528,909	8,416,784	\$9,227,335
2028	-	209,832	-	420,053	810,089	810,089	543,717	4,384,611	3,010,061	532,957	8,471,347	\$9,281,436
2029	-	-	-	419,321	599,295	599,295	-	4,412,682	3,035,546	537,248	7,985,475	\$8,584,770
2030	-	-	-	426,632	606,081	606,081	-	4,442,436	3,062,559	541,797	8,046,792	\$8,652,872
2031	-	-	-	-	178,652	178,652	-	4,473,976	3,091,193	546,618	8,111,787	\$8,290,438
2032	-	-	-	-	-	-	-	4,507,408	3,121,545	551,729	8,180,682	\$8,180,682
2033	-	-	-	-	-	-	-	-	3,153,718	557,146	3,710,865	\$3,710,865
2034	-	-	-	-	-	-	-	-	-	562,889	562,889	\$562,889
2035	-	-	-	-	-	-	-	-	-	-	-	\$0
2036	-	-	-	-	-	-	-	-	-	-	-	\$0
2037	-	-	-	-	-	-	-	-	-	-	-	\$0
2038	\$4,482,696	\$ 4,233,879	\$ -	\$ 8,667,539	\$ 3,678,188	\$ 16,579,606	\$ 21,062,302	\$ 8,900,262	\$ 85,516,478	\$ 58,617,086	\$ 10,462,219	\$ 163,496,045

(1) Debt service on existing debt based on debt service schedules provided by City of Newport Finance Dept.

(2) Debt service for SRF 2012 A is based on debt service schedules provided by RICWFA plus interest payment on a BAN used to fund the City Agent in FY 2012.

Debt service on proposed loans assumes full principal and interest payments in the year following the year in which debt is issued.

Interest on SRF loans is assumed to be 6%.

Attachment 4

City of Newport, Rhode Island

Debt Service Schedule Detail For Radio Read Project

<u>Fiscal Year</u>	2008 SRF B Sta		
	1 and LV Improvements \$2.8M	2008 SRF B Radio Read \$3.1M	Total 2008 SRF B \$5.9 M Fed Dir. Loan
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	-	-	
	\$ 4,152,597	\$ 4,514,942	\$ 8,667,539

City of Newport, Rhode Island
FY 2012 Rate Filing
Capital Improvement Plan

Attachment 5

RFC Schedule 4

Funding Source	RATE YEAR			
	2013	2014	2015	2016
Safe Yield Study - WP	Rates			
GIS and Hydraulic Modeling - WP	Rates			
IRP Update - WP	Rates			
Water Quality Protection Plan Update- RIWRB - F&O	Rates			
WSSMP 5 year Update- RIWRB due 9/30/13	Rates	\$ 80,000		
Sediment Assessment - Lawton Brook - LBG	Rates			
RIDOH & RIDEM- Reservoir Monitoring	Rates	\$ 150,000		
Main from Gardiner to Paradise	Rates	\$ 1,600,000		
Intake at Paradise	Rates			
Intake at Watson & Nonquit	Rates			
Intake at Sissons	Rates			
Aeration- St Mary's Reservoir	Rates			
Demolition of Old Nonquit Pump Sta	Rates			
Dam Repair- Easton Pond Dam	SRF			
Dam and Dike Rehabilitation - Lawton Valley	Rates	\$ 800,000		
Dam and Spillway Rehabilitation - Station 1	Rates	\$ 250,000	\$ 100,000	
Paradise Pump Station Improvements	Rates			
Sakonnet River Pump Station Improvements	Rates			
Station 1 Raw Water Pump Station Improvements	Rates	\$ 195,000		
St Mary's Pump Station Improvements	Rates	\$ 185,000		
Storage Tank Painting - 2MG standpipe	Rates			\$ 700,000
Water Department Office/Garage Rehabilitation	Rates	\$ 400,000		
Mitchells Lane meter and PRV	Rates			
RIDOH- DB Review Assistance	Rates	\$ 100,000		
City Agent for New LVWTP & Sta1 Imprv	SRF	\$ 575,000	\$ 575,000	\$ 350,000
Professional Service for WTP Imprv (Legal & Financial)	SRF	\$ 125,000	\$ 125,000	
Station One Improvements	SRF	\$ 12,000,000	\$ 7,800,000	
LVWTP New Treatment Plant	SRF	\$ 20,000,000	\$ 20,000,000	\$ 4,739,000
System Wide Main Improvements	Rates	\$ 3,200,000	\$ 300,000	\$ 3,500,000 \$ 300,000
Distribution Main Iprov.(Sherman St) Design & Construct	Rates			
Meter Replacement	Rates	\$ 72,269	\$ 75,200	\$ 78,200 \$ 81,300
Radio Read Remote reading laptop	Rates	\$ 13,000		
Forest Ave Pump Sta Imprv.	Rates			
Water Trench Restoration	Rates	\$ 84,365	\$ 87,700	\$ 91,200 \$ 94,900
Fire Hydrant Replacement	Rates	\$ 18,000	\$ 18,000	\$ 18,000 \$ 19,000
Equipment and Vehicle Replacement	Rates	\$ 92,000	\$ 120,000	\$ 66,000
Project				
Project				
Project				
Project				
Project				
Project				
Project				

101 Water Revenue Bonds
201 SRF Loan
301 Rates
401 Other
501 Other

2013	2014	2015	2016
\$ 32,700,000	\$ 28,500,000	\$ 5,089,000	-
\$ 6,654,634	\$ 1,285,900	\$ 3,753,400	1,195,200
-	-	-	-
\$ 39,354,634	\$ 29,785,900	\$ 8,842,400	\$1,195,200



THE CITY OF NEWPORT, RHODE ISLAND - AMERICA'S FIRST RESORT
DEPARTMENT OF UTILITIES

January 10, 2018

Julia A. Forgue, PE
Director

George Durgin, Tax Assessor
Town of Middletown
350 East Main Road
Middletown, RI 02842

RE: Invoice for Water Data Charges

Dear Mr. Durgin,

Enclosed is the annual invoice in the amount of \$166,727 for Middletown Customer Water Data Charges. Along with the invoice is the following backup for the invoice:

1. Allocation of Customer Service Costs
2. Customer Service Operating Costs
3. Debt Service Schedule Total
4. Debt Service Schedule Detail for Radio Read Project
5. Rate Funded Capital showing Meter Replacement

While we assume full responsibility for the metered water data we provide to you, we take no responsibility for how you choose to use the data in your sewer billing process and as a result we cannot answer Middletown Customer billing inquiries. We also note that there may be problems related to changes in property ownership where the new owner's water usage is significantly lower than the previous owner. Those changes in usage may not be reflected in their sewer bill for over a year.

Please contact me if you have any questions regarding the invoice.

As soon as we receive payment, we will release the data file to you.

Sincerely,

William Yost, Jr.
Deputy Utilities Director- Finance
401-845-5602

Cc: Julia Forgue, PE, Director of Utilities
Laura Sitrin, CPA, Finance Director
James Nolan CPA, Controller
Alex Casagrande, CPA, Accounting Supervisor

City of Newport - Water Division**Invoice****2018 Sundry
DATA CHARGES**

Service Date: 01/10/2018

Invoice Number: S018-07298

Total Amount Due: \$166,727.00

Date Due: ON RECEIPT

Amount Enclosed:

Bill To: MIDDLETOWN, TOWN OF
C/O TAX ASSESSOR
350 EAST MAIN RD
MIDDLETOWN, RI 02842Please Remit Payment To:
City of Newport - Water Division
Collections Dept 43 Broadway
Newport, R. I. 02840

Invoice Printed : 01/10/2018

RETURN ABOVE PORTION WITH PAYMENT TO THE ABOVE ADDRESS

Item Type	Description	Quantity	Type	Rate	Sales Tax?	Amount
Miscellaneous	Data Charges CALENDAR YEAR 2017	100.0000	Units	1,667.27		166,727.00

DATA CHARGES

Invoice Number: S018-07298

Date Due: ON RECEIPT

Bill To: MIDDLETOWN, TOWN OF
C/O TAX ASSESSOR
350 EAST MAIN RD
MIDDLETOWN, RI 02842**Remit Payment To:**City of Newport - Water Division
Collections Dept 43 Broadway
Newport, R. I. 02840

Attachment 1**Summary****Newport Water Division
Allocation of Customer Service Costs
Per Docket 4595
Effective 10/1/2016**

				FY 2018
Customer Service Expenses				
O&M				\$726,526
Radio Read Debt Service				\$222,051
Meter Replacement Costs				\$87,900
Total				\$1,036,477
Customer Service Expenses 50%				\$518,239
Customers:				
Newport	9,349	Charge To WPC	63.99%	\$331,646
Middletown	4,700	Charge To Middletown Sewer	32.17%	\$166,727
Water Customers	14,609			

City of Newport, Rhode Island
FY 2017 Rate Filing

Docket No. 4595
Previous Docket 4025

Attachment 2

Revenue Requirements Detail by Division

Customer Service

Account No. 15-500-2209

Personnel

	Docket 4025	Revised FY 2012 Rate Year	Docket 4595
50 50001 Salaries & Wages	\$ 326,100	\$ 256,335	\$ 309,310
50 50002 Overtime	\$ 21,218	\$ 10,200	\$ 5,409
50 50004 Temp Salaries	\$ 22,800	\$ 10,200	\$ 14,976
50 50100 Employee Benefits	\$ 175,200	\$ 168,793	\$ 186,231
Subtotal	\$ 545,318	\$ 445,528	\$ 515,926

Other Operating

50 50120 Bank Fees (lock box)	\$ -	\$ -	\$ 16,800
50 50205 Copy & Binding	\$ 1,000	\$ 500	\$ 500
50 50212 Conferences and Training	\$ 5,000	\$ 5,000	\$ 5,000
50 50225 Contract Services (Support Services)	\$ 21,000	\$ 26,002	\$ 26,175
50 50238 Postage & Delivery	\$ 34,300	\$ 31,706	\$ 74,680
50 50271 Gasoline & Vehicle Maintenance	\$ 27,852	\$ 33,421	\$ 26,945
50 50275 Repair & Maint - Equipment	\$ 41,500	\$ 40,000	\$ 35,000
50 50299 Meter Maintenance	\$ 11,000	\$ 10,000	\$ 10,000
50 50311 Operating Supplies	\$ 9,000	\$ 5,000	\$ 5,000
50 50320 Uniforms & Protective Gear	\$ 1,000	\$ 1,000	\$ 1,000
50 50380 Customer Service Supplies	\$ 15,000	\$ 10,343	\$ 5,000
50 50175 Annual Leave Buy-back	\$ 4,950	\$ 5,000	\$ 4,500
Subtotal	\$ 171,602	\$ 167,972	\$ 210,600

Total Customer Accounts Operating Requirements

\$ 716,920 \$ 613,500 \$ 726,526

Attachment 4

City of Newport, Rhode Island

Debt Service Schedule Detail For Radio Read Project

<u>Fiscal Year</u>	2008 SRF B Sta		
	1 and LV Improvements \$2.8M	2008 SRF B Radio Read \$3.1M	Total 2008 SRF B \$5.9 M Fed Dir. Loan
2008	-	-	-
2009	43,405	23,347	66,753
2010	96,021	61,894	157,915
2011	201,409	210,414	411,824
2012	201,652	223,206	424,858
2013	201,567	222,797	424,365
2014	201,245	223,120	424,365
2015	201,725	223,220	424,945
2016	200,992	223,078	424,070
2017	201,038	222,689	423,727
2018	200,847	222,051	422,898
2019	200,404	222,133	422,537
2020	200,692	221,915	422,607
2021	200,698	222,387	423,085
2022	200,421	221,547	421,968
2023	199,870	221,404	421,274
2024	200,025	221,920	421,946
2025	199,870	221,099	420,969
2026	199,415	220,951	420,366
2027	199,634	221,430	421,064
2028	199,512	220,541	420,053
2029	199,043	220,278	419,321
2030	203,109	223,522	426,632
	-	-	
	\$ 4,152,597	\$ 4,514,942	\$ 8,667,539

City of Newport, Rhode Island
FY 2012 Rate Filing
Capital Improvement Plan

Attachment 5

RFC Schedule 4

	Funding Source	2013	2016	2017	2018
		RATE YEAR			
WSSMP 5 year Update- RIWRB due 9/30/13	Rates	\$ 80,000			\$ 80,000
RIDOH & RIDEM- Reservoir Monitoring	Rates	\$ 150,000			
Main from Gardiner to Paradise	Rates	\$ 1,600,000			
Dam and Dike Rehabilitation - Lawton Valley	Rates	\$ 800,000			
Dam and Spillway Rehabllitation - Station 1	Rates	\$ 250,000			
Station 1 Raw Water Pump Station Improvements	Rates	\$ 195,000			
Easton Pond Dam	Rates				\$ 750,000
Storage Tank Painting - 2MG standpipe	Rates		\$ 700,000		
Dam Rehab St Mary's Pond	Rates				\$ 500,000
Source Water Phosphorous Reduction Feasibility Plan	Rates		35,000		
RIDOH- DB Review Assistance	Rates	\$ 100,000			
City Agent for New LVWTP & Sta1 Imprv	SRF	\$ 575,000			
Professional Service for WTP Imprv (Legal & Financial)	SRF	\$ 125,000			
Station One Improvements	SRF	\$ 12,000,000			
LVWTP New Treatment Plant	SRF	\$ 20,000,000			
System Wide Main Improvements	Rates	\$ 3,200,000	\$ 1,000,000	\$ 1,200,000	\$ 1,600,000
Fence repairs	Rates				\$ 30,000
Meter Replacement	Rates	\$ 72,269	\$ 81,300	\$ 84,500	\$ 87,900
Radio Read Remote reading laptop	Rates	\$ 13,000			
Dam & Dike Rehab Station 1 & Lawton Valley	Rates		\$ 503,543	\$ 696,457	
Water Trench Restoration	Rates	\$ 84,365	\$ 94,900	\$ 98,700	\$ 100,000
Fire Hydrant Replacement	Rates	\$ 18,000	\$ 19,000	\$ 76,000	\$ 50,000
Equipment and Vehicle Replacement	Rates	\$ 92,000	\$ 66,000	\$ 66,000	\$ 112,000
Total		39,354,634	2,499,743	2,221,657	3,309,900

MIDD 3-9: [Ref. – Response to MIDD 2-13]. Regarding your response about the “Operating Revenue Allowance,” did you mean that half (not 1.5%) of these fund balances are unrestricted and half (not 1.5%) are restricted? If this is not correct, please explain why it is not correct. Also, for each month between July 2017, through May 2019, provide a breakdown of the balance in the Operating Revenue Fund between the restricted and unrestricted amounts. Additionally, provide the same breakdown for your estimates in the Operating Revenue Fund for the months of June 2019 through June 2023.

Response: In Docket 4025, the PUC approved a 3% revenue reserve (a/k/a the “Operating Revenue Allowance”). Half (1.5%) was unrestricted and half (1.5%) was restricted. In Docket 4595, the Commission ordered that Newport no longer fund the restricted portion of the revenue reserve. However, Newport still has funds in this restricted reserve, the balance of which is reported to the PUC each quarter. For the balances from July 2017 through December 31, 2018, please see Newport’s restricted account reports provided in its response to MIDD 1-10. For the balances from December 31, 2018 through June 30, 2019, please see Newport Water’s restricted account reports that were provided to the Commission and the parties to this docket, which are attached hereto. The balance in the restricted revenue reserve will remain fairly static from June 2019 through June 2023 with only monthly interest accruing on the balance. There is no monthly balance in the unrestricted revenue reserve as it is simply part of Newport’s unrestricted revenues. However, since Newport has not collected the full amount of revenues granted by PUC in Docket 4595, Newport has not collected the unrestricted revenue reserve funds allowed by the Commission.

Prepared by: Julia Forgue

City of Newport Water Fund

**Restricted Account Analysis
Fiscal Year 2019**

	Capital	Debt Service	Chemicals	Electricity	Retiree Insurance	Benefits	Reserve
December 31, 2018 Total Bank Balances	415,159.29	2,421,974.16	142,485.25	316,835.88	149,417.39	251,794.34	870,069.58
January 31, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
January, Interest Earned	3.46	2,915.89	1.12	2.43	1.19	2.14	1,286.03
Transfer to Checking for Vendor Payments/Other	(23,310.32)		(90,477.42)	(101,996.71)	(30,410.25)		
January 31, 2019 Total Bank Balances	391,852.43	2,992,473.38	115,490.78	283,211.77	141,091.66	251,796.48	871,355.61
February 28, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
February, Interest Earned	3.01	3,889.67	0.91	2.16	1.09	1.93	1,386.97
Transfer to Checking for Vendor Payments/Other		(954,852.23)	(3,839.63)	(13,647.80)			
February 28, 2019 Total Bank Balances	391,855.44	2,609,094.15	175,133.89	337,936.30	163,176.08	251,798.41	872,742.58
March 31, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
March, Interest Earned	3.33	4,195.10	1.52	2.57	0.98	2.14	1,247.69
Transfer to Checking for Vendor Payments/Other			(6,909.90)	(69,288.20)	(60,820.50)		
March 31, 2019 Total Bank Balances	391,858.77	3,180,872.58	231,707.34	337,020.84	124,439.89	251,800.55	873,990.27

City of Newport Water Fund
Restricted Account Analysis
Fiscal Year 2019 Q-4

	<u>Capital</u>	<u>Debt Service</u>	<u>Chemicals</u>	<u>Electricity</u>	<u>Retiree Insurance</u>	<u>Accrued Benefits</u>	<u>Revenue Reserve</u>
March 31, 2019 Total Bank Balances	391,858.77	3,180,872.58	231,707.34	337,020.84	124,439.89	251,800.55	873,990.27
April 30, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
April, Interest Earned	3.14	4,279.65	1.63	2.50	0.82	2.07	1,391.25
Transfer to Checking for Vendor Payments/Other	(15,600.84)		(82,264.34)	(65,452.29)	(29,323.88)		
April 30, 2019 Total Bank Balances	376,261.07	3,752,735.56	212,926.46	339,941.22	117,200.16	251,802.62	875,381.52
May 31, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
May, Interest Earned	3.16	4,972.84	1.29	2.91	1.00	2.14	1,358.30
Transfer to Checking for Vendor Payments/Other	(24,532.24)		(139,460.66)	(56,556.04)	(29,124.88)		
May 31, 2019 Total Bank Balances	351,731.99	4,325,291.73	136,948.92	351,758.26	110,159.61	251,804.76	876,739.82
June 30, 2019 Monthly required Funding		567,583.33	63,481.83	68,370.17	22,083.33		
June, Interest Earned	2.77	6,001.58	0.87	2.90	0.78	2.07	1,386.75
Transfer to Checking for Vendor Payments/Other	(71,558.19)		(117,563.64)	(51,325.49)	(29,124.88)	(9,662.18)	
June 30, 2019 Total Bank Balances	280,176.57	4,898,876.64	82,867.98	368,805.84	103,118.84	242,144.65	878,126.57

MIDD 3-10: [Ref. – Response to MIDD 2-15]. This information request (MIDD 2-15) is in the same format and seeks the same response as that provided in response to Comm 1-22. In response to Comm 1-22, NW provided exactly what was requested. However, in response to MIDD 2-15, NW refused to provide the information requested. Additionally, we dispute NWD's statement that the burden of responding to this request would be no greater for the Town of Middletown than it would be for NWD. Middletown did not develop the model, and because of this, is much less familiar with its structure and many interconnections. To become as conversant with it as its developer would take a considerable amount of time. Additionally, it is very likely that one or more of any adjustments to the model necessitated by the request would be done differently by Middletown than they would be by the model's developer. Therefore, it is respectfully requested that NW provide the response envisioned for MIDD 2-15 as that provided by NW to Comm 1-22.

Midltwn. 2-15 [Ref. – Testimony Page 5, lines 11-12, and Schedule HJS A-2A]. Please update schedule HJS A-2A under the following constraints:

- Limit the to 14% the increase to Public Fire Protection customers
- Make up the difference in Revenue decrease from all Retail Volume Charges

Response: Please see the attached schedule. Please note that I do not in any way recommend that the Commission approve the rates shown on the attached schedule. The rates presented on the attached schedule are not consistent with either industry standard cost of service principles, or the cost of service methodology approved by the Commission in previous Newport Water dockets. The rates presented on this schedule were arbitrarily set to comply with the constraints imposed by the data request.

Prepared by: Harold Smith

Docket 4933

Rhode Island Public Utilities Commission

Docket 4933

Response to MIDD 3-10

HJS Schedule A-2A

Cost of Service Rates and Charges

		Docket 4595				
		Rates	Cost of Service	Proposed Rates	% Change	Projected Revenues
Base Charge (per bill)						
Monthly						
5/8	\$	5.02	\$ 5.7536	\$ 5.76	15%	\$741,036
3/4	\$	5.27	6.0237	6.03	14%	183,360
1	\$	7.03	7.9507	7.96	13%	54,542
1.5	\$	11.33	12.6274	12.63	11%	58,047
2	\$	15.86	17.5724	17.58	11%	53,795
3	\$	41.71	45.8282	45.83	10%	32,998
4	\$	49.12	53.9323	53.94	10%	9,709
5	\$	58.99	64.7379	64.74	10%	0
6	\$	66.40	72.8421	72.85	10%	29,723
8	\$	86.15	94.4532	94.46	10%	4,534
10	\$	121.95	133.6234	133.63	10%	3,207
Portsmouth Base Charge (4")	\$	1.36	1.7539	1.76	29%	21
						1,170,972
Volume Charge (per 1,000 gallons)						
Retail						
Residential	\$	10.02	\$ 11.3711	\$ 11.38	14%	6,895,142
Non-Residential	\$	11.22	\$ 11.8275	\$ 11.83	5%	5,227,677
						\$ 12,122,819
Wholesale						
Navy	\$	6.5190	\$ 8.2743	\$ 8.2744	27%	1,559,724
Portsmouth Water & Fire District	\$	5.2920	\$ 7.1658	\$ 7.1659	35%	2,579,007
						\$ 4,138,732
Fire Protection						
Public (per hydrant)	\$	944.22	\$ 1,076.28	\$ 1,076.29	14%	\$ 1,121,494
Private (by Connection Size)						
Connection Size	Differential					
<2		\$33.26	\$ 36.74	\$ 36.74	10%	
2	6.19	\$139.26	\$ 153.82	\$ 153.82	10%	-
4	38.32	\$468.22	\$ 522.28	\$ 522.28	12%	41,260
6	111.31	\$1,055.81	\$ 1,185.56	\$ 1,185.57	12%	280,980
8	237.21	\$2,069.28	\$ 2,329.60	\$ 2,329.60	13%	125,798
10	426.58	\$3,593.75	\$ 4,050.46	\$ 4,050.47	13%	20,252
12	689.04	\$5,706.61	\$ 6,435.52	\$ 6,435.52	13%	-
						\$ 468,291

Total Projected Rate Revenues \$ **19,022,308**

MIDD 3-11: [Ref. – Response to MIDD 2-19]. Same request with respect to your response To MIDD 2-19 as provided above to your response to MIDD 2-15. Therefore, it is respectfully requested that NW provide the response envisioned for MIDD 2-19 as that provided by NW to Comm 1-22.

Midltwn. 2-19 [Ref. – Testimony Page 10, lines 20-22, and HJS Schedule A-2A]. Please update schedule HJS A-2A under the following constraints:

- The allowed increase in rate revenues is limited to 10% instead of the percentage proposed by Newport Water
- Make no other changes to the current (supplemental) Newport COS Model

Response: While the information requested in MIDD 2-15 is similar to the information requested in COMM 1-22, the information requested in MIDD 2-19 is not. COMM 1-22 and MIDD 2-15 contemplate re-allocating the recovery of certain portions Newport's requested rate revenue from one class to another. While the rates shown in the responses to both COMM 1-22 and MIDD 2-15 are neither consistent with cost of service principles nor the previously approved cost of service model, they would allow Newport to generate enough revenue to meet its expenses. In order to make the requested update to HJS Schedule A-2A it would be necessary to arbitrarily reduce Newport's revenue requirements to a level that could be supported by a 10% increase in rate revenue. Such a reduction in revenue requirements could leave Newport Water in a position where it would be unable meet its expenses.

Prepared by: Harold Smith

MIDD 3-12: [Ref. – Response to MIDD 2-23]. Which of the customers listed on your response attachment to MIDD 2-23 are customers for general water service only? Which are customers having only fire service connections? Which are customers for both services? If known, explain the reason(s) for the sudden drop-off in consumption gallons for customers with account numbers 078-13700 and 078-13800. Are those drop-offs expected to continue or go back to previous levels? If it is known or can be estimated, quantify your expectations about their future consumption. Lastly, if known, do you expect that the usage of the customer with account number 079-04205 will continue at the current level, increase or decrease going forward? If it is known or can be estimated, quantify your expectations about that future use.

Response: Attached is the Schedule that was provided in Middletown 2-23 which has been edited to include whether the account is a compound meter and if so, consumption amounts were included for the low side. The attachment also indicates whether the account has a separate Fire Service Account. Note that fire service connections are separate connections that are not metered.

Single meters for account numbers 078-13700 and 078-13800 were replaced with compound meters in April 2017. Annual consumption comparisons should therefore be made on the basis of both the low and high sides.

We have no ability to predict what future consumption will be for a specific customer including account # 079-04205.

Prepared by: William Yost

City of Newport Water Division
RIPUC Docket #4933
Middletown 3-12
Modification #1 to MIDD 2-23
Data Response
Non-Residential Customers with 6 inch & 8 inch meters with Service and Meter Type

NON-RESIDENTIAL CUSTOMERS w 6 INCH METERS

	<u>Account #</u>	<u>FY 2016</u>	<u>Consumption gallons</u>			<u>Fire Service</u>
			<u>FY 2017</u>	<u>FY 2018</u>	<u>Meter Type</u> <i>single or compound</i>	<u>Connection</u>
1	022-38900	400	2,800	0	Compound	
1a	022-38901	614,082	711,603	368,645		
2	046-00255	125,200	216,600	152,200	Compound	yes
2a	046-00254	272,200	279,458	208,719		
3	078-09600	37,890	51,460	44,180	Single	yes
4	078-10400	157,454	407,215	2,102,170	Compound	yes
4a	078-10300	8,098,293	6,642,132	6,060,344		
5	078-10600	491,000	0	0	Single	yes
6	078-12754	4,781	9,000	2,400	Compound	
6a	078-12753	3,581,769	3,856,814	3,717,311		
7	078-13700	11,724,000	9,607,440	654,400	Compound	yes
7a	078-13699		559,187	5,674,115		
8	078-13800	12,981,000	10,373,259	576,761	Compound	yes
8a	078-13801		666,990	6,676,747		
9	078-20551	463,000	900,000	1,000,000	Single	yes
10	079-00601	0	11,200	365,800	Compound	yes
10a	079-00602		400,655	3,210,423		
11	079-03700	16,500	10,600	1,600	Compound	yes
11a	079-03701	2,920,521	3,404,450	3,239,754		
12	079-04205	15,395,000	13,385,000	13,340,000	Single	
13	079-10300	12,109	12,500	8,100	Compound	yes
13a	079-10200	2,076,843	2,730,770	2,925,409		
14	079-11909	2,385	44,640	307,470	Compound	
14a	078-11908	2,087,578	2,066,475	2,171,422		
15	080-09400	802,706	48,454	64,820	Compound	yes
15a	080-09300	74,196	227,231	251,927		
16	080-09510	66,723	68,177	99,600	Compound	yes
16a	080-09500	843,930	3,818,084	3,174,747		

NON-RESIDENTIAL CUSTOMERS w 8 INCH METERS

1	079-02420	30	0	0	Compound	yes
1a	079-02410	1,804,898	1,333,789	1,474,232		
2	079-02440	9,880	15,850	126,510	Compound	yes
2a	079-02430	2,537,525	2,982,298	3,979,270		
3	079-09010	0	4,236	8,014	Compound	yes
3a	079-09020	17,270	49,727	26,811		

MIDD 3-13: [Ref. – Response to MIDD 2-24]. Which of the customers listed on your response attachment to MIDD 2-24 are customers for general water service only? Which are customers having only fire service connections? Which are customers for both services? If known, do you expect that the usage of the customers with account numbers 078-03705 and 079-08149 will continue at the current level, increase or decrease going forward? If it is known or can be estimated, quantify your expectations about their future use. Are either of these accounts for multi-unit residential customers? If positive, how many residential units does each have?

Response: Attached is the Schedule that was provided in Middletown 2-24 which has been edited to include whether the account is a compound meter and if so, consumption amounts were included for the low side. The attachment also indicates whether the account has a separate Fire Service Account. Note that fire service connections are separate connections that are not metered.

We do not have the ability to predict a customer's future consumption including that of account numbers 078-03705 and 078-08149. We identified the accounts which are multi-unit residential, however we do not maintain records as to the number of residential units within a specific account.

Prepared by: William Yost

City of Newport Water Division
RIPUC Docket #4933
Middletown 3-13
Modification to Middletown 2-24
Data Response
Residential Customers with 6 inch & 8 inch meters with Service and Meter Type

RESIDENTIAL CUSTOMERS w 6 INCH METERS

			Consumption gallons			Meter Type <i>single or compound</i>	Fire Service Connection
<u>Account #</u>			<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>		
1	022-12200		1,300	0	0	Compound	yes
1a	022-11900		94,292	146,829	91,708		
2	022-38300		39,400	34,800	22,900	Compound	yes
2a	022-38301		1,118,643	1,062,414	835,751		
3	022-51507	multi- residential	100	9,700	3,300	Compound	
3a	022-51505		497,151	745,303	688,046		
4	029-03600		321,000	275,000	333,000	Single	
5	035-15618	multi- residential	300	1,100	100	Compound	
5a	035-15617		1,625,869	1,725,083	1,598,850		
6	039-12402	multi-residential	100	100	200	Single	
7	040-01410	multi- residential	0	0	11,720	Compound	
7a	040-01420		0	0	4,979		
8	078-03705	multi-residential	234,300	635,400	2,154,000	Single	
9	079-08149	multi-residential	6,485,000	7,045,000	6,558,000	Single	yes
10	079-10350	multi-residential	0	0	6,390	Single	

RESIDENTIAL CUSTOMERS w 8 INCH METERS

1	080-10022	multi-residential	200,600	472,100	411,000	Compound	yes
1a	080-10023		2,123,090	3,205,600	2,874,480		

MIDD 3-14: [Ref. – Response to MIDD 2-23 and 2-24]. Do any of the customers on either of the two attachments to your responses to MIDD 2-23 and 2-24 that have zero or relatively low consumption levels have a second small meter (or compound meter) to capture low flow usage that would likely be missed or under-registered on the 6-inch or 8-inch meter connected to their service? If positive, which accounts have a second small meter (or compound meter)? If negative, why not? Could this be a reason for significant levels of non-billed water?

Response: The attachments to MIDD 3-12 & MIDD 3-13 identify the accounts with compound meters. We have also included the consumption amounts for the low side of those compound meters for each fiscal year.

Prepared by: William Yost

MIDD 3-15: [Ref. – Response to MIDD 2-28]. Please provide a table that lists the annual level of water supplied by NWD; minus the total level of billed consumption (annual); minus the sum of all known or estimated annual levels of non-billed uses (separately for firefighting allowances, water main flushing, known water main leaks, known meter errors, and any other known sources of non-billed usage) for each year from FY2014 through FY2018 (or calendar years, if appropriate). The difference between the water supplied minus water consumed and minus known and estimated sources of non-billed water should equal the annual level of “Unaccounted-For-Water (UFW).” Non-billed water uses that are not identified (known) and for which reasonable levels of use (loss) have not been estimated, are by definition part of a water system’s UFW. If you disagree with either of the two prior statements, explain in detail your reason(s) for disagreeing.

Response: Attached please find the FY2014 through FY2018 Annual Water Data Report - Section 7, which is required to be prepared major public water suppliers for the Division of Public Utilities and Carriers /Water Resources Board are attached. The % Non-Metered Water (Total Non-Meter Water/Total Water) from these reports corresponds to Unaccounted for Water (UFW).

It should be noted that in FY 2018, NWD reported 100,800 for Storm Drain Flushing and 939,600 for Sewer Cleaning as non-billed in error. These have been subsequently billed to the City of Newport Water Pollution Control Division. This results in a negligible impact on % Non-Metered Water (9.16% vs. 9.21%) and revenue (\$11,967.87).

Prepared by: Robert Schultz

**SECTION #7: Current Non-Revenue &
Non-Metered Water Use Estimates (MG) (Worksheet #26)
(July 1, 2013 through June 30, 2014)**

	FY 2014
Total Water Produced/Purchased (MG)	2115
Total Metered (Sold) Water (MG)	1820
Total Non-Metered (Not sold) Water Use (MG)	295
% Non-Metered Water (Total Non-Metered/Total Water)	13.95

Water Loss/Non-Metered Water (gallons) - Complete this section if the information is available

Fire Fighting Allowance	11,000,000		
Main Flushing/System Maintenance	10,000,000		
Storm Drain Flushing			
Sewer Cleaning			
Street Cleaning			
Schools and Other Public Buildings			
Landscaping in Public Areas			
Swimming Pools			
Construction Sites	5,000,000		
Water Quality and Other Testing	20,000,000		
Process Water at Treatment Plants	92,000,000		
Other Unmetered Uses	5,000,000		
Leakage, Theft, Meter Error	10,000,000		

**SECTION #7: Current Non-Billed and Non-Metered
Water Use Estimates (Gallons)
(July 1, 2014 through June 30, 2015)**

	FY 2015 (Gallons)
Total Water Produced/Purchased (Total Sections 2 and 3)	2,358,283,000
Less Total Metered (Sold/Billed) Water (Total Sections 4 and 5)	1,837,722,527
Less Non-Billed Water Use (Total Section 7 below)	449,828,638
Total Non-Metered (Not Sold) Water Use	70,731,835
% Non-Metered Water (Total Non-Metered/Total Water)	3%

Section 7 is calculated automatically based on previous sections and data entered below.

Non Billed Water Use	FY 2015 Gallons
Fire Fighting Allowance	10,000,000
Main Flushing/System Maintenance	18,000,000
Storm Drain Flushing	
Sewer Cleaning	
Street Cleaning	
Schools and Other Public Buildings	
Landscaping in Public Areas	
Swimming Pools	
Construction Sites	2,500,000
Water Quality and Other Testing	20,000,000
Process Water at Treatment Plants	51,478,510
Leakage	58,957,075
Theft, meter error	9,188,612
Other Non Billed Water	279,704,441
Total	449,828,638

Instructions: All non-billed water must be included in Section 7 above. Leakage (actual or estimated) must be provided. If individual categories other than leakage are not known, provide the information in the "Other Non-Billed Water" category.

**SECTION #7: Current Non-Billed and Non-Metered
Water Use Estimates (Gallons)
(July 1, 2015 through June 30, 2016)**

	FY 2016(Gallons)
Total Water Produced/Purchased (Total Sections 2 and 3)	2,338,449,000
Less Total Metered (Sold/Billed) Water (Total Sections 4 and 5)	1,636,279,306
Less Non-Billed Water Use (Total Section 7 below)	487,805,820
Total Non-Metered (Not Sold) Water Use	214,363,874
% Non-Metered Water (Total Non-Metered/Total Water)	9%

Section 7 is calculated automatically based on previous sections and data entered below.

Non Billed Water Use	FY 2016 Gallons
Fire Fighting Allowance	10,000,000
Main Flushing/System Maintenance	34,070,159
Storm Drain Flushing	
Sewer Cleaning	
Street Cleaning	
Schools and Other Public Buildings	
Landscaping in Public Areas	
Swimming Pools	
Construction Sites	5,000,000
Water Quality and Other Testing	29,789,500
Process Water at Treatment Plants	12,428,000
Leakage	32,691,026
Theft, meter error	12,259,135
Other Non Billed Water	351,568,000
Total	487,805,820

Instructions: All non-billed water must be included in Section 7 above. Leakage (actual or estimated) must be provided. If individual categories other than leakage are not known, provide the information in the "Other Non-Billed Water" category.

**SECTION #7: Current Non-Billed and Non-Metered
Water Use Estimates (Gallons)
(July 1, 2016 through June 30, 2017)**

	FY 2017(Gallons)
Total Water Produced/Purchased (Total Sections 2 and 3)	2,056,618,000
Less Total Metered (Sold/Billed) Water (Total Sections 4 and 5)	1,663,714,815
Less Non-Billed Water Use (Total Section 7 below)	212,660,923
Total Non-Metered (Not Sold) Water Use	180,242,262
% Non-Metered Water (Total Non-Metered/Total Water)	9%

Section 7 is calculated automatically based on previous sections and data entered below.

Non Billed Water Use	FY 2017 Gallons
Fire Fighting Allowance	10,000,000
Main Flushing/System Maintenance	21,777,223
Storm Drain Flushing	
Sewer Cleaning	
Street Cleaning	
Schools and Other Public Buildings	
Landscaping in Public Areas	
Swimming Pools	
Construction Sites	5,000,000
Water Quality and Other Testing	28,597,000
Process Water at Treatment Plants	12,118,000
Leakage	14,591,400
Theft, meter error	12,480,300
Other Non Billed Water	108,097,000
Total	212,660,923

Instructions: All non-billed water must be included in Section 7 above. Leakage (actual or estimated) must be provided. If individual categories other than leakage are not known, provide the information in the "Other Non-Billed Water" category.

**SECTION #7: Current Non-Billed and Non-Metered
Water Use Estimates (Gallons)
(July 1, 2017 through June 30, 2018)**

	FY 2018(Gallons)
Total Water Produced/Purchased (Total Sections 2 and 3)	1,965,088,554
Less Total Metered (Sold/Billed) Water (Total Sections 4 and 5)	1,613,436,000
Less Non-Billed Water Use (Total Section 7 below)	171,623,024
Total Non-Metered (Not Sold) Water Use	180,029,530
% Non-Metered Water (Total Non-Metered/Total Water)	9%

Section 7 is calculated automatically based on previous sections and data entered below.

Non Billed Water Use	FY 2018 Gallons
Fire Fighting Allowance	10,000,000
Main Flushing/System Maintenance	15,546,505
Storm Drain Flushing	100,800
Sewer Cleaning	939,600
Street Cleaning	
Schools and Other Public Buildings	
Landscaping in Public Areas	
Swimming Pools	
Construction Sites	10,000,000
Water Quality and Other Testing	28,235,130
Process Water at Treatment Plants	10,421,056
Leakage	15,327,642
Theft, meter error	12,103,135
Other Non Billed Water	68,949,156
Total	171,623,024

Instructions: All non-billed water must be included in Section 7 above. Leakage (actual or estimated) must be provided. If individual categories other than leakage are not known, provide the information in the "Other Non-Billed Water" category.

**SECTION #7: Current Non-Billed and Non-Metered
Water Use Estimates (Gallons)
(July 1, 2018 through June 30, 2019)**

	FY 2019(Gallons)
Total Water Produced/Purchased (Total Sections 2 and 3)	2,219,441,409
Less Total Metered (Sold/Billed) Water (Total Sections 4 and 5)	1,679,276,818
Less Non-Billed Water Use (Total Section 7 below)	319,785,374
Total Non-Metered (Not Sold) Water Use	220,379,217
% Non-Metered Water (Total Non-Metered/Total Water)	10%

Section 7 is calculated automatically based on previous sections and data entered below.

Non Billed Water Use	FY 2019 Gallons
Fire Fighting Allowance	10,000,000
Main Flushing/System Maintenance	20,709,813
Storm Drain Flushing	N/A
Sewer Cleaning	N/A
Street Cleaning	N/A
Schools and Other Public Buildings	N/A
Landscaping in Public Areas	N/A
Swimming Pools	N/A
Construction Sites	10,000,000
Water Quality and Other Testing	29,165,720
Process Water at Treatment Plants	10,273,082
Leakage	15,062,393
Theft, meter error	13,452,043
Other Non Billed Water	211,122,323
Total	319,785,374

Instructions: All non-billed water must be included in Section 7 above. Leakage (actual or estimated) must be provided. If individual categories other than leakage are not known, provide the information in the "Other Non-Billed Water" category.

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MIDD 3-16: [Ref. – Response to MIDD 2-37]. Please expand the table provided in your response to MIDD 2-37 to include a column that lists the corresponding value of retired assets since the last case for each Functional Category; a column listing by Functional Category the “cost of all fixed assets” at the close of the last case; and a column listing by Functional Category the cost of all fixed assets proposed by NW in this case.

Response:

Functional Category	4595 Value	FY16-18 Additions	FY16-18 Retirements	4933 Value
Transmission/Distribution	\$ 34,349,799	\$ 5,008,194	\$ 7,061,644	\$ 32,296,348
Treatment	\$ 98,001,962	\$ 10,747,852	\$ -	\$ 108,749,814
Storage	\$ 1,877,251	\$ 1,264,905	\$ 74,343	\$ 3,067,813
Supply	\$ 25,539,067	\$ 2,123,686	\$ -	\$ 27,662,753
Meters	\$ 6,575,750	\$ 286,959	\$ -	\$ 6,862,709
Services	\$ 5,305,590	\$ 618,844	\$ 1,579,247	\$ 4,345,187
T&D Pumping	\$ 1,082,596	\$ 105,716	\$ -	\$ 1,188,312
Billing	\$ 262,302	\$ 203,128	\$ -	\$ 465,430
Fire	\$ 390,166	\$ 151,333	\$ -	\$ 541,499
Laboratory	\$ 80,000	\$ -	\$ -	\$ 80,000
Land and ROW	\$ 3,594,491	\$ -	\$ -	\$ 3,594,491
Total	\$ 177,058,974	\$ 20,510,617	\$ 8,715,234	\$ 188,854,357

Prepared by: Harold Smith

MIDD 3-17: [Ref. – Response to MIDD 2-37]. Relative to the last sentence in your response to MIDD 2-37, which if any, of the facilities that comprise each of the functional categories needed to be evaluated or approved by the RIPUC (and/or another Agency) before it could be funded or constructed? If any of these facilities needed such approval(s), describe in detail the approval process and provide examples of any decisions or orders approving these facilities.

Response: The RIPUC approved the rates to recover the revenue to fund all the facilities listed in the response to Middletown 2-37, but it does not approve the individual projects themselves.

The new treatment plant at Lawton Valley and the upgrades to Station 1 required approval and permitting from various agencies including the following:

- The Division of Public Utilities and Carriers approved the terms of the borrowings to fund the project;
- RIDOH for the treatment processes;
- RIDEM for RIPDES permit; Freshwater Wetlands; and, ISDS;
- RIDOT for a Physical Alteration Permit;
- CRMC; and,
- Town of Portsmouth Planning Board and Zoning Board.

The storage tank repair and painting required approval and permitting from the following agencies:

- RIDOH – Storage Facilities Modification; and,
- RIDEM Office of Air Resources – Lead Based Paint Remediation.

The improvements to intake structures and work on the dams required approval from the RIDEM – Office of Dam Safety.

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Some Examples of decisions and orders that are received after the
applicable regulatory review processes are attached

Prepared by: Julia Forgue

MIDD 3-18: [Ref. – Response to MIDD 2-37]. Relative to the last sentence in your response to MIDD 2-37, which if any, of the facilities that are listed in your five-year Capital Improvement Plan (FY2020 through FY2024) needed or need to be evaluated or approved by the RIPUC (and/or another Agency) before it could be funded or constructed? If any of these facilities needed or need such approval(s), describe in detail the approval process and provide examples of any Decisions or Orders approving these facilities.

Response: The RIPUC will need to approve the rates to recover the revenue to fund all the facilities listed in the five-year Capital Improvement Program, but it does not approve the individual projects themselves.

The Dam Rehabilitation project will require ongoing approval from the RIDEM – Office of Dam Safety.

The Reservoir Road Storage Tank repair and painting will require approval from the RIDOH for storage facilities modification.

The system wide main improvements will require the following approvals and permitting because they are funded with debt: :

- Division approval for the terms of the borrowings.
- RIDOH - a Certificate of Approval for the project to be eligible for borrowing through the State Revolving Fund.

The examples of approvals are similar to those provided in response to MIDD. 3-17.

Prepared by: Julia Forgue

CERTIFICATION

I hereby certify that on July 19, 2019, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone
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Town of Middletown (Middletown) Peter Regan, Esq. Mark Boivin, Esq. Sayer Regan & Thayer, LLP 130 Bellevue Ave. Newport, RI 02840	Pregan@SRT-law.com ; mboivin@srt-law.com ; arichardson@srt-law.com ;	401-849-3040 x-233
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File an original and nine (9) copies w/: Luly E. Massaro, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
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