

City of Newport Department of Utilities



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

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION

APPLICATION TO CHANGE RATES

FEBRUARY 13, 2019

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO
CHANGE RATE SCHEDULES**

DOCKET NO.

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(1) The status of physical plant, including the volume of its water supply and the source of the supply.

(2) The maintenance policy of the utility, to include the date distribution pipes were last installed, and the length of pipe installed for at least a ten (10) year duration.

(3) The name and cost of each chemical introduced into the water supply during the most recent six (6) month period, including the amount used, and the purpose for the use.

(4) The policy of the utility toward future expansion and renovation of the physical plant, including the amount of funds expended within the preceding year and expected to be expended within the next year for expansion, renovation, equipment purchase, and/or research and development.

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February 13, 2019

Margaret E. Curran, Chairperson
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: City of Newport, Utilities Department, Water Division,
General Rate Filing, February 2019

Dear Chairperson Curran:

On behalf of the City of Newport, Utilities Department, Water Division ("Newport Water"), enclosed you will find revised rate schedules that Newport Water proposes to place in effect in thirty (30) days. The new rates are designed to support a total operating revenue requirement of \$19,843,202. Included in Newport's filing is testimony from two witnesses, as well as schedules and exhibits in support of the revised rates. Additionally, the filing includes all applicable information required by the Rhode Island Public Utilities Commission's Rules of Practice and Procedure and statements conforming to the mandates of R.I.G.L. §39-3-12.1. Additionally, pursuant to R.I.G.L. §39-3-12.1, Newport Water is providing a copy of its rate filing to the following communities:

- (1) The Town of Middletown;
- (2) The Town of Portsmouth; and,
- (3) The United States Department of the Navy.

We have also included a copy of our proposed notice to be published in the Providence Journal. We would respectfully ask that your staff immediately review the proposed notice so that it might be published within the period prescribed by law.

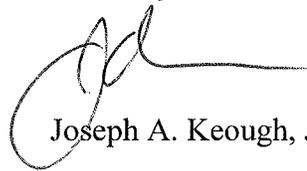
The following individuals should receive all correspondence for any additional information to be provided by the Public Utilities Commission: Julia Forgue, P.E., City of

Newport, Director of Utilities, 70 Halsey Street, Newport, Rhode Island 02840, and Joseph A. Keough, Jr., Esquire, Keough & Sweeney, 41 Mendon Avenue, Pawtucket, Rhode Island 02861.

Please note that I will act as legal counsel for Newport Water and will represent it in all matters concerning its rate application.

Thank you for your attention to these matters.

Sincerely,

A handwritten signature in black ink, appearing to be 'JK', with a long horizontal line extending to the right.

Joseph A. Keough, Jr.

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES**

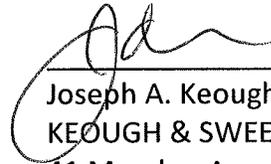
DOCKET NO.

NOTICE OF PROPOSED CHANGES IN RATES

In accordance with the Rules of Practice and Procedure for the Rhode Island Public Utilities Commission and RIGL § 39-3-11, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice of its proposed changes in rates. Said changes are contained in the written testimony and exhibits attached hereto and incorporated herein. The new rates are proposed to become effective on March 15, 2019 and are designed to support a total operating revenue requirement of \$19,843,202. Additionally, Newport Water respectfully represents that:

- (1) Newport Water is a department of the City of Newport with its principal place of business at 70 Halsey Street, Newport, RI;
- (2) Correspondence should be addressed to Julia A. Forgue, P.E., Chief Engineer, City of Newport, Utilities Department, Water Division, 70 Halsey Street, Newport, RI, 02840 and to Joseph A. Keough, Jr., 41 Mendon Avenue, Pawtucket, Rhode Island 02861;
- (3) In accordance with the appropriate Rules and Regulations and pursuant to RIGL §39-3-11, the accompanying documents contain data, information and testimony in support of said request;
- (4) Submitted heretofore are documents and statements in conformance with RIGL §39-3-12.1;
- (5) Attached hereto is information required by Rule 1.6 and Part 5 of the Rules of Practice and Procedure for the Rhode Island Public Utilities Commission.

City of Newport, Utilities Department,
Water Division,
By its attorney,



Joseph A. Keough, Jr., Esquire
KEOUGH & SWEENEY, Ltd.

41 Mendon Avenue
Pawtucket, RI 02861

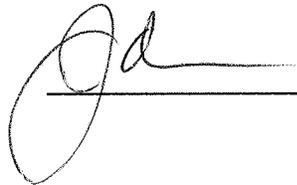
(401) 724-3600 (p)

(401) 724-9909 (f)

jkeoughjr@keoughsweeney.com

CERTIFICATION

I, the undersigned, hereby certify that a true copy of the within was hand delivered to the Rhode Island Public Utilities Commission, 89 Jefferson Boulevard, RI 02888 and mailed via first class mail to the Department of Attorney General, 150 South Main Street, Providence, RI 02903 on the 13th day of February, 2019.



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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES**

DOCKET NO: 4933

NOTICE OF FILING AND CHANGE IN RATE SCHEDULES

On February 13, 2019, pursuant to Rhode Island General Laws § 39-3-11 and Part 5 of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice that it has filed an application to increase its rates with the Rhode Island Public Utilities Commission ("Commission"). In its filing, Newport Water seeks to implement a multi-year rate plan pursuant to R.I.G.L. § 39-15.1-4. This proposed multi-year rate plan would increase rates in two phases.

In the first phase of the increase, proposed to take effect on March 15, 2019, Newport Water's proposed rates are designed to collect additional operating revenue in the amount of \$2,432,021 to support a total revenue requirement of \$19,843,202. The impact of this request for a typical residential customer who uses 5,000 gallons of water per month will result in an increase of \$5.99 per month from \$661.44 to \$733.32 per year.

In the second phase of the increase, proposed to take effect on July 1, 2021, Newport Water's proposed rates are designed to collect additional operating revenue in the amount of \$556,867 to support a total revenue requirement of \$20,400,069. The impact of this request for a typical residential customer who uses 5,000 gallons of water per month will result in an increase of \$1.75 per month from \$733.32 to \$754.32 per year.

The impact on all other customers will vary based on consumption.

Please note that while Newport Water is requesting this revenue increase, the Commission, after full investigation and hearings, may order a different revenue increase and rates.

While the new rates in the first phase of the increase are proposed to become effective March 15, 2019, the Commission can suspend the rates for up to eight months from the proposed effective date. No rate change will take effect until the Commission has conducted a full investigation and hearing on the proposal. The Commission will publish a notice of the hearing dates when they are scheduled. Ratepayers may comment on the proposed rate increases at that time.

A copy of the application is on file for examination at the Newport Water's office and at the offices of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island, and can be accessed at <http://www.ripuc.org/eventsactions/docket/4933page.html>. A copy of the filing was also provided to The Town of Portsmouth, The Town of Middletown, the United States Navy and the Rhode Island Attorney General's Department, Consumer Division. Subscriber billing statements will contain notice of this filing. Some larger subscribers will receive notice in their monthly billing and others in their regular billing.

City of Newport, Utilities Department, Water Division
70 Halsey Street
Newport, RI 02840

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES**

DOCKET NO. 4933

**NOTICE TO CUSTOMERS OF THE CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION, OF FILING AND
CHANGE IN RATE SCHEDULES**

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City of Newport, Utilities Department, Water Division
70 Halsey Street
Newport, RI 02840

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FAX (617) 451-1914

February 13, 2019

The United States Department of the Navy
Department of Public Works
1 Simonpieti Drive
Newport, RI 02841-1711

RE: City of Newport, Utilities Department, Water Division
Proposed Rate Increase

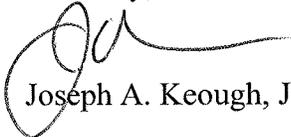
Dear Sir/Madam:

Please be advised that on February 13, 2019, the City of Newport, Utilities Department, Water Division ("Newport Water") filed an application to change rates with the Rhode Island Public Utilities Commission. Enclosed you will find a copy of Newport Water's filing.

Additionally, in conformance with RIGL §39-3-12.1, enclosed with the filing you will find copies of Newport Water's compliance with the particulars of that provision.

Thank you for your attention to this these matters.

Sincerely,



Joseph A. Keough, Jr.

JAK:jak
Enclosure

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February 13, 2019

The Honorable Town Council
Town of Middletown
c/o City Clerk
350 East Main Road
Middletown, RI 02842

RE: City of Newport, Utilities Department, Water Division
Proposed Rate Increase

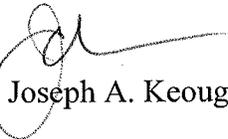
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February 13, 2019

The Honorable Town Council
The Town Portsmouth
c/o City Clerk
2200 East Main Road
Portsmouth, RI 02871

RE: City of Newport, Utilities Department, Water Division
Proposed Rate Increase

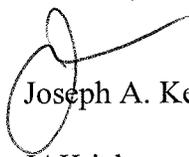
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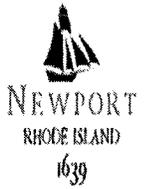
Sincerely,


Joseph A. Keough, Jr.

JAK:jak
Enclosure

CC: Jessica C. Lynch, P.E.
Portsmouth Water & Fire District

City of Newport Department of Utilities



**RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. ____**

DIRECT TESTIMONY

OF

JULIA A. FORGUE, P.E.

**CITY OF NEWPORT
DIRECTOR OF UTILITIES**

**ON BEHALF OF THE CITY OF NEWPORT, UTILITIES DEPARTMENT,
WATER DIVISION**

FEBRUARY 13, 2019

1 **INTRODUCTION**

2 **Q. Please provide your full name, title and business address for the record.**

3 A. Julia A. Forgue, P.E. I am employed by the City of Newport where I serve as Director of
4 Utilities. My business address is 70 Halsey Street, Newport, RI.

5

6 **Q. How long have you held this position?**

7 A. I began my employment with the City of Newport on March 12, 2001 as Director of Public
8 Works. While Director of Public Works, I also served as the General Manager of the Water
9 Division. A reorganization of City Departments was finalized in December 2007, and I am now
10 the Director of Utilities.

11

12 **Q. What are your responsibilities as Director of Utilities?**

13 A. I serve as general manager of the water and water pollution control divisions. I plan,
14 organize and direct the Water Division's activities. I direct and oversee the work of supervisors
15 on administrative and technical issues conforming to a policy framework established by the City
16 as well as State and Federal agencies.

17

18 **Q. Can you provide a brief description of your work experience?**

19 A. Prior to working for the City of Newport, I was employed by the City of East Providence for
20 14 years. In the last 11 years I managed the water division as Director of Public Works. The City
21 of East Providence purchases water wholesale from Providence Water and operates and
22 maintains its own transmission and distribution system with approximately 15,000 services.
23 Before working for the City of East Providence, I was a project engineer at consulting firms in
24 Colorado and New Hampshire.

25

26

27

1 **Q. What is your educational background?**

2 A. I received a B.S. in Civil Engineering from Northeastern University in 1981, and a M.S. in Civil
3 Engineering from the University of Colorado at Boulder in 1982. I am a registered Professional
4 Engineer in Rhode Island and New Hampshire.

5

6 **Q. Do you have any professional affiliations?**

7 A. Yes, I am a member of the American Water Works Association, New England Waterworks
8 Association and the Rhode Island Waterworks Association. I served as President of the RIWWA
9 from December 2001 to December 2003. I am also a member of the Water Environment
10 Association.

11

12 **Q. What is the purpose of this testimony?**

13 A. To support the request of the City of Newport, Department of Utilities, Water Division
14 (hereinafter "Newport Water" or "Newport") for a multi-year rate increase pursuant to R.I.G.L.
15 §39-15.1-4.

16

17 **Q. What are the test year and rate year Newport Water used in this filing?**

18 A. The test year is Fiscal Year 2018 (July 1, 2017 to June 30, 2018). The rate year is Fiscal Year
19 2020 (July 1, 2019 to June 30, 2020).

20

21 **OVERVIEW**

22 **Q: Can you please provide an overview of Newport's request for rate relief?**

23 A: Yes. Newport's request for rate relief is primarily driven by the following factors:

24

25 1. **Consumption** – Actual total consumption in fiscal year 2017 was 7% less than the
26 consumption projected in Docket 4595. In fiscal year 2018 the total consumption
27 dropped further to 10% less than the consumption projected in Docket 4595. The

1 revenue shortfalls related to actual consumption were approximately \$863,000 in FY
2 2017 and \$1,383,000 in FY2018.

3
4 **2. Operations and Maintenance (“O&M”) Expenses** – While we are very conscious of
5 controlling O&M expenses, we are requesting increased rates to meet increased
6 expenses. In the last seven years, Newport has only sought two rate increases related to
7 O&M expenses (Dockets 4243 – filed in 2011, and 4595 – filed in 2015). In Docket 4595,
8 Newport’s total O&M costs only increased by approximately \$895,000. In this Docket,
9 Newport Water seeks additional revenues as our O&M expenses have increased by
10 approximately \$768,253 since Docket 4595.

11
12 **3. Debt Service** – Newport proposes to borrow \$7,441,000 over the next three fiscal years
13 with borrowings in FY 2020 and 2022 to fund system-wide main improvements. In this
14 filing, Newport has proposed a multi-year rate increase pursuant to R.I.G.L. §39-15.1-4.

15
16 **Q. Will the revenues from current rates be sufficient to cover expenses in the rate year?**

17 A. No. The revenues generated from the existing rates will not be sufficient to cover the
18 necessary expenses for the rate year (FY20). However, the proposed rates should recover
19 sufficient revenues for the rate year expenses.

20
21 **CONSUMPTION**

22 **Q. Can begin by addressing Newport’s drop in consumption since Docket 4595?**

23 A. As set forth above, actual total consumption in fiscal year 2017 was 7% less than the
24 consumption projected in Docket 4595. In fiscal year 2018 the total consumption dropped
25 further to 10% less than the consumption projected in Docket 4595. Water sales were down
26 across all four classes, but the drop in sales was especially acute with the wholesale customers:

27

<u>Customer Class</u>	<u>Docket 4595 Projection</u>	<u>FY17</u>	<u>FY18</u>
Residential	661,222,000	643,010,000	609,006,000
Non-Residential	457,205,000	457,187,000	438,155,000
Navy	247,078,000	180,514,000	192,925,000
Portsmouth	432,782,000	380,190,000	369,706,000

1

2 This resulted in revenue shortfalls of \$863,000 in FY 2017 and \$1,383,000 in FY2018.

3

4 **Q. How did Newport manage its expenses as a result of this drop in consumption?**

5 A. Starting in the third quarter of fiscal year 2018 our analysis of monthly and year-to-date
6 water consumption indicated that we would not meet the consumption goals set in Docket
7 4595. In February, year-to-date average monthly consumption averaged less than similar
8 periods during the last three years. In turn, this resulted in lower than budgeted water sale
9 revenue and negative impacts on Newport Water's cash flow. In response, we put an
10 immediate hold on non-essential spending and also delayed capital projects. The result was
11 that O & M expenditures were reduced to mitigate cash flow problems, and Newport was
12 unable to deposit funds to its restricted Capital Fund in May and June 2018.

13

14 **O&M EXPENSES**

15 **Q. Has Newport Water presented rate year adjustments to the normalized test year for**
16 **operation and maintenance expenses?**

17 A. Yes, we have.

18

19 **Q. Would you please explain these operating and maintenance expenses adjustments?**

20 A. Yes. Herein below, I identify and explain rate year increases that exceed ten thousand dollars
21 in order by budget line item number as they appear on HJS Schedule A-1B.

22

1 **Q. Please explain the increase in Salaries and Wages?**

2 A. The increase in Salaries and Wages is based on a two percent (2%) COLA increase for all
3 employees for Fiscal Year 2020. Currently, there is a tentative agreement with AFSCME for the
4 period July 1, 2018 through June 30, 2021 which includes a 2% COLA increases. It is expected
5 that the tentative agreement will be presented to Council in January 2019 for approval. The
6 NEA contract expires June 30, 2019, and the rate year expense includes a two percent (2%)
7 COLA increase for these employees. For non-union personnel, the Newport City Council has
8 typically applied the same COLA, so the two percent (2%) has also been applied to these
9 employees. In addition to the two percent (2%) COLA increase, both step and longevity pay
10 increased because they are calculated on base salaries, which increase with each COLA.
11 Consistent with the past Dockets, Newport Water has reduced its Salaries and Wages expense
12 with the salaries of two positions; Water Plant Operator and Distribution/Collection Operator.
13

14 **Q. Can you please explain the change in the cost of Employee Benefits?**

15 A. Yes, the increased cost of Employee Benefits in the Rate Year is due to an anticipated 8%
16 increase in health insurance premiums as well as additional costs for items based on a
17 percentage of salaries such as Pension, FICA and Medicare contributions. Since salaries will
18 increase, the cost of these items increases as well.
19

20 **Q. Please explain the increase to Retiree Insurance Coverage.**

21 A. This cost represents the City's cost of providing health insurance to retirees. The Proposed
22 increase represents twelve months of costs based on FY19 rates, which increased moderately
23 from the previous year. Although there may be another moderate increase in fiscal year 2020,
24 we set the rate year expense at the FY19 level because there should be sufficient funds in the
25 Restricted Retiree Insurance Bank Account to cover a moderate increase.
26
27

1 **Q. Can you explain the increase to the Conferences and Training expenses?**

2 A. Yes, a few factors are contributing to the increase in Conferences and Training expenses. The
3 two primary factors were a hold on all discretionary spending in the Test Year and additional
4 certification of meter section personnel. Due to budget constraints related to reduced
5 consumption and revenue described previously, Newport Water put a hold on all discretionary
6 spending in the Test Year. Staff attendance at conferences was cancelled and training was
7 postponed. In the rate year, we would like to return to a level originally set by the Commission
8 in Docket 4595. In fact, although we propose to increase rate year expenses to \$19,620, this is
9 actually less than the \$21,620 allowed by the Commission in Docket 4595.

10 In addition, Newport Water is working towards Distribution Certification for our Meter Section
11 staff so they can assist in repairs of water main breaks. The total continuing education expense
12 for the Meter Section staff is \$2,000. This expense for Distribution Certification for the Meter
13 Section staff is in addition to their Backflow Tester and Surveyor certification.

14

15 **Q. Can you please address the increase in Consultant Fees?**

16 A. The bulk of the increase is due to the expected cost of Legal, Financial and PUC rate case
17 expenses to prepare and litigate this rate filing. The amount of these costs is based on actual
18 costs incurred for the previous Rate Case 4595.

19

20 **Q. Can you please explain the increase to Support Services/Contract Services?**

21 A. The increase is due to the cost of new meter reading software. Newport is transitioning from
22 Badger Meter ReadCenter Data Management software to the BEACON® Advanced Metering
23 Analytics (AMA) software platform. The transition is required because the Badger software
24 product is at the end of its useful life and will no longer be updated or supported. The change
25 to Beacon will result in increased support service expenses, including a monthly per meter
26 Cloud Hoisting Fee, a per user Login License fee, the annual software support fee, and cost for
27 the software license. However, the BEACON software platform will provide immediate on-line

1 access to our customers so they can monitor their water usage data via EyeOnWater, a mobile
2 application, which allows customers to monitor water usage on their computer or smart
3 phone. Among other things, this will allow customers to become aware of previously
4 undetected water leaks, burst pipes and other plumbing issues in a timely manner. Under our
5 existing system, large leaks are usually only discovered when the customer receives their
6 monthly bill. This should result in less cost and wasted water for our customers including
7 landlords and part-time residents.

8
9 **Q. Can you explain the increase in data processing (MIS) Expense?**

10 **A.** Yes. Since the last rate case, Docket 4595, the City's IT Manager retired, and the City
11 upgraded the position to Director of Technology and Information with a higher salary. The City
12 also hired two additional fulltime and one half-time employees in IT Department. In addition,
13 there was a 3% increase per year in IT contractual costs and a general increase in the costs of
14 technology.

15
16 **Q. Can you explain the increase in Repairs & Maintenance?**

17 **A.** The increase in Repairs and Maintenance expenses is primarily due to underspending during
18 the Test Year at the Station One Treatment Plant and in the Fire Protection section.

19 At Station One we were actively replacing stainless steel piping from August 2017 through
20 March 2018, which interfered with and delayed normal repair and maintenance projects such
21 as modifications to the Sodium Hypochlorite tanks and the chemical transfer systems. In the
22 Rate Year it is expected that Repairs and Maintenance Expenses will revert to a normal level
23 since there are no construction activities planned.

24
25 In the Fire Protection section, typical practice had been to replenish inventory with one or two
26 large orders a year. Due to budget constraints, purchases were delayed which resulted in less

1 cost and a lower than usual inventory of parts during the rate year. In the Rate Year, it is
2 expected that spending will revert to a normal level.

3

4 **Q. Could you please explain the increased cost of Reservoir Maintenance?**

5 A. Yes. The Rhode Island Department of Environmental Management issued a Notice of
6 Violation for issues at several of Newport Water's dams, and the increased expenses are for
7 inspections, equipment, supplies and repairs.

8

9 **Q. Please explain the increase in Regulatory Assessment.**

10 A. There are two primary factors contributing to the increase. First, in the Administration
11 section, the annual fee paid to the PUC is anticipated to increase by \$20,877. During fiscal years
12 2014 through 2018 the assessment increased by an average of 11% per year. The FY 2020
13 assessment was based on this 11% increase for FY 2019 and again for FY 2020.

14 Second, in the Laboratory Section, the increased costs are related to additional testing
15 protocols required by the EPA and RIDOH, as well as proactive testing conducted by Newport
16 Water.

17

18 **Q. Would you please explain the increase in the Water/Sewer charge?**

19 A. The sewer charge is primarily related to the cost of treating sludge (waste water) created by
20 the water treatment process. The test year cost for treating sludge was \$18.36 per 1,000
21 gallons of waste water. The rate increased by 7.8% to \$19.80 in Fiscal Year 2019 for all Newport
22 customers. The projected rate used for Fiscal Year 2020 includes a 3.5% increase to \$20.50 per
23 1,000 gallons of waste water.

24

25 **Q. Would you please explain the increase in electricity cost?**

26 A. Electricity costs are estimated to increase moderately (3.5%) based on actual consumption
27 and costs from Fiscal Years 2017 and 2018.

1 **Q. Please explain the increase in property tax expenses.**

2 A. Property taxes for FY 2020 are anticipated to increase by 2% from FY 2019 based on
3 historical trends.

4
5 **Q. Can you please explain the increase in Operating Supplies expenses?**

6 A. As previously referenced in my testimony, because of the drop in consumption we put an
7 immediate hold on non-essential spending and delayed capital projects. As a result, we cut
8 back on our purchase of operating supplies in the test year. The rate year amount is closer to
9 (and actually slightly less than) the level granted by the Commission in Docket 4595.

10

11 **Q. Please explain the increase in Uniforms & Protective gear?**

12 A. The increase is due to the new expense of providing uniforms for all Water Division staff
13 except those in administration and the in-house customer service department. Providing
14 uniforms will immediately and clearly identify Newport Water staff and provide a professional
15 image. The Water Division uniform service mirrors the service already in place for Water
16 Pollution Control employees.

17

18 **Q. Please explain the increase in Chemicals.**

19 A. Most of the increase in chemicals is related to the cost of replacing carbon for the Advanced
20 Treatment (AWT) vessels at the treatment plants and the additional use of more expensive
21 chemicals in the Source of Supply section.

22

23 In Docket 4595 we projected an annual exchange of carbon in two of the AWT vessels at each
24 plant. However, raw water conditions have resulted in Newport Water using AWT with an
25 increased load and for an extended length of time. As a result, the carbon in the AWT vessels is
26 being exhausted quicker requiring the carbon to be regenerated. In order to maintain all the
27 AWT vessels at each plant, staff has determined that four AWT vessels per plant require carbon

1 regeneration annually as opposed to two. Furthermore, during the test year (FY2018) the
2 regeneration of carbon in the AWT vessels inadvertently did not occur. The New Water Quality
3 Production Supervisor and Assistant Water Treatment Superintendent started in January 2018
4 and were not familiar with the long lead time associated with the custom carbon regeneration
5 process and the carbon replacement in the AWT vessels did not occur until August and
6 September of 2018, which was just outside the fiscal year.

7

8 In the Source of Supply section, costs are expected to increase due to the increased use of
9 GreenCleanPRO granular algaecide for treatment of raw water supplies. Treatment with
10 GreenCleanPRO and Copper Sulfate Crystal CuSO_4 are key elements in our multi-barrier
11 approach to manage cyanobacteria (blue-green algae) in our reservoirs. GreenCleanPRO is a
12 more expensive compound but it provides additional benefits such as no moratorium between
13 applications and spot area treatment that is not available with copper sulfate.

14

15 **Q. Please explain the increase for Laboratory Supplies?**

16 A. The increase in Laboratory Supplies is the result of additional testing protocols being
17 introduced in the Laboratory Section in order to better analyze raw and finished water. These
18 additional testing protocols result in an increase in Laboratory Supplies such as gloves, buffers,
19 reagents, standards and titrators.

20

21 **CAPITAL IMPROVEMENT PROGRAM**

22 **Q. How does Newport plan on funding its Capital Improvement Program?**

23 A. Newport plans to fund new projects included in its Capital Improvement Program ("CIP")
24 through pay-as-you-go funds from the infrastructure replacement (IFR) funds in its restricted
25 Capital Account and through debt. (See Exhibit 1)

26

27

1 **IFR Funding**

2 **Q. Can you identify the capital projects Newport seeks to fund through IFR funds?**

3 A. Yes. In 2015, Newport Water submitted the five-year update of its Infrastructure
4 Replacement Plan (IRP) to the Rhode Island Department of Health. This IRP was used to develop
5 Exhibit 1 attached to my testimony, which lists the capital improvement projects Newport
6 Water proposes to fund through IFR funds. Newport is not seeking an increase in the annual
7 allowance of \$2,500,000 from rates to fund its restricted Capital Account.

8

9 **Debt Funding**

10 **Q. Can you identify the capital projects Newport seeks to fund through debt?**

11 A. Yes. As identified in the IRP, Newport plans to fund its system wide main improvements
12 through debt.

13

14 **Q. How does Newport plan to fund these projects?**

15 A. Newport proposes to borrow \$7,441,000 from the Rhode Island Infrastructure Bank over the
16 next three fiscal years, with borrowings in FY 2020 and FY2022. These two borrowings will yield
17 \$6,750,000 in project funds to pay for the system wide main improvements identified in
18 Newport's IRP for Fiscal Years 2020 through 2024. Thus, Newport needs additional revenues to
19 service this debt.

20

21 **CITY SERVICES**

22 **Q. Has Newport allocated City Service expenses in the same manner it did in Docket 4595?**

23 A. Yes. We used the same methodology for allocating the expenses paid to the City for services
24 it provides to the water fund using the FY19 Budget. The calculations are set forth in Harold
25 Smith's rate model, HJS Schedule D-17.

26

27

1 **DOCKET 4595 ORDER**

2 **Q. The Commission's Docket 4595 Order directed Newport Water to itemize expenses for**
3 **cellular phones and other wireless devices, including, but not limited to the cost of the device**
4 **and the communication/data plan to determine if those costs have a significant impact on**
5 **the general allocator used to allocate City Service expenses paid to the City of Newport. Has**
6 **Newport done this?**

7 A. Yes. Attached as Exhibit 2 to my testimony is a schedule that shows the impact the water
8 fund's cell phone and wireless device costs have on the general allocator. Even when the water
9 fund's cell phone and wireless device costs are removed from the overall MIS costs, the general
10 allocator does not change.

11

12 **Q. In Docket 4595, Newport agreed to allocate fifteen thousand dollars (\$15,000.00) for an**
13 **independent consultant to value the service lines in its system. Did Newport do this?**

14 A. Yes. In Docket 4595, the Portsmouth Water and Fire District ("PWFD") objected to Newport's
15 valuation of the service lines in the system. As the hearing date approached, PWFD proposed to
16 drop its objection if Newport agreed to have an independent consultant value the service lines
17 under the following conditions:

- 18 1. the independent consultant be satisfactory to all parties to the docket;
- 19 2. the independent consultant conduct the valuation independent of input from any of the
20 parties to the docket;
- 21 3. the independent consultant agree not to perform work for any of the parties to the
22 docket for five years following completion of the valuation;
- 23 4. the independent third-party consultant be paid from Newport Water's capital account;
- 24 and,
- 25 5. The study not cost more than fifteen thousand dollars (\$15,000.00).

26

1 In July 2018, Newport Water issued a Request For Proposal (“RFP”) for a service line
2 valuation, and only received a single non-conforming response. Newport’s legal counsel has
3 communicated and met with legal counsel for the Division of Public Utilities and Carriers
4 and the PWFD to discuss whether the RFP should be reissued or whether Newport no
5 longer needs to conduct the study.

6

7 **CONCLUSION**

8 **Q. Does this conclude your direct testimony?**

9 A. Yes it does.

EXHIBIT 1

Water Division
CIP 16-20

City of Newport, Rhode Island
Capital Improvement Plan- Draft JAF 11-13-18

Exhibit 1

Project Title	Funding	Proposed 2019-20	Proposed 2020-21	Proposed 2021-22	Proposed 2022-23	Proposed 2023-24
Dam Rehabilitation	Rates	\$ 500,000	\$ 500,000	\$ 1,200,000	\$ 850,000	\$ 650,000
SCADA Project - Pump Station & Reservoirs	Rates	\$ 200,000	\$ 200,000	\$ 625,000	\$ 250,000	
BEACON Advanced Metering Analytics (AMA)	Rates	\$ 125,000	\$ 125,000			
800 MHz Radios	Rates	\$ 50,000				
Reservoir Road Tank	Rates	\$ 700,000	\$ 800,000			
IRP 5 Year Update	Rates				\$ 70,000	\$ 90,000
WSSMP 5 Year Update	Rates					
Hydraulic Model Update	Rates	\$ 100,000	\$ 100,000			
GIS Upgrade & Update	Rates	\$ 100,000	\$ 25,000			
Misc. Fence Repairs	Rates	\$ 125,000				
System Wide Main Improvements - ENGINEERING(des&constr	Rates	\$ 200,000	\$ 200,000	\$ 75,000	\$ 200,000	\$ 100,000
System Wide Main Improvements- CONSTRUCTION	SRF	\$ 1,000,000	\$ 2,500,000	\$ 500,000	\$ 2,500,000	\$ 250,000
Forest Avenue Pump Station Retrofit	Rates			\$ 200,000	\$ 500,000	\$ 1,150,000
Property Line Survey	Rates	\$ 100,000				
New Accounting/Billing System (Water Div. Share)	Rates		\$ 126,500	\$ 126,500	\$ 126,500	
Meter Replacement	Rates	\$ 95,000	\$ 95,000	\$ 100,000	\$ 100,000	\$ 105,000
Water Trench Restoration	Rates	\$ 100,000	\$ 100,000	\$ 110,000	\$ 110,000	\$ 110,000
Fire Hydrant Replacement	Rates	\$ 75,000	\$ 75,000	\$ 105,000	\$ 125,000	\$ 125,000
Equipment and Vehicle Replacement	Rates	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
	Total Rate Funded	\$ 2,445,000	\$ 2,521,500	\$ 2,516,500	\$ 2,506,500	\$ 2,505,000
	Total SRF Funded	\$ 1,000,000	\$ 2,500,000	\$ 500,000	\$ 2,500,000	\$ 250,000
TOTALS		\$ 3,445,000	\$ 5,021,500	\$ 3,016,500	\$ 5,006,500	\$ 2,755,000
						\$ 12,494,500.00
						\$ 2,498,900.00

EXHIBIT 2

City of Newport
 Cost Allocation
 Based on FY2019 Adopted Budget
 Rate Case XXXX

Allocated Item	AS PRESENTED Cost To Be Allocated	Water Percent	Water Fund
Audit Fees	80,000	6.18%	4,944
OPEB Contribution	820,000	3.84%	31,488
City Council	115,297	3.42%	3,943
City Clerk	453,679	1.00%	4,537
City Manager	560,914	13.66%	76,621
Human Resources	355,898	1.74%	6,193
City Solicitor	271,725	13.66%	37,118
Finance Admin 50%	191,888	13.66%	26,212
Finance - 5% RICWFA	6,726	50.00%	3,363
Finance Admin 10% Inv/Debt	38,378	30.77%	11,809
Purchasing	121,302	18.47%	22,404
Collections	428,073	5.80%	24,828
Accounting - Wires - 5%	13,070	70.00%	9,149
Accounting	598,939	10.97%	65,704
MIS	2,512,260	13.66%	343,175
Totals	6,568,149		671,487
			Summarized
		Legal & Admin	328,312
		MIS	343,175
		Total	671,487

Allocated Item	AS PRESENTED Cost To Be Allocated	Water Division Cell Phone costs (a)	REVISED Cost To Be Allocated	Water Percent	REVISED Water Fund
Audit Fees	80,000		80,000	6.18%	4,944
OPEB Contribution	820,000		820,000	3.84%	31,488
City Council	115,297		115,297	3.42%	3,943
City Clerk	453,679		453,679	1.00%	4,537
City Manager	560,914		560,914	13.66%	76,621
Human Resources	355,898		355,898	1.74%	6,193
City Solicitor	271,725		271,725	13.66%	37,118
Finance Admin 50%	191,888		191,888	13.66%	26,212
Finance - 5% RICWFA	6,726		6,726	50.00%	3,363
Finance Admin 10% Inv/Debt	38,378		38,378	30.77%	11,809
Purchasing	121,302		121,302	18.47%	22,404
Collections	428,073		428,073	5.80%	24,828
Accounting - Wires - 5%	13,070		13,070	70.00%	9,149
Accounting	598,939		598,939	10.97%	65,704
MIS	2,512,260	-10,600	2,501,660	13.66%	341,727
Totals	6,568,149		6,557,549		670,039
					Summarized
				Legal & Admin	328,312
				MIS	341,727
				Total	670,039

(a) includes equipment and data plans

Change -1,448

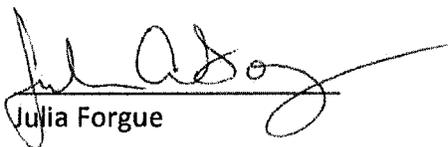
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION

DOCKET NO:

ATTESTATION OF FINANCIAL DATA PURSUANT TO RULE 5.7
OF THE RULES OF PRACTICE AND PROCEDURE
OF THE PUBLIC UTILITIES COMMISSION

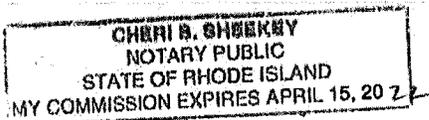
I, Julia Forgue, P.E., Director of Utilities for the City of Newport, Utilities Department, Water Division, in conformance with Rule 5.7 of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure, hereby attest to the accuracy of the test year financial data presented in the rate base, cost of service and other financial statements; that such data purports to reflect the books of the Newport Water, and the results of operations; and that all differences between the books and the test year data, and any changes in the manner or recording an item on the company's books during the test year, have been expressly noted.


Julia Forgue

STATE OF RHODE ISLAND

Subscribed and sworn to me this // day of February, 2019.


Notary Public: 43079
My Commission Expires:





**RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. ____**

DIRECT TESTIMONY

OF

**HAROLD J. SMITH
RAFTELIS FINANCIAL CONSULTING, INC.**

IN SUPPORT OF

**THE CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATES**

FEBRUARY 13, 2019

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Harold J. Smith and my business address is 227 West Trade Street, Charlotte,
4 North Carolina 28202.

5
6 **Q. By whom are you employed and in what capacity.**

7 A. I am a Vice President of Raftelis Financial Consultants, Inc. (RFC), a consulting firm specializing
8 in the areas of water and wastewater finance and pricing. RFC was established in 1993 in
9 Charlotte, North Carolina, by George A. Raftelis to provide environmental and management
10 consulting services to public and private sector clients. RFC is a national leader in the
11 development of water and wastewater rates that satisfy local government objectives.

12
13 **Q. Please describe your educational background and work experience.**

14 A. I obtained a Master of Business Administration from Wake Forest University in 1997 and a
15 Bachelor of Science in Natural Resources from the University of the South in 1987. As an
16 employee of Raftelis Financial Consultants, I have been involved in numerous projects for public
17 utilities including a number of studies involving transition to new rate structures designed to
18 address specific pricing objectives. I have also served on engagements involving a wide range of
19 technical specialties including:

- 20 • Utility Cost of Service and Rate Structure Studies
- 21 • Privatization Feasibility Studies
- 22 • Privatization Procurements
- 23 • Utility Financial Planning Studies
- 24 • Municipal Financial Planning Studies

25
26

1 **Q. Have you previously testified before any regulatory agencies or in court on utility rate**
2 **related matters?**

3 A. Yes. I provided testimony for the City of Newport, Utilities Division, Water Department
4 (“Newport Water” or “Newport”) in eight previous rate filings (Docket Nos. 3578, 3675, 3818,
5 4025, 4128, 4243, 4355 and 4595) with the Rhode Island Public Utilities Commission (PUC or
6 Commission). I have also provided testimony in the Providence Water Supply Board’s most
7 recent rate filings with the Commission (Docket Nos. 3832, 4061, 4070, 4406, 4571 and 4618),
8 and I testified on behalf of the Narragansett Bay Commission in their pending application to
9 increase rates before the Commission (Docket 4890). I have also provided testimony on
10 behalf of the Pittsburgh Water and Sewer Authority before the Pennsylvania Public Utility
11 Commission (Docket Nos. R-2018-3002645 and R-2018-3002647) and I have testified on
12 behalf of the Consumer Advocate before the Nova Scotia Utility and Review Board (W-HRWC-
13 R-10) and on behalf of Cecil County, Maryland before the Maryland Public Service
14 Commission (MPSC) in MPSC Case No. 9190.

15

16 **Q. Do you belong to any professional organizations or committees?**

17 A. Yes. I am a member of the American Water Works Association where I am the past Chairman
18 of the Strategic Management Practices Committee.

19

20 **Q Please describe your role in this proceeding?**

21 A. I have worked with the City of Newport’s Finance Director, the Director of Utilities and
22 Newport Water’s staff to develop pro forma revenue requirements and the resulting cost
23 allocations and cost-based rates and charges. The results of my analyses are included in the
24 schedules incorporated herein with my testimony.

1

2 **Q. Please describe the purpose of your testimony.**

3 A. This testimony provides an explanation for each schedule attached to my testimony. The
4 schedules calculate Newport's pro forma revenue requirements, Commodity Rates for retail
5 customers, and rates for the United States Department of the Navy ("Navy") and the Portsmouth
6 Water and Fire District ("PWFD"). Other charges calculated in the model include a Base Charge,
7 and both public and private fire protection charges for Newport and portions of Middletown and
8 Portsmouth. The testimony also serves as a guide to other sources where assumptions are used,
9 the logic that was used in the development of the model, and the flow of empirical and calculated
10 information.

11

12 **II. OVERVIEW**

13

14 **Q. What are the primary drivers of the rate increases requested in this Docket?**

15 A. There are four primary reasons for the increases requested by Newport Water:

16 1. Newport has experienced a sharp decline in consumption from the levels forecasted
17 in its last rate filing (Docket 4595). Thus, Newport is proposing to revise the demand
18 projections used in Docket 4595 to address revenue shortfalls resulting from declining
19 demand by its customers. This means that the utility's costs must be recovered through
20 the sales of a smaller amount of water and therefore the unit cost of water must be
21 higher.

22

23 2. Newport's operating and maintenance (O&M) expenses have increased by
24 approximately \$768,253 since Docket 4595 as explained in the testimony of Julia
25 Forgue.

26

27 3. Newport plans to borrow approximately \$7,441,000 million over the next three fiscal
28 years through the Rhode Island Infrastructure Bank to fund water main improvement

1 projects. In order to generate the revenue necessary to meet debt service
2 requirements, Newport Water is proposing a multi-year plan as allowed by R.I.G.L. §39-
3 15.1-4.

4
5 4. The cost of service based rates implemented in Docket 4595 deviated from true cost of
6 service. In this rate filing, Newport is proposing rates which adhere to the cost of service
7 model previously approved the Commission. Thus, the rates charged to each of Newport's
8 customer classes would be different from the existing rates even if there were no changes
9 in projected demand, expenses or debt service.

10
11 **III. COST OF SERVICE STUDY HISTORY**

12 **Q. You indicated that Newport's rates deviated from true cost of service based rates in**
13 **Newport's last rate filing – Docket 4595 – and that the rates proposed in this docket adhere**
14 **to the cost of service model previously approved the Commission. Can you briefly explain**
15 **what you mean by "cost of service based rates"?**

16 A. In general, cost of service based rates are rates that recover the cost of providing service in
17 a manner that reflects how each customer class' demand characteristics drive the way in which
18 a utility incurs costs.

19
20 **Q. Can you please provide some background on the cost of service model used in this rate**
21 **filing?**

22 A. Yes. In 2007 (Docket 3818), the Commission ordered Newport to file a full cost of service
23 study by September 1, 2009, and the deadline was later extended until November 2009. On
24 November 2, 2009, Newport Water filed a cost allocation study and demand study with the
25 Commission (Docket 4128). This cost of service study allocated costs to customer classes based
26 on how each class demands service.

1 In Docket 4128, Newport, the PWFD, the Navy and the Division of Public Utilities and Carriers
2 (“Division”) reached a Settlement Agreement regarding the implementation of cost of service
3 rates. As part of this agreement, the parties developed a Cost Of Service Model (“Newport COS
4 Model”) to allocate Newport’s costs using the base/extra capacity methodology. However, the
5 parties agreed that rates would not be implemented using the Newport COS Model until
6 Newport conducted a daily demand study by collecting daily consumption data from water
7 meters in a randomly selected sample of Newport’s customers during the months of June
8 through September in 2010 and 2011.

9
10 **Q. Did Newport conduct the daily demand study?**

11 A. Yes. Newport collected the daily demand data in 2010 and 2011 according to the procedure
12 set forth in the Docket 4128 Settlement Agreement.

13
14 **Q. Did Newport then file a revised cost allocation model using the demand data with the
15 Commission?**

16 A. Yes. On September 7, 2012, Newport submitted an Application To Change Rates (Docket
17 4355) that sought to implement the Newport COS Model with the updated demand data.

18
19 **Q. Did the Commission approve the implementation of the Newport COS Model in Docket
20 4355?**

21 A. Yes. In Docket 4355, the Commission approved a Settlement Agreement that established cost
22 of service based rates based on the Newport COS Model.

23
24
25
26

1 **Q. Did Newport use the Newport COS Model to set rates in its most recent rate filing – Docket**
2 **4595?**

3 A. Yes Newport used the approved Newport COS Model when it submitted its filing in Docket
4 4595 with certain updated information, including updated demand data for Newport’s retail and
5 wholesale customers.

6
7 **Q. Did the Commission accept Newport’s updated demand data in Docket 4595?**

8 A. Yes it did. The PUC found that Newport had used the best available demand data for its retail
9 and wholesale customers, and that Newport’s methodology for calculating rates was in
10 accordance with the Settlement Agreement approved in Docket 4355 and consistent with the
11 American Water Works Association Manual M1 Principles of Water Rates, Fees and Charges.

12

13 **Q. Did the rates approved by the Commission in Docket 4595 result from this new demand data**
14 **and the application of the Newport COS model?**

15 A. In part. As noted in the Commission’s Docket 4595 Order, the use of the new demand data in
16 the Newport COS Model would have resulted in a rate decrease to Newport’s retail customers
17 and a substantial increase to Newport’s wholesale and fire protection customers. Thus, the
18 Division recommended that the retail customers not be given the rate decrease dictated by the
19 Newport COS Model. Rather, the Division suggested that retail rates remain unchanged, which
20 would then moderate the increase to the wholesale and fire protection customers.

21

22 **Q. How did keeping the retail rates at the same level moderate the increase to the wholesale**
23 **and fire protection customers?**

24 A. Because the retail customer essentially subsidized the wholesale and fire customers. Since
25 wholesale and fire rates were set below the cost of service, the revenue that should been
26 generated from higher cost of service rates for wholesale and fire customers had to be generated

1 by other rate classes and therefore the retail rates were set higher than the Newport COS Model
 2 dictated.

3
 4 By way of example, assume Newport needed \$1,000/year to operate and would sell 100 gallons
 5 of water to each customer class. Further assume that the Newport COS Model dictated that the
 6 retail customers should only pay \$2.00/gallon and contribute \$200 to the overall revenue
 7 requirement, and that the wholesale and fire customers should pay \$4.00/gallon and contribute
 8 \$400 each to the overall revenue requirement. To moderate the increase to the wholesale and
 9 fire customers, Newport would have to increase the retail customers' rates to generate the same
 10 overall revenue even though the increases would run contrary to the Newport COS Model.

<u>Customer Class</u>	<u>Cost of Service Based Rates</u>	<u>Cost of Service Based Revenue</u>	<u>Adjusted Cost of Service Based Rates</u>	<u>Adjusted Cost of Service Revenue</u>
Retail	\$2.00/gallon	\$200.00	\$3.00/gallon	\$300.00
Wholesale	\$4.00/gallon	\$400.00	\$3.50/gallon	\$350.00
Fire Protection	\$4.00/gallon	\$400.00	\$3.50/gallon	\$350.00
Total		\$1,000.00		\$1,000.00

12
 13
 14 **Q. Is this what occurred in Docket 4595?**

15 A. Yes. Attached to my testimony as HJS Exhibit 1 is HJS Schedule D-8 Compliance that was
 16 submitted with Newport's compliance filing in Docket 4595. As set forth in the schedule:

- 17
- 18 • Retail customers' rates should have decreased 4% (residential) and 10% (non-residential),
 19 and they should have only contributed approximately \$10.9 million to overall revenues.
 20 Instead, their rates remained unchanged with a contribution of approximately \$11.7
 21 million to overall revenues.

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- Wholesale customers should have seen increases of 12% (Navy) and 20% (PWFD), and they should have contributed approximately \$4.4 million to overall revenues. Instead the Navy's rates were not increased, and PWFD's were only increased by 3%, and the wholesale customers were slated to contribute approximately \$3.9 million respectively to overall revenues.
- Fire Protection Customers should have seen increases ranging from 14% to 35% and they should have contributed approximately \$1.5 million to revenues. Instead, the increases ranged from 0% to 28% and they were only anticipated to contribute \$1.3 million to revenues.

In essence, the retail customers ended up subsidizing the wholesale and fire protection customers by providing more revenue than they should have according to the Newport COS Model.

Q. HJS Schedule D-8 Compliance from Docket 4595 labels the actual rates approved by the Commission as "Rates With Gradualism." Can you explain this terminology?

A. Yes, the word "gradualism" is something of a misnomer as used in this schedule. As the Commission's decision in Docket 4595 acknowledged, the final rates do "not really employ the principal of gradualism." As the Commission noted, gradualism is a concept whereby a utility slowly moves to true cost of service rates over time. The rates in Docket 4595 did not do that. In fact, the rates moved *away* from true cost of service. In reality, the rates suggested by the Division and approved by the Commission were designed to avoid "rate shock" for the wholesale and fire protection customers.

1 **Q. Did you use the Newport COS Model approved by the Commission in Dockets 4128, 4355**
2 **and 4595 to calculate the rates proposed in this filing?**

3 A. Yes, I used the same Newport COS Model approved by the Commission in Dockets 4128, 4355
4 and 4595 to allocate rates in this Docket.

5
6 **Q. Did you change or update the information used in the Newport COS Model?**

7 A. Yes, I made the following changes and updates:

- 8 • As in any COS Model, I updated the data to reflect current conditions. I used updated
9 financial data used in the Model to reflect Newport's rate year revenue requirement (e.g.
10 water sales projections, proposed rate year expenses, etc.).
- 11 • I updated customer demand characteristics for the retail class, the Navy and PWFD. For
12 the Navy, I used hourly data from the Navy's meters.
- 13 • I updated the values for Newport's assets.

14
15 These are the same categories of data updates I made to the Newport COS Model in Docket
16 4595, and other than these updates, the model I used to calculate rates in this Docket is the
17 same Newport COS Model approved by the Commission in Dockets 4128, 4355 and 4595. The
18 updates to the Newport COS Model and the methodology for the model are explained in
19 greater detail in my testimony below.

20
21 **Q. Did you adjust the rates for any classes of customers as was done in Docket 4595, or are the**
22 **proposed rates those dictated by the Newport COS Model?**

23 A. No adjustments were made to the rates. The proposed rates are cost of service based rates
24 that result from applying the Newport COS Model. All classes are seeing a significant increase in
25 rates and the retail class should not be expected to continue shouldering the burden for the
26 wholesale and fire protection classes. At some point all classes should be charged based on the
27 utility's cost to serve them.

28

1 **Q. Why are the Residential and Non-Residential Commodity rate increases less than the**
2 **increases for the wholesale and fire protection customers?**

3 A. The primary driver for the difference in the increases is the fact that wholesale and fire rates
4 approved in Docket 4595 were set at a level well below the cost of service indicated by the COS
5 model while retail rates were set at a level above the indicated cost of service.

6

7 **IV. CONTENT OF SCHEDULES**

8 **Q. Please provide a brief description of your pre-filed schedules.**

9 A. I divided the schedules filed with my testimony into three groups: Summary Schedules (HJS
10 Schedules A-1 through A-4); COS Model Schedules (HJS Schedules B-1 through B-11); and,
11 Support Schedules (D-1 through D-5).

12

13 **Summary Schedules**

14 **HJS Schedule A-1A - Revenue Requirements:** Summarizes Newport Water's test year and rate
15 year expenses by division with test year and rate year adjustments.

16

17 **HJS Schedule A-1B - Revenue Requirements by Account:** Summarizes Newport Water's test year
18 and rate year expenses by expense line item with test year and rate year adjustments.

19

20 **HJS Schedule A-2A – Cost of Service Rates and Charges:** Summary of the proposed cost of service
21 based rates and a comparison with the existing rates. This schedule also shows the projected
22 Rate Year revenues from each charge.

23

24 **HJS Schedule A-2B – Multi-Year Rate Plan:** Summary of the proposed cost of service based rates
25 for the Rate Year and the rates proposed for FY2022 required to meet the additional debt service
26 costs associated with borrowing approximately \$7.4 million to fund capital projects.

27

1 HJS Schedule A-3A – Bill Impacts: This schedule compares typical customer bills from each
2 customer class under the current rates and proposed rates.

3
4 HJS Schedule A-3B – Multi-Year Bill Impacts: This schedule compares typical customer bills from
5 each customer class under the current rates and proposed rates and also shows the impact of
6 the rates proposed for FY2022.

7
8 HJS Schedule A-4 – Revenue Proof: This schedule shows the Rate Year revenue that is projected
9 to be generated from the projected consumption, number of bills, and fire protection accounts
10 based on proposed rates and charges and compares this revenue to the Rate Year revenue
11 requirements to demonstrate that the proposed rates generate enough revenue to meet the
12 revenue requirements in both the Rate Year and in FY2022.

13
14 **COS Model Schedules**

15 HJS Schedule B-1 – Base Extra Capacity Cost Allocations: This schedule demonstrates the
16 assignment of Newport Water’s revenue requirements to Base/Extra Capacity cost categories.

17
18 HJS Schedule B-2 – Allocation of Costs to Water Rate Classes: This schedule shows the allocation
19 of costs from the Base/Extra Capacity cost categories to each customer class and the Base Charge
20 based on the percentages developed in HJS Schedule B-9.

21
22 HJS Schedule B-3 – Cost Allocation Bases: This schedule displays the allocation factors used to
23 assign costs to Base/Extra Capacity cost categories.

24
25 HJS Schedule B-4 – Allocation Analyses: This schedule shows the analyses performed to develop
26 some of the allocation factors shown on HJS Schedule B-3.

27

1 HJS Schedule B-5 – Capital Functionalization: This schedule assigns the two components of
2 Newport Water’s Rate Year capital costs, Debt Service and the contribution to the Capital
3 Spending restricted account, to functional categories based on the breakdown of the utility’s
4 existing fixed assets. This allows for the assignment of these costs to the appropriate Base/Extra
5 Capacity cost categories.

6

7 HJS Schedule B-6 – Water Demand History: This schedule shows the water demand history by
8 customer class for fiscal years (FY) 2011 through 2018. It also shows the projected Rate Year
9 demand.

10

11 HJS Schedule B-7 – Water Production Peaking Analysis: This schedule demonstrates the
12 development of system peaking factors based on historical treatment plant production data.

13

14 HJS Schedule B-8 – Billed Demand Peaking Analysis: Determination of Customer Class Peaking
15 Factors: This schedule demonstrates the development of customer class peaking factors based
16 on historical billing records and the results of the daily meter reading performed on a sample of
17 Newport Water’s customers. The electronic version of this schedule allows for the use of
18 different data sources in the development of the customer class peaking factors.

19

20 HJS Schedule B-9 – System Demands Imposed by Each Customer Class’ Peaking Behavior: This
21 schedule demonstrates the peak demands, both Max Day and Max Hour, that each customer
22 class places on the system. The percentages developed in this schedule are used in HJS Schedule
23 B-2 to allocate costs from the Base/Extra Capacity cost components to each customer class based
24 on the demands that each class places on the system. This schedule also demonstrates how each
25 class’ demands are adjusted to account for unaccounted for water that is produced at the
26 treatment plants, but is not sold to customers.

27

1 HJS Schedule B-10 – Summary of Peak Load Distributions: This schedule shows each rate class'
2 share of system peaks and the Base/Extra Capacity distribution of system peaks. The percentages
3 derived in these schedules are used to develop the allocation factors shown in HJS Schedule B-3
4 that are used to assign revenue requirements to each Base/Extra Capacity cost category.

5
6 HJS Schedule B-11 – Fire Protection Demand Analysis: This schedule demonstrates the implied
7 demands that the fire protection system places on the system.

8
9 **Support Schedules**

10 HJS Schedule D-1 – Water Accounts, by Size and Class: This schedule shows the number of
11 Newport Water's customer accounts by customer class and meter size.

12
13 HJS Schedule D-2 – Fire Protection Accounts: This schedule shows the number of fire hydrants
14 in the Newport Water service area and the number and connection size of Newport Water's fire
15 protection accounts.

16
17 HJS Schedule D-3 – Production Summary: This schedule provides a summary of water plant
18 production data for the past three fiscal years.

19
20 HJS Schedule D-4 – Demand Summary: This schedule provides a summary of system demand
21 patterns over the past three fiscal years and also shows the calculation of Newport Water's
22 unaccounted for water percentage.

23
24 HJS Schedule D-5 – Debt Service Restricted Account Cash Flow: This schedule shows the actual
25 monthly contributions and deductions to and from the Debt Service Restricted Account through
26 November of 2018 and the projected contributions and deductions for December 2018 through
27 June of FY 2026.

1 HJS Schedule D-6 – Development of Demand Factors: This schedule demonstrates how data from
2 the daily demand study is used to develop the class demand factors that are used in the COS
3 Model.

4

5 HJS Schedules D-7 through D-15 – Expense Detail Schedules: These schedules provide detail for
6 the O&M expenses for each of Newport’s operating divisions.

7

8 HJS Schedule D-16– Debt Service: This schedule details Newport Water’s existing and proposed
9 future borrowings and its debt service requirements

10

11 HJS Schedule D-17 - This schedule details the calculation of Newport Water’s “City Services”
12 payments for services provided by the City of Newport to Newport Water.

13

14 **V. TEST YEAR AND RATE YEAR**

15 **Q. What are the proposed Test Year and Rate Year in this filing?**

16 A. A test year based on the actual expenses incurred by the Water Fund for the period from July
17 1, 2017 through June 30, 2018 (FY 2018) is shown in HJS Schedule A-1A and HJS Schedule A-1B
18 for each line item in the budget. Adjustments to the test year reflect any out of the ordinary
19 expenses that may have occurred during the test period that are unlikely to be repeated during
20 the rate year. The results of these adjustments are shown under the Normalized Test Year
21 column for both schedules. The Rate Year is based on the FY 2020 budget for the Water Fund.
22 The differences between the Normalized Test Year and Rate Year are shown in the Adjustments
23 column as well. Further details regarding these adjustments are provided in the Testimony of
24 Julia Fogue, City of Newport Director of Utilities. The overall result indicates the revenue
25 requirements that need to be recovered through rates and charges from Retail, the Navy and
26 the PWFD.

27

1 **VI. RATE YEAR WATER SALES PROJECTIONS**

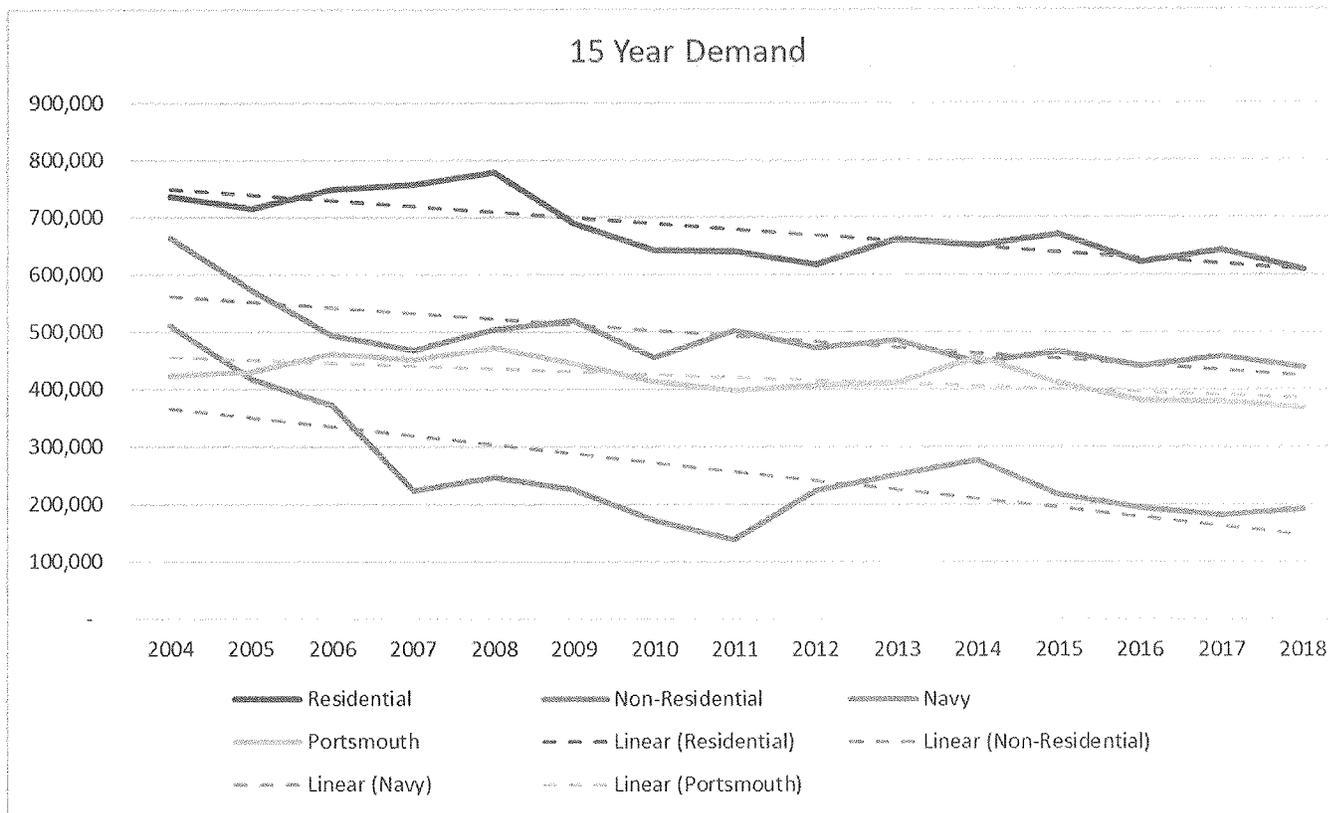
2 **Q. What are the projected Rate Year water sales for this filing?**

3 A. The projected rate year water sales for each customer class are based on a historical trend of
4 water sales to each class for fiscal years 2016 through 2018. This use of a historical trend of past
5 water sales is different than that used in previous filings but should serve as a more accurate
6 forecast of water sales and avoid the need to access funds in Newport's restricted Revenue
7 Reserve to offset the impact on revenue resulting from lower than projected water sales. The
8 projected water sales by class are shown on HJS Schedule B-6.

9
10 **Q. Please discuss the trend analysis that was used to the develop the Rate Year demand
11 projections?**

12 A. Water consumption in Newport, as well as in the rest of Rhode Island and the U.S. has been
13 trending downward for the past decade. The graph below shows water demand by class for the
14 past fifteen years. Also included on the graph are trendlines showing the downward trend in
15 demand by all of Newport's customer classes.

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The water sales projections for this filing are based on a linear regression analysis of the demand by each class for the past three fiscal years.

VII. NEWPORT COS MODEL – ALLOCATIONS

Demand Factors

Q. Your introductory testimony above indicates that you updated the demand factors in the Newport COS Model to develop rates in this Docket. Can you please explain these updates?

A. Yes. The Max Day demand factors for PWFD were developed using daily meter data for FY 2018 provided by PWFD’s General Manager and Chief Engineer, Jessica Lynch. PWFD’s Max Day demand factor was determined by dividing the actual metered demand on the day on which

1 demand was the highest by average day demand during FY 18. The development of the demand
2 factors is shown on HJS Schedule D-7.

3
4 **Q. How did you develop the updated Max Day demand Factors for the Navy?**

5 Q. The Navy's Max Day demand factor in this Docket is based on hourly meter data. As with
6 PWFD, the Max Day demand factor was determined by dividing the actual metered demand on
7 the day on which demand was the highest by average day demand during FY 18 as shown on HJS
8 Schedule D-7.

9
10 **Q. How did you develop the updated retail demand factors?**

11 A. The retail demand factors were determined using the method described in Appendix A of
12 AWWA Manual M-1. This approach utilizes monthly billing data for each customer class as well
13 as system wide demand data to estimate the Max Day demand for each customer class.

14
15 **Q. What are the estimated Max Day to Max Hour ratios used in the Newport COS Model?**

16 A. The Max Day to Max Hour ratios recognize that demand fluctuates during the course of a day,
17 but since there is typically no data on hourly demand, these ratios usually must be developed
18 based on assumptions about the way each class demands water during the course of a day.

19
20 **Q. How were the estimated Max Day to Max Hour ratios determined and how are they used to
21 determine the Max Hour demand factors?**

22 A. For the Retail classes and PWFD, Max Day to Max Hour ratios were developed using the
23 methodology described in Appendix A of Manual M-1. Since hourly meter data was available for
24 the Navy, that data was used to determine the Max Day to Max Hour ratios. The development
25 of the Max Hour ratios is shown on HJS Schedule D-7.

26
27

1 **Allocation Of Revenue Requirements**

2 **Q. Once you developed demand factors for each class, what was the next step in determining**
3 **the cost of service by class?**

4 A. The next step was to allocate revenue requirements to cost categories and customer classes.

5

6 **Q. How are revenue requirements allocated to cost categories and customer classes?**

7 A. Costs in the Newport COS Model are allocated using the Base/Extra Capacity Cost Allocation
8 Methodology which is a three-step process:

9 1. Assign costs to functional categories;

10

11 2. Assign costs from each functional category to Base/Extra Capacity cost categories based
12 on system demand characteristics; and

13

14 3. Allocate Base/Extra Capacity cost categories to customer classes based on customer class
15 demand patterns.

16

17 Since Newport Water budgets and tracks O&M costs within nine major accounts that correspond
18 to its primary functions, its O&M costs are already assigned to functional categories.

19

20 **Allocation Of O&M Costs**

21 **Q. Please described how O&M costs were assigned to the Base/Extra Capacity cost categories.**

22 A. O&M costs are assigned to one or more of six Base/Extra Capacity costs categories based on
23 how they are incurred to meet the demands of the water system as a whole. RFC Schedule B-1
24 shows the assignment of costs to the Base/Extra Capacity categories.

25

26 The six cost categories consist of:

27 • Base – Base costs are incurred to meet the average or “base” demands of the
28 system.

29

30 • Max Day – Max Day costs are incurred to meet peak daily demands of the
31 system.

- 1
- 2 • Max Hour – Max Hour costs are incurred to meet peak hourly demands of the
- 3 system.
- 4
- 5 • Meters – Meter costs are associated with installing, maintaining, repairing and
- 6 replacing water meters.
- 7
- 8 • Billing – Billing costs are associated with determining each customers’
- 9 consumption and billing for that consumption.
- 10
- 11 • Fire Protection – Fire protection costs are associated with providing and
- 12 maintaining hydrants and associated infrastructure throughout the system
- 13 and ensuring that the system is capable of meeting fire flow demands when
- 14 needed.
- 15

16 Costs are assigned to categories using the allocation factors in RFC Schedule B-3. Most of the
17 allocation factors are developed using system wide demand data and others are developed based
18 on alternative analyses.

19

20 **Q. Please describe how the allocation factors on RFC Schedule B-3 were developed.**

21 A. The allocation factors were developed as follows:

22

23 Average Day Demand

24 The Average Day Demand allocator simply assigns all costs to the Base cost category in
25 recognition that these costs are incurred to meet the average demands placed on the system.

26

27 Maximum Day Demand

28 The Max Day Demand allocation factor recognizes the way the utility incurs costs to meet peak
29 day demands placed on the system by all customer classes, and the potential peak day demands
30 placed on the system by the public and private fire protection. One way of developing this
31 allocator would be to simply look at plant production data and base the allocations on the
32 average day and peak day plant production. However, the Newport COS Model approved in

1 Dockets 4128 and 4355 uses an approach to ensure that costs associated with the production
2 and transmission of unaccounted for water ("UFW") are not recovered from PWFD since their
3 connection at the Lawton Valley Plant is prior to Newport Water's transmission system
4

5 For the Newport COS Model, we developed the Max Day allocation factor by first determining
6 the Max Day demands expected to be placed on the system by all customer classes during the
7 Rate Year. This is done by first determining the average day demands expected from each class
8 by dividing each class' Rate Year demand by 365. We then adjusted this average day demand for
9 each class to account for UFW. To comply with the Settlement Agreements in Docket 4128 and
10 4355, the COS Model assigns UFW to the retail classes based on their respective average day
11 demands, and to the Navy based on 25 percent of its average day demand. This adjustment
12 effectively increases the demands of both retail classes and the Navy and reduces PWFD's
13 demands so that a smaller portion of costs are allocated to PWFD.

14
15 The adjusted average day demand for each class is then multiplied by the Max Day demand factor
16 for each class to determine the incremental demand each class places on the system as a result
17 of its peak day demands. The incremental demands for each class are then totaled to arrive at
18 the system wide incremental Max Day demand.

19
20 As mentioned earlier, the Max Day allocation factor must also recognize that public and private
21 fire protection place potential peak day demands on the system. This demand depends on fire
22 flow requirements. We determined fire flow demands based on a 4,000 gallon per minute fire
23 flow and an average fire event of 6 hours. This results in an implied peak day demand of 1,440
24 thousand gallons for the fire system.

25
26 The system wide average day, peak day and implied fire protection peak day demands are then
27 totaled to arrive at the total system wide peak day demand. The allocation factor is then

1 determined by dividing each component of the total peak day demand by the total peak day
2 demand to arrive at the allocation percentage shown on RFC Schedule B-3.

3
4 Maximum Hour Demand

5 The development of the Max Hour and Max Day allocation factors are similar, except Max Hour
6 also takes into account incremental peak hour demands placed on the system by all customers
7 and the fire protection system, both public and private.

8
9 Fire Protection

10 The Fire Protection allocation factor assigns all costs to the Fire Protection category to recognize
11 that the utility incurs these costs to meet potential demands placed on the system by the public
12 fire protection system and private fire connections.

13
14 Non-Administration O&M Costs (Minus Electricity and Chemicals)

15 The Non-Administrative O&M Costs (Minus Electricity & Chemicals) factor allocates the majority
16 of costs tracked in the Administration account. RFC Schedules B-1 and B-4 shows the
17 development of these allocation factors. This factor is based on the percentages of O&M costs,
18 excluding Administration account, electricity and chemical costs, which are allocated to each
19 Base/Extra Capacity category once all allocations have been performed.

20
21 Customer Service Salaries and Wages

22 The Customer Service Salaries and Wages factor recognizes this department spends a portion of
23 their time as follows:

- 24
- Ensuring water meters are in place, properly maintained and calibrated;
 - Maintaining and repairing service lines to meters; and
 - Gathering data necessary to prepare customer bills.
- 25
26
27

1 This factor allocates the salaries and wages between these three categories based on estimates
2 of time spent performing each function.

3

4 Non-Administrative Salaries and Wages

5 The Non-Administrative Salaries and Wages factor is developed based on the allocation of labor
6 costs for all accounts except for the Administration account.

7

8 Total Non-Administrative Costs Before Offsets

9 The Total Non-Administrative Costs Before Offsets factor is based on percentages of overall costs,
10 excluding those in the Administration account allocated to each Base/Extra Capacity cost
11 category once all allocations have been performed, but before the assignment of other non-rate
12 revenues to the categories.

13

14 Capital Costs

15 The Capital Costs factor is developed based on the allocation of capital costs to Base/Extra
16 Capacity categories that results from the allocation of capital costs described below.

17

18 Other Costs

19 The Other Costs factor allocates costs that do not readily fall into a specific functional category.
20 This allocation factor is based on the percentages of overall costs allocated to each Base/Extra
21 Capacity cost categories once all allocations have been performed.

22

23 **Q. Once you determined the allocation factors, what was the next step in the cost allocation
24 process?**

25 A. The next step was allocating O&M costs to the Base/Extra Capacity cost categories using the
26 allocation factors. RFC Schedule B-1 shows this step.

27

1 **Q. Please describe how Administration O&M costs were allocated.**

2 A. The majority of Administration costs were allocated using the Non-Administrative O&M Costs
3 (Minus Electricity & Chemical Salary Costs) factor described earlier. All other Administration costs
4 were allocated using the Other Costs allocation factor described above. Several components of
5 the legal and administrative services payment to the City of Newport were allocated using the
6 Total Non-Administrative Costs Before Offsets allocation factor. Other line items in the
7 Administration account were allocated using the Non-Administrative Salaries and Wages factor.
8 In addition, some Administration costs were allocated directly to specific categories per the
9 Docket 4128 Settlement Agreement.

10
11 **Q. Please describe the allocation of Customer Service O&M costs.**

12 A. Customer Service salaries were allocated using the Customer Service Salaries & Wages
13 allocation factor described earlier. As shown on RFC Schedule B-1, other Customer Service costs
14 were allocated between the Meters and Billing categories based on an analysis of Newport
15 Water's budget and consultation with Newport's staff regarding the way it incurs costs.

16
17 **Q. Please describe how Source of Supply O&M costs were allocated.**

18 A. Costs tracked in both source of supply accounts (Source of Supply Island and Mainland) are
19 associated with the operation and maintenance of reservoirs, raw water pumps and mains to
20 ensure Newport meets average day demand. Therefore, these costs were allocated using the
21 Average Day cost allocation factor, which results in the assignment of these costs to the Base
22 category.

23
24 **Q. Please describe the allocation of Treatment O&M costs.**

25 A. We assigned the treatment costs to the Base, Max Day and Fire Protection categories using
26 the Max Day allocation factor described earlier, and assigned the pumping related costs to the

1 Base, Max Day, Max Hour and Fire protection categories using the Max Hour allocation factor.
2 Chemical costs were allocated using the Average Day allocation factor.

3

4 **Q. Please describe the allocation of Laboratory O&M costs.**

5 A. Newport incurs costs in this account for periodic water quality tests to ensure compliance
6 with regulatory requirements. Since peak day or peak hour demands do not affect the costs of
7 these tests, they were assigned to the Base cost category.

8

9 **Q. Please describe how Transmission and Distribution O&M costs were allocated.**

10 A. With the exception of the Hydrant Maintenance and Services Maintenance line items,
11 Newport incurs costs tracked in the Transmission and Distribution account to deliver water to
12 meet their customers' average day, peak day, peak hour and fire protection demands. Therefore,
13 these costs were assigned to the Base, Max Day, Max Hour and Fire Protection categories using
14 the Max Hour allocation factor. All the Hydrant Maintenance costs are allocated to the Fire
15 category and all the Services Maintenance costs are allocated to the Services category.

16

17 **Q. Please describe the allocation of Fire Protection O&M costs.**

18 A. Newport incurs costs tracked in the Fire Protection account solely to ensure the system can
19 meet fire protection demands. Therefore, these costs are assigned to the Fire Protection category
20 using the Fire Protection allocation factor.

21

22 **Allocation Of Capital Costs**

23 **Q. What was the next step in the cost allocation process?**

24 A. The next step was assigning Newport Water's capital costs to the appropriate cost categories.

25

26

27

1 **Q. Please describe the allocation of Newport Water's capital costs.**

2 A. Newport Water's capital costs consist of two components: (1) contributions to the Capital
3 Spending restricted account for cash funded capital projects (a/k/a "IFR"); and, (2) contributions
4 to the Debt Service restricted account for capital projects financed with borrowed funds. To
5 properly assign these costs to Base/Extra Capacity cost categories they must first be assigned to
6 functional categories. The capital costs are assigned to functions based on the make-up of the
7 fixed assets that currently comprise the system. This process involved assigning each of Newport
8 Water's fixed assets to the appropriate functional category. RFC Schedule B-5 shows the break-
9 down of fixed assets by functional categories. We then assigned the assets in each functional
10 category to corresponding Newport Water accounts so they could be assigned to Base/Extra
11 Capacity categories. Capital costs in each functional category are allocated using the same
12 allocation factors as the corresponding O&M costs. RFC Schedule B-5 shows this assignment to
13 functional categories. RFC Schedule B-1 shows the assignment to Base/Extra Capacity categories.

14
15 **Q. In your introductory testimony, you indicated that one of the updates to the Newport COS
16 Model involved asset values used to allocate capital costs. Can you explain this in more detail?**

17 A. Yes. As set forth in Schedule HJS Schedule B-5, Newport's fixed assets total \$188,854,357,
18 which is an increase in the value used in Docket 4595 (\$175,479,728). The schedule includes
19 updated values for all assets including transmission and distribution pipes, services and meters.
20 The schedule also includes updated values for assets added since the conclusion of Docket 4595.

21
22 **Q. Do the updated asset values match the asset values used in Newport's most recent Annual
23 Report submitted to the Commission?**

24 A. No, because the values used for rate setting purposes are original cost values and do not reflect
25 the impact of depreciation on the value of the assets while depreciation is reflected in the values
26 in the annual report. As such the values in the annual report will be different from the values
27 used for rate setting in the COS Model.

1 **VIII. NEWPORT COS MODEL - BASE, COMMODITY AND FIRE PROTECTION CHARGES**

2 **Q. Once you assigned all the O&M and Capital costs to Base/Extra Capacity cost categories,**
3 **what was the next step in the cost allocation process?**

4 A. The next step was allocating costs from the Base/Extra Capacity cost categories to class
5 specific Commodity, Base and Fire Protection Charges and the subsequent calculation of rates
6 and charges. RFC Schedule B-2 shows this process.

7

8 **Base Charge**

9 **Q. Please describe how costs are allocated to the Base Charge?**

10 A. All costs assigned to Meters, Services and Billing cost categories are assigned to the Base
11 Charge.

12

13 **Q. How is the Base Charge calculated?**

14 A. RFC Schedules A-2 and B-2 show the Base Charge calculation. This charge is designed to
15 recover the utility's fixed customer related costs related to tasks such as installing and
16 maintaining water meters and service lines and responding to customer questions and
17 complaints. Additionally, the Base Charge is designed to recover the costs associated with
18 preparing a customer's bill, which includes costs associated with reading meters, bill preparation
19 and mailing. Since these costs do not vary based on customer consumption, it is appropriate to
20 recover them through a fixed charge assessed at the time of billing.

21

22 However, these costs do vary by customer depending on billing frequency. While the cost of
23 meeting typical customer service requirements, installing and maintaining meters and services is
24 the same regardless of billing frequency, meter reading and bill preparation costs vary depending
25 on billing frequency.

26

27 Therefore, the Base Charge must be comprised of three components:

1

- 2 1. Recovery of monthly customer service, meter installation and maintenance costs;
- 3
- 4 2. Recovery of monthly cost associated with maintaining and repairing service lines; and,
- 5
- 6 3. Recovery of costs associated with meter reading and bill preparation.
- 7

8 The customer service and meter component is calculated by dividing the costs allocated to
9 Meters by the total number of equivalent 5/8 inch meters multiplied by twelve. The Services
10 component is calculated by dividing the costs allocated to Services by the total number of
11 equivalent connections multiplied by twelve. The billing component is determined by dividing
12 the total costs assigned to the Billing category by the total number of bills that Newport Water is
13 projected to prepare during the Rate Year. RFC Schedule B-2 shows these calculations. The
14 monthly Base Charge includes one monthly meter component, one monthly services component
15 and one billing component.

16

17 **Q. Are there any exceptions to the way in which the Base charge is determined?**

18 A. Yes, in Docket 4355, Newport and PWFD entered into a Memorandum of Understanding that
19 stipulated that the services component and the metering components be excluded from the Base
20 Charge assessed to PWFD since costs incurred by Newport and allocated to the services and
21 meters categories do not benefit Portsmouth. As such, a separate Base charge is calculated for
22 PWFD that only includes the billing component.

23

24 **Commodity Charge**

25 **Q. Please describe how costs are allocated to each customer class and how the commodity**
26 **charge for each class is calculated.**

27 A. The costs to the class specific commodity charges are allocated using the allocation
28 percentages shown at the top of RFC Schedule B-2. These percentages are developed based on
29 each customer class' demand characteristics.

1 **Q. How are these allocation percentages determined?**

2 A. RFC Schedule B-9 shows the development of these percentages. The percentages generally
3 reflect each class' share of each type of demand placed on the system as determined by applying
4 the demand factors developed available billing data; however, there is one exception to this
5 general rule.

6
7 **Q. Please explain this exception?**

8 Certain percentages exclude PWFD's demands on the system. This exclusion of PWFD's
9 demands prevents the allocation of costs associated with the transmission and distribution
10 system to PWFD's commodity charge. This is done because PWFD takes water at the Lawton
11 Valley treatment plant prior to the transmission and distribution system and does not receive the
12 benefits of meeting peak hour demands offered by Newport Water's transmission and
13 distribution system.

14
15 **Q. How is the Commodity Rate for each class calculated?**

16 A. We calculated the Commodity Rate per thousand gallons by dividing the total costs allocated
17 to each class by that class' projected Rate Year demand in thousands of gallons. For the retail
18 classes, the result is rounded up to the nearest cent to arrive at the Commodity Rate for that
19 class. For the Navy and PWFD, the result is rounded to the nearest tenth of a cent. RFC Schedule
20 A-2 shows the resulting rates and the percent change from the existing rates.

21
22 **Fire Protection Charges**

23 **Q. Please explain the allocation of costs to the Fire Protection Charges and how the charges**
24 **are calculated?**

25 A. All costs assigned to the Fire Protection cost category are allocated to the
26 Fire Protection Charges. These costs are then divided by the total number of 5/8 inch meter or
27 connection equivalents represented by the public fire hydrants and the private fire connections

1 to arrive at the charge per equivalent 5/8" connection. Meter equivalents are calculated using
2 demand factors based on the principles of the Hazen-Williams equation for flow through
3 pressure conduits as shown on RFC Schedule D-2. The charge for each private fire protection
4 connection size is determined by multiplying the calculated charge per 5/8" equivalent by the
5 appropriate demand factor. Public Fire Protection Charges are calculated using the demand
6 factor for a four-inch connection. RFC Schedule A-2 shows the proposed Fire Protection
7 Charges along with the percent change from the existing charge.

8
9 **IX. NEWPORT COS MODEL - RATE IMPACT**

10 **Q. Have you provided the impact of the proposed rates and charges on customer's bills?**

11 A. Yes, RFC Schedule A-3 shows bills for different customer classes at a variety of consumption
12 levels under both the existing rates and charges and the proposed rates and charges.

13
14 **Q. Did you determine whether the revenues from the proposed rates and charges are sufficient
15 to cover Newport Water's revenue requirements?**

16 A. Yes. RFC Schedule A-4 serves as a revenue proof to determine revenue sufficiency of the
17 proposed rates and charges. This schedule shows the revenue that is expected from each
18 customer class or charge under the proposed rates as well as revenues from other non-rate
19 sources. This revenue is compared to Newport Water's Rate Year revenue requirements to
20 determine whether revenue will sufficiently cover costs. As shown, it is anticipated that the
21 proposed rates and charges will generate surplus revenue of approximately \$7,281. This surplus
22 is attributable to rounding within the cost allocation model.

23
24 **X. CONCLUSION**

25 **Q. Does this conclude your direct testimony?**

26 A. Yes.

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Account	Docket 4595	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020
O&M COSTS						
Administration						
50001 Salaries & Wages	\$ 281,582	\$ 286,942	\$ -	\$ 286,942	\$ 10,975	\$ 297,917
AFSCME retro	-	-	\$ -	\$ -	\$ -	-
NEA retro	-	-	\$ -	\$ -	\$ -	-
AFSCME benefits on retro pay	-	-	\$ -	\$ -	\$ -	-
NEA benefits on retro pay	-	-	\$ -	\$ -	\$ -	-
50044 Standby Salaries	18,720	18,857	\$ -	\$ 18,857	\$ (137)	18,720
50520 Accrued Benefits Buyout	-	-	\$ -	\$ -	\$ -	-
50100 Employee Benefits	115,683	139,015	\$ -	\$ 139,015	\$ (1,371)	137,644
50103 Retiree Insurance Coverage	265,000	372,907	\$ -	\$ 372,907	\$ 13,877	386,784
50105 Workers Compensation	64,000	78,304	\$ -	\$ 78,304	\$ (20,919)	57,385
50175 Annual Leave Buyback	3,300	3,750	\$ -	\$ 3,750	\$ (1,250)	2,500
50207 Advertisement	9,000	2,481	\$ -	\$ 2,481	\$ 6,519	9,000
50210 Membership Dues & Subscriptions	2,500	4,532	\$ -	\$ 4,532	\$ 523	5,055
50212 Conferences & Training	4,000	410	\$ -	\$ 410	\$ 3,590	4,000
50214 Tuition Reimbursement	2,000	-	\$ -	\$ -	\$ 2,000	2,000
50220 Consultant Fees	136,878	14,275	\$ -	\$ 14,275	\$ 237,350	251,625
50238 Postage	1,000	941	\$ -	\$ 941	\$ 59	1,000
50239 Fire & Liability Insurance	67,000	78,689	\$ -	\$ 78,689	\$ (42,189)	36,500
50251 Telephone & Communication	5,600	10,808	\$ -	\$ 10,808	\$ (208)	10,600
50305 Water	2,015	1,725	\$ -	\$ 1,725	\$ 75	1,800
50306 Electricity	7,956	7,293	\$ -	\$ 7,293	\$ (343)	6,950
50307 Natural Gas	5,226	5,504	\$ -	\$ 5,504	\$ (379)	5,125
50308 Property Taxes	567,770	535,316	\$ -	\$ 535,316	\$ 22,146	557,462
50266 Legal & Administrative			\$ -	\$ -	\$ -	-
Audit Fees	4,511	4,511	\$ -	\$ 4,511	\$ 433	4,944
OPEB Contribution	27,648	27,648	\$ -	\$ 27,648	\$ 3,840	31,488
City Council	3,155	3,155	\$ -	\$ 3,155	\$ 788	3,943
City Clerk	4,409	4,409	\$ -	\$ 4,409	\$ 128	4,537
City Manager	88,016	88,016	\$ -	\$ 88,016	\$ (11,396)	76,621
Human Resources	5,926	5,926	\$ -	\$ 5,926	\$ 267	6,193
City Solicitor	26,096	26,096	\$ -	\$ 26,096	\$ 11,022	37,118
Finance Adimistrative 50%	31,570	31,570	\$ -	\$ 31,570	\$ (5,358)	26,212
Finance Adimistrative 5%	3,201	3,201	\$ -	\$ 3,201	\$ 162	3,363
Finance Admin 10% Inv/Debt	14,359	14,359	\$ -	\$ 14,359	\$ (2,551)	11,809
Purchasing	20,603	20,603	\$ -	\$ 20,603	\$ 1,802	22,404
Collections	44,183	44,183	\$ -	\$ 44,183	\$ (19,355)	24,828
Accounting - Wires - 5%	9,456	9,456	\$ -	\$ 9,456	\$ (307)	9,149
Accounting	50,716	50,716	\$ -	\$ 50,716	\$ 14,988	65,704
50267 Data Processing	231,161	231,161	\$ -	\$ 231,161	\$ 112,014	343,175
50268 Mileage Allowance	2,000	392	\$ -	\$ 392	\$ 1,608	2,000
50271 Gasoline & Vehicle Allowance	5,389	10,723	\$ -	\$ 10,723	\$ (4,313)	6,410
50275 Repairs & Maintenance	1,200	-	\$ -	\$ -	\$ 1,000	1,000
50280 Regulatory Expense	5,000	906	\$ -	\$ 906	\$ 594	1,500
50281 Regulatory Assessment	80,000	112,456	\$ -	\$ 112,456	\$ 21,044	133,500
50361 Office Supplies	15,000	10,136	\$ -	\$ 10,136	\$ 1,709	11,845
50505 Self Insurance	5,000	2,584	\$ -	\$ 2,584	\$ 2,416	5,000
50515 Unemployment Claims	-	-	\$ -	\$ -	\$ -	-
Subtotal:	\$ 2,237,828	\$ 2,263,955	\$ -	\$ 2,263,955	\$ 360,854	\$ 2,624,809

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Account	Docket 4595	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020
Customer Service						
50001 Salaries & Wages	\$ 309,310	\$ 291,674	\$ -	\$ 291,674	\$ 41,740	\$ 333,414
50002 Overtime	5,409	2,611	\$ -	\$ 2,611	\$ 89	2,700
Collections	-	-	\$ -	\$ -	\$ -	-
50004 Temp Salaries	14,976	-	\$ -	\$ -	\$ -	-
50056 Injury Pay	-	-	\$ -	\$ -	\$ -	-
50100 Employee Benefits	186,231	173,340	\$ -	\$ 173,340	\$ 62,193	235,533
50120 Bank Fees (lock box)	16,800	13,298	\$ -	\$ 13,298	\$ 1,102	14,400
50175 Annual Leave Buyback	4,500	2,526	\$ -	\$ 2,526	\$ 1,624	4,150
50205 Copying & binding	500	532	\$ -	\$ 532	\$ 68	600
50212 Conferences & Training	5,000	840	\$ -	\$ 840	\$ 2,160	3,000
50225 Support Services	26,175	19,252	\$ -	\$ 19,252	\$ 32,363	51,615
50238 Postage	74,680	62,307	\$ -	\$ 62,307	\$ 1,893	64,200
50271 Gasoline & Vehicle Allowance	26,945	30,831	\$ -	\$ 30,831	\$ 1,219	32,050
50275 Repairs & Maintenance	35,000	22,708	\$ -	\$ 22,708	\$ 12,292	35,000
50299 Meter Maintenance	10,000	7,696	\$ -	\$ 7,696	\$ 2,304	10,000
50311 Operating Supplies	5,000	7,924	\$ -	\$ 7,924	\$ (2,924)	5,000
50320 Uniforms & protective Gear	1,000	-	\$ -	\$ -	\$ 2,450	2,450
50380 Customer Service Supplies	5,000	1,951	\$ -	\$ 1,951	\$ 1,049	3,000
Subtotal:	\$ 726,526	\$ 637,490	\$ -	\$ 637,490	\$ 159,622	\$ 797,112
Source of Supply - Island						
50001 Salaries & Wages	\$ 309,950	\$ 297,103	\$ -	\$ 297,103	\$ 15,551	\$ 312,654
50002 Overtime	33,000	27,936	\$ -	\$ 27,936	\$ (2,936)	25,000
50004 Temp Salaries	26,180	20,270	\$ -	\$ 20,270	\$ 2,530	22,800
50056 Injury Pay	-	-	\$ -	\$ -	\$ -	-
50100 Employee Benefits	174,277	175,319	\$ -	\$ 175,319	\$ 36,871	212,190
50175 Annual Leave Buyback	3,800	-	\$ -	\$ -	\$ 1,700	1,700
50306 Electricity	49,880	42,593	\$ -	\$ 42,593	\$ (3,804)	38,789
50271 Gas/Vehicle Maintenance	59,279	57,957	\$ -	\$ 57,957	\$ 12,553	70,510
50275 Repairs & Maintenance	10,000	11,086	\$ -	\$ 11,086	\$ 2,914	14,000
50277 Reservoir Maintenance	16,000	21,424	\$ -	\$ 21,424	\$ 3,576	25,000
50311 Operating Supplies	7,500	9,251	\$ -	\$ 9,251	\$ (2,551)	6,700
50320 Uniforms & protective Gear	1,510	238	\$ -	\$ 238	\$ 1,762	2,000
50335 Chemicals	66,800	61,200	\$ -	\$ 61,200	\$ 33,600	94,800
Subtotal:	\$ 758,176	\$ 724,377	\$ -	\$ 724,377	\$ 101,766	\$ 826,143
Source of Supply - Mainland						
50002 Overtime	\$ 11,610	\$ 5,023	\$ -	\$ 5,023	\$ (1,023)	\$ 4,000
50004 Temp Salaries	29,996	21,106	\$ -	\$ 21,106	\$ 5,894	27,000
50005 Permanent Part time	12,900	6,040	\$ -	\$ 6,040	\$ 6,860	12,900
50100 Employee Benefits	2,525	2,461	\$ -	\$ 2,461	\$ 897	3,358
50306 Electricity	154,424	149,593	\$ -	\$ 149,593	\$ 11,197	160,790
50275 Repairs & Maintenance	7,000	18,462	\$ -	\$ 18,462	\$ (1,462)	17,000
50277 Reservoir Maintenance	4,500	4,199	\$ -	\$ 4,199	\$ 7,801	12,000
50311 Operating Supplies	1,000	178	\$ -	\$ 178	\$ 322	500
Subtotal:	\$ 223,955	\$ 207,062	\$ -	\$ 207,062	\$ 30,486	\$ 237,548

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Account	Docket 4595	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020
Station One						
50001 Salaries & Wages	\$511,075	\$ 561,329	\$ -	\$ 561,329	\$ (48,284)	\$ 513,045
50002 Overtime	102,940	91,625	\$ -	91,625	(3,125)	88,500
50003 Holiday Pay	22,032	20,686	\$ -	20,686	1,095	21,781
50045 Lead Plant Operator Stipend	12,480	11,240	\$ -	11,240	1,240	12,480
50100 Employee Benefits	\$263,937	280,974	\$ -	280,974	14,656	295,630
50175 Annual Leave Buyback	12,000	9,645	\$ -	9,645	1,955	11,600
50212 Conferences & Training	4,500	2,190	\$ -	2,190	2,310	4,500
50239 Fire & Liability Insurance	35,000	28,331	\$ -	28,331	36,434	64,765
50306 Electricity	\$212,484	223,249	\$ -	223,249	2,936	226,185
50307 Natural Gas	43,410	32,402	\$ -	32,402	(14,562)	17,840
50260 Rental of Equipment	1,000	1,854	\$ -	1,854	(854)	1,000
50305 Sewer Charge	204,000	99,180	\$ -	99,180	19,720	118,900
50271 Gas/Vehicle Maintenance	5,389	7,050	\$ -	7,050	(640)	6,410
50275 Repairs & Maintenance	\$66,992	33,512	\$ -	33,512	21,488	55,000
50311 Operating Supplies	\$17,161	119	\$ -	119	14,881	15,000
50320 Uniforms & protective Gear	1,426	835	\$ -	835	2,790	3,625
50335 Chemicals	366,315	242,583	\$ -	242,583	188,637	431,220
Subtotal:	\$ 1,882,141	\$ 1,646,804	\$ -	\$ 1,646,804	\$ 240,678	\$ 1,887,482
Lawton Valley						
50001 Salaries & Wages	\$498,541	\$ 528,608	\$ -	\$ 528,608	\$ 2,434	\$ 531,042
50002 Overtime	98,903	102,478	\$ -	102,478	8,272	110,750
50003 Holiday Pay	19,992	19,772	\$ -	19,772	(157)	19,615
50045 Lead Plant Operator Stipend	12,480	4,176	\$ -	4,176	8,304	12,480
50100 Employee Benefits	\$278,234	309,454	\$ -	309,454	25,090	334,544
50175 Annual Leave Buyback	7,400	9,724	\$ -	9,724	(224)	9,500
50212 Conferences & Training	4,120	2,495	\$ -	2,495	1,625	4,120
50239 Fire & Liability Insurance	54,000	61,505	\$ -	61,505	(1,180)	60,325
50306 Electricity	\$375,091	289,647	\$ -	289,647	12,008	301,655
50307 Natural Gas	34,663	25,950	\$ -	25,950	245	26,195
50260 Rental of Equipment	1,000	322	\$ -	322	678	1,000
50305 Sewer Charge	510,000	437,731	\$ -	437,731	38,894	476,625
50271 Gas/Vehicle Maintenance	5,389	5,678	\$ -	5,678	732	6,410
50275 Repairs & Maintenance	\$61,556	55,359	\$ -	55,359	9,641	65,000
50311 Operating Supplies	\$13,311	2,747	\$ -	2,747	10,553	13,300
50320 Uniforms & protective Gear	1,303	835	\$ -	835	2,765	3,600
50335 Chemicals	328,667	332,292	\$ -	332,292	136,644	468,936
Subtotal:	\$ 2,304,651	\$ 2,188,773	\$ -	\$ 2,188,773	\$ 256,324	\$ 2,445,097
Laboratory						
50001 Salaries & Wages	\$ 121,179	\$ 105,565	\$ -	\$ 105,565	\$ 38,398	\$ 143,963
50100 Employee Benefits	55,194	56,521	\$ -	56,521	30,253	86,774
50175 Annual Leave Buyback	1,500	4,210	\$ -	4,210	40	4,250
50275 Repairs & Maintenance	1,700	995	\$ -	995	5,205	6,200
50281 Regulatory Assessment	47,024	58,270	\$ -	58,270	25,430	83,700
50339 Laboratory Supplies	35,627	21,104	\$ -	21,104	33,896	55,000
Subtotal:	\$ 262,224	\$ 246,665	\$ -	\$ 246,665	\$ 133,222	\$ 379,887

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Account	Docket 4595	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020
Transmission & Distribution						
50001 Salaries & Wages	\$ 515,219	\$ 463,664	\$ -	\$ 463,664	\$ 57,785	\$ 521,449
50002 Overtime	52,364	43,341	\$ -	43,341	3,159	46,500
50004 Temp Salaries	26,180	22,256	\$ -	22,256	544	22,800
50056 Injury Pay	-	-	\$ -	-	-	-
50100 Employee Benefits	312,306	231,379	\$ -	231,379	71,458	302,837
50175 Annual Leave Buyback	7,500	2,722	\$ -	2,722	3,278	6,000
50212 Conferences & Training	4,000	1,200	\$ -	1,200	2,800	4,000
50225 Contract Services	21,525	10,316	\$ -	10,316	1,554	11,870
50239 Fire & Liability Insurance	12,000	9,664	\$ -	9,664	1,246	10,910
50306 Electricity	20,607	16,922	\$ -	16,922	3,578	20,500
50260 Heavy Equipment Rental	8,260	246	\$ -	246	8,754	9,000
50271 Gas/Vehicle Maintenance	70,057	93,121	\$ -	93,121	(9,791)	83,330
50275 Repairs & Maintenance	26,000	18,687	\$ -	18,687	1,513	20,200
50276 Main Maintenance	91,200	84,145	\$ -	84,145	(18,145)	66,000
50296 Service Maintenance	30,000	27,194	\$ -	27,194	2,806	30,000
50311 Operating Supplies	8,000	10,014	\$ -	10,014	(2,014)	8,000
50320 Uniforms & protective Gear	4,000	1,173	\$ -	1,173	2,827	4,000
Subtotal:	\$ 1,209,218	\$ 1,036,044	\$ -	\$ 1,036,044	\$ 131,352	\$ 1,167,396
Fire Protection						
50275 Repair & Maintenance - Equipment	\$ 23,800	\$ 7,739	\$ -	\$ 7,739	\$ 23,561	\$ 31,300
Subtotal:	\$ 23,800	\$ 7,739	\$ -	\$ 7,739	\$ 23,561	\$ 31,300
Total O&M Costs	\$ 9,628,521	\$ 8,958,909	\$ -	\$ 8,958,909	\$ 1,437,865	\$ 10,396,774

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Account	Docket 4595	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020
CAPITAL COSTS						
Contribution to Capital Spending Acct.	\$ 2,500,000	\$2,508,830	\$ -	\$2,508,830	\$ (8,830)	\$ 2,500,000
Contribution to Debt Service Acct.	\$6,811,000	\$6,810,996	\$ -	\$6,810,996	\$ (27,801)	\$ 6,783,195
Total Capital Costs	\$ 9,311,000	\$ 9,319,826	\$ -	\$ 9,319,826	\$ (36,631)	\$ 9,283,195
Operating Revenue Allowance	\$ 144,428	\$ 268,767	\$ (1,469)	\$ 267,298	\$ (111,346)	\$ 155,952
Total Costs before Offsets	\$ 19,083,948	\$ 18,547,503	\$ (1,469)	\$ 18,546,033	\$ 1,289,888	\$ 19,835,921
OFFSETS						
Nonrate Revenues						
Sundry charges	\$ 126,250	\$ 152,508	\$ -	\$ 152,508	\$ (19,508)	\$ 133,000
WPC cost share on customer service	330,000	331,646	\$ -	331,646	\$ (1,646)	330,000
Middletown cost share on customer service	167,000	166,727	\$ -	166,727	\$ (727)	166,000
Rental of Property	95,200	92,371	\$ -	92,371	\$ (2,371)	90,000
Water Penalty	51,200	48,776	\$ -	48,776	\$ 1,224	50,000
Miscellaneous*	242,251	-	\$ -	-	\$ 11,300	11,300
Investment Interest Income	1,250	24,842	\$ -	24,842	\$ (4,842)	20,000
Water Quality Protection Fees	22,250	20,751	\$ -	20,751	\$ 249	21,000
Total Nonrate Revenues	\$ 1,035,401	\$ 837,621	\$ -	\$ 837,621	\$ (16,321)	\$ 821,300
Net Costs to Be Recovered through Rates	\$ 18,048,547	\$ 17,709,882	\$ (1,469)	\$ 17,708,412	\$ 1,306,209	\$ 19,014,621

* In Docket 4595 the transfer from restricted accounts to mitigate rate increase was included in this line item.

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule A-1B
 Revenue Requirements by Account

	Test Year (FY2018)	Test Year Normalizing Adjustments	Normalized Test Year	Rate Year Adjustments	Proposed Rate Year - FY2020	
50001	Salaries & Wages	\$ 2,534,885	\$ -	\$ 2,534,885	\$ 118,599	\$ 2,653,484
50002	Overtime	\$ 273,014	\$ -	\$ 273,014	\$ 4,436	\$ 277,450
50003	Holiday Pay	\$ 40,458	\$ -	\$ 40,458	\$ 939	\$ 41,397
50004	Temp Salaries	\$ 63,632	\$ -	\$ 63,632	\$ 8,968	\$ 72,600
50005	Permanent Part time	\$ 6,040	\$ -	\$ 6,040	\$ 6,860	\$ 12,900
50044	Standby Salaries	\$ 18,857	\$ -	\$ 18,857	\$ (137)	\$ 18,720
50045	Lead Plant Operator Stipend	\$ 15,416	\$ -	\$ 15,416	\$ 9,544	\$ 24,960
50056	Injury Pay	\$ -	\$ -	\$ -	\$ -	\$ -
50100	Employee Benefits	\$ 1,368,463	\$ -	\$ 1,368,463	\$ 240,047	\$ 1,608,510
50103	Retiree Insurance Coverage	\$ 372,907	\$ -	\$ 372,907	\$ 13,877	\$ 386,784
50105	Workers Compensation	\$ 78,304	\$ -	\$ 78,304	\$ (20,919)	\$ 57,385
50120	Bank Fees (lock box)	\$ 13,298	\$ -	\$ 13,298	\$ 1,102	\$ 14,400
50175	Annual Leave Buyback	\$ 32,577	\$ -	\$ 32,577	\$ 7,123	\$ 39,700
50205	Copying & binding	\$ 532	\$ -	\$ 532	\$ 68	\$ 600
50207	Advertisement	\$ 2,481	\$ -	\$ 2,481	\$ 6,519	\$ 9,000
50210	Membership Dues & Subscriptions	\$ 4,532	\$ -	\$ 4,532	\$ 523	\$ 5,055
50212	Conferences & Training	\$ 7,135	\$ -	\$ 7,135	\$ 12,485	\$ 19,620
50214	Tuition Reimbursement	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
50220	Consultant Fees	\$ 14,275	\$ -	\$ 14,275	\$ 237,350	\$ 251,625
50225	Support Services/Contract Services	\$ 29,568	\$ -	\$ 29,568	\$ 33,917	\$ 63,485
50238	Postage	\$ 63,248	\$ -	\$ 63,248	\$ 1,952	\$ 65,200
50239	Fire & Liability Insurance	\$ 178,189	\$ -	\$ 178,189	\$ (5,689)	\$ 172,500
50251	Telephone & Communication	\$ 10,808	\$ -	\$ 10,808	\$ (208)	\$ 10,600
50260	Rental of Equipment	\$ 2,422	\$ -	\$ 2,422	\$ 8,578	\$ 11,000
50266	Legal & Administrative	\$ 333,848	\$ -	\$ 333,848	\$ (5,536)	\$ 328,312
50267	Data Processing	\$ 231,161	\$ -	\$ 231,161	\$ 112,014	\$ 343,175
50268	Mileage Allowance	\$ 392	\$ -	\$ 392	\$ 1,608	\$ 2,000
50271	Gasoline & Vehicle Allowance	\$ 205,360	\$ -	\$ 205,360	\$ (240)	\$ 205,120
50275	Repairs & Maintenance	\$ 168,548	\$ -	\$ 168,548	\$ 76,152	\$ 244,700
50276	Main Maintenance	\$ 84,145	\$ -	\$ 84,145	\$ (18,145)	\$ 66,000
50277	Reservoir Maintenance	\$ 25,623	\$ -	\$ 25,623	\$ 11,377	\$ 37,000
50280	Regulatory Expense	\$ 906	\$ -	\$ 906	\$ 594	\$ 1,500
50281	Regulatory Assessment	\$ 170,726	\$ -	\$ 170,726	\$ 46,474	\$ 217,200
50296	Service Maintenance	\$ 27,194	\$ -	\$ 27,194	\$ 2,806	\$ 30,000
50299	Meter Maintenance	\$ 7,696	\$ -	\$ 7,696	\$ 2,304	\$ 10,000
50305	Water/Sewer Charge	\$ 538,636	\$ -	\$ 538,636	\$ 58,689	\$ 597,325
50306	Electricity	\$ 729,297	\$ -	\$ 729,297	\$ 25,572	\$ 754,869
50307	Natural Gas	\$ 63,856	\$ -	\$ 63,856	\$ (14,696)	\$ 49,160
50308	Property Taxes	\$ 535,316	\$ -	\$ 535,316	\$ 22,146	\$ 557,462
50311	Operating Supplies	\$ 30,233	\$ -	\$ 30,233	\$ 18,267	\$ 48,500
50320	Uniforms & protective Gear	\$ 3,081	\$ -	\$ 3,081	\$ 12,594	\$ 15,675
50335	Chemicals	\$ 636,075	\$ -	\$ 636,075	\$ 358,881	\$ 994,956
50339	Laboratory Supplies	\$ 21,104	\$ -	\$ 21,104	\$ 33,896	\$ 55,000
50361	Office Supplies	\$ 10,136	\$ -	\$ 10,136	\$ 1,709	\$ 11,845
50380	Customer Service Supplies	\$ 1,951	\$ -	\$ 1,951	\$ 1,049	\$ 3,000
50505	Self Insurance	\$ 2,584	\$ -	\$ 2,584	\$ 2,416	\$ 5,000
50515	Unemployment Claims	\$ -	\$ -	\$ -	\$ -	\$ -
50520	Accrued Benefits Buyout	\$ -	\$ -	\$ -	\$ -	\$ -
60001	Hydrant Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
		8,958,909	-	8,958,909	1,437,865	10,396,774

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule A-2A
 Cost of Service Rates and Charges

		Docket 4595	Cost of Service	Proposed Rates	% Change	Projected Revenues
		Rates				
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	\$ 11.0620	\$ 11.07	10%	6,707,313
Non-Residential		\$ 11.22	\$ 11.5170	\$ 11.52	3%	5,090,688
						\$ 11,798,001
Wholesale						
Navy		\$ 6.5190	\$ 8.2937	\$ 8.2938	27%	1,563,381
Portsmouth Water & Fire District		\$ 5.2920	\$ 7.2622	\$ 7.2622	37%	2,613,666
						\$ 4,177,047
Fire Protection						
Public (per hydrant)		\$ 944.22	\$ 1,274.90	\$ 1,274.91	35%	\$ 1,328,456
Private (by Connection Size)						
Connection Size	Existing Charge					
<2		\$33.26	\$ 39.38	\$ 39.38	18%	
2	6.19	\$139.26	\$ 164.86	\$ 164.87	18%	-
4	38.32	\$468.22	\$ 590.65	\$ 590.66	26%	46,662
6	111.31	\$1,055.81	\$ 1,384.18	\$ 1,384.18	31%	328,051
8	237.21	\$2,069.28	\$ 2,752.85	\$ 2,752.86	33%	148,654
10	426.58	\$3,593.75	\$ 4,811.63	\$ 4,811.63	34%	24,058
12	689.04	\$5,706.61	\$ 7,665.01	\$ 7,665.01	34%	-
						\$ 547,425

Total Projected Rate Revenues \$ 19,021,902

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule A-2B
 Multi-Year Rate Plan

Rates and Charges	Current Rates	Rate Year		Future Year	
		Proposed FY 2020	% Increase	Proposed FY 2022	% Increase
Billing Charge (per bill)					
5/8	\$ 5.02	\$ 5.76	15%	\$ 5.91	3%
3/4	\$ 5.27	\$ 6.03	14%	\$ 6.19	3%
1	\$ 7.03	\$ 7.96	13%	\$ 8.19	3%
1.5	\$ 11.33	\$ 12.63	11%	\$ 13.03	3%
2	\$ 15.86	\$ 17.58	11%	\$ 18.16	3%
3	\$ 41.71	\$ 45.83	10%	\$ 47.43	3%
4	\$ 49.12	\$ 53.94	10%	\$ 55.83	4%
5	\$ 58.99	\$ 64.74	10%	\$ 67.03	4%
6	\$ 66.40	\$ 72.85	10%	\$ 75.42	4%
8	\$ 86.15	\$ 94.46	10%	\$ 97.81	4%
10	\$ 121.95	\$ 133.63	10%	\$ 138.40	4%
Portsmouth Base Charge (4")	\$ 1.36	\$ 1.76	29%	\$ 1.77	1%
Commodity Charge (per 1,000 gallons)					
Retail					
Residential	\$ 10.02	\$ 11.07	10%	\$ 11.39	3%
Non-Residential	\$ 11.22	\$ 11.52	3%	\$ 11.86	3%
Wholesale					
Navy	\$ 6.5190	\$ 8.2938	27%	\$ 8.5267	3%
Portsmouth Water & Fire District	\$ 5.2920	\$ 7.2622	37%	\$ 7.4641	3%
Fire Protection					
Public (per hydrant)	\$ 944.22	\$ 1,274.91	35%	\$ 1,318.14	3%
Private (Connection Size)					
Less than 2"	\$33.26	\$ 39.38	18%	\$ 40.77	4%
2"	\$139.26	\$ 164.87	18%	\$ 170.67	4%
4"	\$468.22	\$ 590.66	26%	\$ 611.26	3%
6"	\$1,055.81	\$ 1,384.18	31%	\$ 1,432.12	3%
8"	\$2,069.28	\$ 2,752.86	33%	\$ 2,847.95	3%
10"	\$3,593.75	\$ 4,811.63	34%	\$ 4,977.64	3%
12"	\$5,706.61	\$ 7,665.01	34%	\$ 7,929.32	3%

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HIS Schedule A-3A
 Bill Impacts
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Customer Class	Proposed 5/8 inch Meter				Proposed 3/4 inch Meter				Proposed 1 inch Meter				Proposed 1.5 inch Meter				Proposed 2 inch Meter				Proposed 3 inch Meter				
	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	
Residential (Monthly)	1,000	\$180.48	\$201.95	\$21.48	11.9%	\$185.48	\$205.20	\$21.72	12.0%	\$204.60	\$228.36	\$23.76	13.2%	\$256.20	\$284.40	\$28.20	15.6%	\$310.56	\$343.80	\$33.24	18.4%	\$420.76	\$462.20	\$41.44	34.4%
	2,000	\$300.72	\$334.80	\$34.08	11.3%	\$305.72	\$338.04	\$34.32	11.4%	\$324.84	\$361.20	\$36.36	12.1%	\$376.44	\$417.24	\$40.80	13.6%	\$450.80	\$476.64	\$25.84	15.2%	\$571.00	\$622.20	\$51.20	24.8%
	4,000	\$541.20	\$600.48	\$59.28	11.0%	\$544.20	\$603.72	\$59.52	11.0%	\$585.52	\$626.88	\$41.36	11.4%	\$616.52	\$662.52	\$46.00	12.2%	\$671.28	\$743.32	\$72.04	13.1%	\$881.48	\$948.32	\$66.84	18.4%
	5,000	\$661.44	\$733.32	\$71.88	10.9%	\$664.44	\$736.56	\$72.12	10.9%	\$685.56	\$759.72	\$74.16	11.2%	\$737.16	\$825.76	\$88.60	12.0%	\$791.52	\$875.16	\$83.64	12.6%	\$1,061.72	\$1,144.16	\$82.44	17.0%
	7,500	\$862.04	\$1,065.42	\$203.38	10.7%	\$865.04	\$1,069.66	\$204.62	10.8%	\$886.16	\$1,091.82	\$205.66	11.0%	\$1,037.76	\$1,147.36	\$109.60	11.4%	\$1,092.12	\$1,207.26	\$115.14	12.0%	\$1,402.32	\$1,546.26	\$143.94	15.0%
	10,000	\$1,265.34	\$1,397.52	\$132.18	10.6%	\$1,268.34	\$1,401.76	\$133.42	10.7%	\$1,289.76	\$1,423.92	\$134.16	10.7%	\$1,388.36	\$1,479.36	\$141.00	11.2%	\$1,492.72	\$1,593.36	\$100.64	11.6%	\$1,702.92	\$1,878.36	\$175.44	15.9%
	15,000	\$1,885.34	\$2,061.72	\$176.38	10.6%	\$1,888.34	\$2,065.96	\$177.62	10.6%	\$1,889.76	\$2,088.12	\$208.36	10.7%	\$1,993.36	\$2,144.16	\$204.80	10.9%	\$1,995.92	\$2,203.56	\$207.64	11.2%	\$2,304.12	\$2,542.56	\$238.44	12.8%
	20,000	\$2,485.04	\$2,735.92	\$250.88	10.6%	\$2,488.04	\$2,739.16	\$251.12	10.6%	\$2,489.16	\$2,751.32	\$262.16	10.7%	\$2,540.76	\$2,803.36	\$267.60	10.8%	\$2,595.12	\$2,867.76	\$272.64	11.1%	\$2,906.32	\$3,206.76	\$300.44	12.2%
	25,000	\$3,065.24	\$3,390.12	\$324.88	10.6%	\$3,068.24	\$3,393.36	\$325.12	10.6%	\$3,069.36	\$3,415.52	\$346.16	10.8%	\$3,141.36	\$3,472.36	\$359.00	10.8%	\$3,185.32	\$3,531.96	\$346.64	10.9%	\$3,506.52	\$3,870.96	\$364.44	11.9%
30,000	\$3,657.44	\$4,054.32	\$396.88	10.9%	\$3,660.44	\$4,057.56	\$397.12	10.9%	\$3,661.56	\$4,086.72	\$425.16	10.9%	\$3,745.16	\$4,136.76	\$491.60	10.7%	\$3,797.52	\$4,196.16	\$498.64	10.9%	\$4,107.72	\$4,555.16	\$447.44	11.2%	

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 H-5 Schedule A-3A
 Bill Impacts
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Customer Class	Proposed 5/8 Inch Meter			Proposed 3/4 Inch Meter			Proposed 1 Inch Meter			Proposed 1.5 Inch Meter			Proposed 2 Inch Meter			Proposed 3 Inch Meter			
	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change	Annual Bill at Current Rates	Annual Bill at Proposed Rates	Dollar Change	Percent Change
2,000	\$329.52	\$345.60	\$16.08	\$348.84	\$372.00	\$23.16	6.6%	\$409.24	\$428.04	\$18.80	4.6%	\$489.60	\$497.44	\$7.84	1.6%	\$510.00	\$515.64	\$5.64	1.1%
5,000	\$733.44	\$760.32	\$26.88	\$765.56	\$786.72	\$21.16	2.8%	\$809.16	\$826.04	\$16.88	2.1%	\$863.52	\$872.16	\$8.64	1.0%	\$918.00	\$928.64	\$10.64	1.2%
9,000	\$1,272.00	\$1,313.28	\$41.28	\$1,316.52	\$1,339.68	\$23.16	1.8%	\$1,347.72	\$1,395.72	\$48.00	3.6%	\$1,402.08	\$1,455.12	\$53.04	3.8%	\$1,462.08	\$1,524.52	\$62.44	4.3%
25,000	\$4,099.44	\$4,216.32	\$116.88	\$4,219.56	\$4,242.72	\$23.16	0.6%	\$4,251.56	\$4,298.76	\$47.20	1.1%	\$4,295.52	\$4,358.56	\$63.04	1.5%	\$4,323.52	\$4,402.56	\$79.04	1.8%
30,000	\$4,099.44	\$4,216.32	\$116.88	\$4,219.56	\$4,242.72	\$23.16	0.6%	\$4,251.56	\$4,298.76	\$47.20	1.1%	\$4,295.52	\$4,358.56	\$63.04	1.5%	\$4,323.52	\$4,402.56	\$79.04	1.8%
40,000	\$5,445.84	\$5,598.72	\$152.88	\$5,601.96	\$5,655.12	\$53.16	0.9%	\$5,621.56	\$5,681.16	\$59.60	1.1%	\$5,675.52	\$5,740.56	\$65.04	1.1%	\$5,719.52	\$5,795.56	\$76.04	1.3%
50,000	\$6,792.24	\$6,981.12	\$188.88	\$6,994.36	\$7,070.52	\$76.16	1.1%	\$7,067.96	\$7,159.56	\$91.60	1.3%	\$7,121.52	\$7,219.56	\$98.04	1.4%	\$7,175.52	\$7,279.56	\$104.04	1.5%
75,000	\$10,158.24	\$10,497.12	\$338.88	\$10,440.36	\$10,483.52	\$43.16	0.4%	\$10,333.96	\$10,375.56	\$41.60	0.4%	\$10,288.32	\$10,329.96	\$41.64	0.4%	\$10,242.72	\$10,284.36	\$41.64	0.4%
100,000	\$13,524.24	\$13,899.12	\$374.88	\$13,896.36	\$13,939.52	\$43.16	0.3%	\$13,939.96	\$13,975.56	\$35.60	0.3%	\$13,934.32	\$13,970.96	\$36.64	0.3%	\$13,930.72	\$13,967.36	\$36.64	0.3%
Annual Consumption (gallons)																			
Annual Consumption (gallons)	9,000	\$161.72	\$172.80	\$11.08	\$166.82	\$176.04	6.0%	\$239.64	\$255.24	\$15.60	6.5%	\$294.00	\$314.64	\$20.64	7.0%	\$364.20	\$395.64	\$31.44	8.6%
Base Charge and Commodity Charges	\$1,055.81	\$1,384.18	\$328.37	\$1,055.81	\$1,384.18	\$328.37	31.1%	\$1,055.81	\$1,384.18	\$328.37	31.1%	\$1,055.81	\$1,384.18	\$328.37	31.1%	\$1,055.81	\$1,384.18	\$328.37	31.1%
Total Annual Charges	\$1,217.03	\$1,556.98	\$339.95	\$1,222.73	\$1,560.22	\$337.49	27.6%	\$1,295.45	\$1,639.42	\$343.97	26.6%	\$1,349.81	\$1,698.82	\$349.01	25.9%	\$1,409.61	\$1,763.82	\$354.21	25.1%

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HHS Schedule A-SA
 Bill Impacts - Cost of Service Rates
 Page 3 of 3

Customer Class	Monthly Consumption (gallons)	Monthly Bill at Current Rates	Proposed		Percent Change
			Monthly Bill at Proposed	Dollar Change	
Portsmouth	10,000,000	\$52,925	\$72,676	\$19,751	37.3%
	20,000,000	\$105,845	\$145,298	\$39,453	37.3%
	30,000,000	\$158,765	\$218,444	\$59,679	37.3%
	40,000,000	\$211,685	\$291,590	\$80,905	37.3%
	75,000,000	\$395,595	\$544,725	\$149,130	37.2%
Navy 6' meter	5,000,000	\$32,681	\$41,469	\$8,788	26.9%
	10,000,000	\$65,312	\$82,938	\$17,626	27.0%
	38,000,000	\$247,722	\$315,164	\$67,442	27.2%
	50,000,000	\$325,951	\$414,690	\$88,739	27.2%

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Customer Class	Monthly Consumption (gallons)	Annual Bill at Current Rates	Proposed FY 2020			Proposed FY 2022		
			Annual Bill at Proposed Rates	\$ Increase from Current Rates	% Increase from Current Rates	Annual Bill at Proposed Rates	\$ Increase from FY 2020 Rates	% Increase from FY 2020 Rates
Residential 5/8" meter								
	1,000	\$ 180.48	\$ 201.96	\$ 21.48	11.9%	\$ 207.60	\$ 5.64	2.8%
	2,000	\$ 300.72	\$ 334.80	\$ 34.08	11.3%	\$ 344.28	\$ 9.48	2.8%
	4,000	\$ 541.20	\$ 600.48	\$ 59.28	11.0%	\$ 617.64	\$ 17.16	2.9%
Avg. Monthly Use	5,000	\$ 661.44	\$ 733.32	\$ 71.88	10.9%	\$ 754.32	\$ 21.00	2.9%
	7,500	\$ 962.04	\$ 1,065.42	\$ 103.38	10.7%	\$ 1,096.02	\$ 30.60	2.9%
	10,000	\$ 1,262.64	\$ 1,397.52	\$ 134.88	10.7%	\$ 1,437.72	\$ 40.20	2.9%
	15,000	\$ 1,863.84	\$ 2,061.72	\$ 197.88	10.6%	\$ 2,121.12	\$ 59.40	2.9%
	20,000	\$ 2,465.04	\$ 2,725.92	\$ 260.88	10.6%	\$ 2,804.52	\$ 78.60	2.9%
	25,000	\$ 3,066.24	\$ 3,390.12	\$ 323.88	10.6%	\$ 3,487.92	\$ 97.80	2.9%
	30,000	\$ 3,667.44	\$ 4,054.32	\$ 386.88	10.5%	\$ 4,171.32	\$ 117.00	2.9%

Customer Class	Monthly Consumption (gallons)	Annual Bill at Current Rates	Proposed FY 2020			Proposed FY 2022		
			Annual Bill at Proposed Rates	\$ Increase from Current Rates	% Increase from Current Rates	Annual Bill at Proposed Rates	\$ Increase from FY 2020 Rates	% Increase from FY 2020 Rates
Non-Residential 5/8" meter								
	2,000	\$329.52	\$345.60	\$16.08	4.9%	\$355.56	\$9.96	2.9%
	5,000	\$733.44	\$760.32	\$26.88	3.7%	\$782.52	\$22.20	2.9%
	9,000	\$1,272.00	\$1,313.28	\$41.28	3.2%	\$1,351.80	\$38.52	2.9%
Avg. Monthly Use	25,000	\$3,426.24	\$3,525.12	\$98.88	2.9%	\$3,628.92	\$103.80	2.9%
	30,000	\$4,099.44	\$4,216.32	\$116.88	2.9%	\$4,340.52	\$124.20	2.9%
	40,000	\$5,445.84	\$5,598.72	\$152.88	2.8%	\$5,763.72	\$165.00	2.9%
	50,000	\$6,792.24	\$6,981.12	\$188.88	2.8%	\$7,186.92	\$205.80	2.9%
	75,000	\$10,158.24	\$10,437.12	\$278.88	2.7%	\$10,744.92	\$307.80	2.9%
	100,000	\$13,524.24	\$13,893.12	\$368.88	2.7%	\$14,302.92	\$409.80	2.9%

Customer Class	Monthly Consumption (gallons)	Monthly Bill at Current Rates	Proposed FY 2020			Proposed FY 2022		
			Monthly Bill at Proposed Rates	\$ Increase from Current Rates	% Increase from Current Rates	Monthly Bill at Proposed Rates	\$ Increase from FY 2012 Rates	% Increase from FY 2012 Rates
Portsmouth								
	10,000,000	\$52,925.02	\$72,675.94	\$19,750.92	37.3%	\$74,642.77	\$1,966.83	2.7%
	20,000,000	\$105,845.02	\$145,297.94	\$39,452.92	37.3%	\$149,283.77	\$3,985.83	2.7%
Avg. Monthly Bill	32,000,000	\$169,349.02	\$232,444.34	\$63,095.32	37.3%	\$238,852.97	\$6,408.63	2.8%
	40,000,000	\$211,685.02	\$290,541.94	\$78,856.92	37.3%	\$298,565.77	\$8,023.83	2.8%
	75,000,000	\$396,905.02	\$544,718.94	\$147,813.92	37.2%	\$559,809.27	\$15,090.33	2.8%
Navy								
	5,000,000	\$32,681.15	\$41,469.00	\$8,787.85	26.9%	\$42,708.92	\$1,239.92	3.0%
	10,000,000	\$65,311.95	\$82,938.00	\$17,626.05	27.0%	\$85,342.42	\$2,404.42	2.9%
Avg. Monthly Bill	38,000,000	\$247,722.00	\$315,164.40	\$67,442.40	27.2%	\$324,090.02	\$8,925.62	2.8%
	50,000,000	\$325,961.47	\$414,690.00	\$88,728.53	27.2%	\$426,410.42	\$11,720.42	2.8%

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule A-4
 Revenue Proof

	Annual Revenue		
	Existing Rates	Proposed FY 2020 Rates	Proposed FY 2022 Rates
REVENUES			
Water Rates			
Base Charge (Billing Charge)	\$ 1,026,420	\$ 1,170,972	\$ 1,203,140
Volume Charge			
Residential	6,071,118	6,707,313	6,901,201
Non-Residential	4,958,118	5,090,688	5,240,934
Navy	1,228,832	1,563,381	1,607,283
Portsmouth Water & Fire District	1,904,591	2,613,666	2,686,330
Fire Protection			
Public	983,877	1,328,456	1,373,502
Private	416,926	547,425	566,379
Total Rate Revenues	\$ 16,589,881	\$ 19,021,902	\$ 19,578,769
Other Operating Revenues			
Sundry charges	\$ 133,000	133,000	133,000
WPC cost share on customer service	\$ 330,000	330,000	330,000
Middletown cost share on customer service	\$ 166,000	166,000	166,000
Rental of Property	\$ 90,000	90,000	90,000
Total Other Operating Revenues	\$ 719,000	719,000	719,000
Total Operating Revenues	\$ 17,308,881	\$ 19,740,902	\$ 20,297,769
Add: Non-Operating Revenues			
Water Penalty	50,000	50,000	50,000
Miscellaneous*	11,300	11,300	11,300
Investment Interest Income	20,000	20,000	20,000
Water Quality Protection Fees	21,000	21,000	21,000
Total Non Operating Revenues	\$ 102,300	\$ 102,300	\$ 102,300
Total Revenues	\$ 17,411,181	\$ 19,843,202	\$ 20,400,069
COSTS			
Departmental O&M	\$ (10,396,774)	(10,396,774)	(10,396,774)
Capital Costs			
Contribution to Capital Spending Acct.	(2,500,000)	(2,500,000)	(2,500,000)
Contribution to Debt Service Acct.	(6,783,195)	(\$6,783,195)	\$ (7,337,411)
Total Capital Costs	\$ (9,283,195)	(9,283,195)	(9,837,411)
Operating Revenue Allowance	(155,952)	(155,952)	(155,952)
Total Costs	\$ (19,835,921)	\$ (19,835,921)	\$ (20,390,136)
Revenue Surplus (Deficit)	\$ (2,424,740)	\$ 7,281	\$ 9,933

Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
\$ 297,917	Non Admin less electricity & chemicals	60%	19%	7%	5%	6%	2%	1%	100%
\$ -	Non Admin less electricity & chemicals	60%	19%	7%	5%	6%	2%	1%	100%
\$ -	Non Admin less electricity & chemicals	59.621%	19%	7%	5%	6%	2%	1%	100%
\$ -	Non Admin less electricity & chemicals	60%	19%	7%	5%	6%	2%	1%	100%
\$ -	Non Admin less electricity & chemicals	60%	19%	7%	5%	6%	2%	1%	100%
\$ 18,720	Non Admin less electricity & chemicals	60%	19%	7%	5%	6%	2%	1%	100%
\$ -	Non-Administrative Wages & Salaries	57%	22%	8%	6%	5%	1%	0%	100%
\$ 137,644	Non Admin less electricity & chemicals	60%	19%	7%	6%	6%	2%	1%	100%
\$ 386,784	Non-Administrative Wages & Salaries	57%	22%	8%	6%	5%	1%	0%	100%
\$ 57,385	Non-Administrative Wages & Salaries	57%	22%	8%	6%	5%	1%	0%	100%
\$ 2,500	Non Admin less electricity & chemicals	60%	19%	7%	6%	6%	2%	1%	100%
\$ 900,950	Subtotal								

Operation & Maintenance Costs

- Administration
- Salaries, Wages, & Benefits
- Salaries & Wages
- AFSCME retro
- NEA retro
- AFSCME benefits on retro pay
- NEA benefits on retro pay
- Standby Salaries
- Accrued Benefits Buyout
- Employee Benefits
- Retiree Insurance Coverage
- Workers Compensation
- Annual Leave Buyback
- Subtotal

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Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
	All Other Administrative Costs								
9,000	Advertisement	60%	19%	7%	6%	6%	2%	1%	100%
5,055	Membership Dues & Subscription	60%	19%	7%	6%	6%	2%	1%	100%
4,000	Conferences & Training	60%	19%	7%	6%	6%	2%	1%	100%
2,000	Tuition Reimbursement	60%	19%	7%	6%	6%	2%	1%	100%
251,625	Consultant Fees	60%	19%	7%	6%	6%	2%	1%	100%
1,000	Postage	60%	19%	7%	6%	6%	2%	1%	100%
36,500	Fire & Liability Insurance	60%	19%	7%	6%	6%	2%	1%	100%
10,600	Telephone & Communication	60%	19%	7%	6%	6%	2%	1%	100%
1,800	Water	60%	19%	7%	6%	6%	2%	1%	100%
6,950	Electricity	60%	19%	7%	6%	6%	2%	1%	100%
5,125	Natural Gas	60%	19%	7%	6%	6%	2%	1%	100%
557,462	Property Taxes	60%	19%	7%	6%	6%	2%	1%	100%
-	Legal & Administrative								
4,944	Audit Fees	64%	21%	7%	4%	2%	2%	0%	100%
31,488	OP&B Contribution	64%	21%	7%	4%	2%	2%	0%	100%
3,943	City Council	64%	21%	7%	4%	2%	2%	0%	100%
4,537	City Clerk	64%	21%	7%	4%	2%	2%	0%	100%
76,621	City Manager	64%	21%	7%	4%	2%	2%	0%	100%
6,193	Human Resources	57%	22%	8%	6%	5%	1%	0%	100%
37,118	City Solicitor	64%	21%	7%	4%	2%	2%	0%	100%
26,212	Finance Adimistrative 50%	64%	21%	7%	4%	2%	2%	0%	100%
3,363	Finance Adimistrative 5%	64%	21%	7%	4%	2%	2%	0%	100%
11,809	Finance Admin 10% Inv/Deb	64%	21%	7%	4%	2%	2%	0%	100%
22,404	Purchasing Assessment	64%	21%	7%	4%	2%	2%	0%	100%
-	Collections	0%	0%	0%	0%	100%	0%	0%	100%
24,828	Accounting - Wires - 5%	64%	21%	7%	4%	2%	2%	0%	100%
9,149	Accounting	57%	22%	8%	6%	5%	1%	0%	100%
65,704	Facilities Maintenance	57%	22%	8%	6%	5%	1%	0%	100%
343,175	Data Processing	60%	19%	7%	6%	6%	2%	1%	100%
2,000	Mileage Allowance	60%	19%	7%	6%	6%	2%	1%	100%
6,410	Gasoline & Vehicle Allowance	60%	19%	7%	6%	6%	2%	1%	100%
1,000	Repairs & Maintenance	60%	19%	7%	6%	6%	2%	1%	100%
1,500	Regulatory Expense	60%	19%	7%	6%	6%	2%	1%	100%
133,500	Regulatory Assessment	60%	19%	7%	6%	6%	2%	1%	100%
11,845	Office Supplies	60%	19%	7%	6%	6%	2%	1%	100%
5,000	Self Insurance	60%	19%	7%	6%	6%	2%	1%	100%
-	Unemployment Claims	60%	19%	7%	6%	6%	2%	1%	100%
1,723,859	Subtotal								

Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
	Customer Service								
	Salaries & Wages	340,264	0%	0%	48%	40%	12%	0%	100%
	Benefits	235,533	0%	0%	48%	40%	12%	0%	100%
	Copying & binding	600				100%			100%
	Conferences & Training	3,000				100%			100%
	Support Services	51,615				100%			100%
	Postage	64,200				100%			100%
	Bank Fees (lock box)	14,400				100%			100%
	Gasoline & Vehicle Allowance	32,050	0%	0%	48%	40%	12%	0%	100%
	Repairs & Maintenance	35,000			100%				100%
	Meter Maintenance	10,000			100%				100%
	Operating Supplies	5,000			100%				100%
	Uniforms & protective Gear	2,450			100%				100%
	Customer Service Supplies	3,000			100%				100%
	Subtotal	797,112							
	Source of Supply - Island								
	Salaries & Wages	\$ 312,654	0%	0%	0%	0%	0%	0%	100%
	Overtime	\$ 25,000	0%	0%	0%	0%	0%	0%	100%
	Temp Salaries	\$ 22,800	0%	0%	0%	0%	0%	0%	100%
	Injury Pay	\$ -	0%	0%	0%	0%	0%	0%	100%
	Employee Benefits	\$ 212,190	0%	0%	0%	0%	0%	0%	100%
	Annual Leave Buyback	\$ 1,700	0%	0%	0%	0%	0%	0%	100%
	Electricity	\$ 38,789	0%	0%	0%	0%	0%	0%	100%
	Gas/Vehicle Maintenance	\$ 70,510	0%	0%	0%	0%	0%	0%	100%
	Repairs & Maintenance	\$ 14,000	0%	0%	0%	0%	0%	0%	100%
	Reservoir Maintenance	\$ 25,000	0%	0%	0%	0%	0%	0%	100%
	Operating Supplies	\$ 6,700	0%	0%	0%	0%	0%	0%	100%
	Uniforms & protective Gear	\$ 2,000	0%	0%	0%	0%	0%	0%	100%
	Chemicals	\$ 94,800	0%	0%	0%	0%	0%	0%	100%
	Subtotal	\$ 826,143							
	Source of Supply - Mainland								
	Overtime	\$ 4,000	0%	0%	0%	0%	0%	0%	100%
	Temp Salaries	\$ 27,000	0%	0%	0%	0%	0%	0%	100%
	Permanent Part time	\$ 12,900	0%	0%	0%	0%	0%	0%	100%
	Employee Benefits	\$ 3,358	0%	0%	0%	0%	0%	0%	100%
	Electricity	\$ 160,790	0%	0%	0%	0%	0%	0%	100%
	Repairs & Maintenance	\$ 17,000	0%	0%	0%	0%	0%	0%	100%
	Reservoir Maintenance	\$ 12,000	0%	0%	0%	0%	0%	0%	100%
	Operating Supplies	\$ 500	0%	0%	0%	0%	0%	0%	100%
	Subtotal	\$ 237,548							

Station One (Excludes chemicals)	Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
Salaries & Wages	\$ 513,045	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Overtime	\$ 88,500	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Holiday Pay	\$ 21,781	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Lead Plant Operator Stipend	\$ 12,480	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Employee Benefits	\$ 295,630	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Annual Leave Buyback	\$ 11,600	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Conferences & Training	\$ 4,500	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Fire & Liability Insurance	\$ 64,765	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Electricity	\$ 226,185	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Natural Gas	\$ 17,840	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Rental of Equipment	\$ 1,000	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Sewer Charge	\$ 118,900	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Gas/Vehicle Maintenance	\$ 6,410	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Repairs & Maintenance	\$ 55,000	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Operating Supplies	\$ 15,000	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Uniforms & protective Gear	\$ 3,625	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Station One Chemicals	\$ 431,220	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Subtotal	\$ 1,887,482									
Lawton Valley (Excludes chemicals)										
Salaries & Wages	\$531,042	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Overtime	\$110,750	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Holiday Pay	\$19,615	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Lead Plant Operator Stipend	\$12,480	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Employee Benefits	\$334,544	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Annual Leave Buyback	\$9,500	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Conferences & Training	\$4,120	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Fire & Liability Insurance	\$60,325	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Electricity	\$301,655	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Natural Gas	\$26,195	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Rental of Equipment	\$1,000	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Sewer Charge	\$476,625	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Gas/Vehicle Maintenance	\$6,410	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Repairs & Maintenance	\$65,000	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Operating Supplies	\$13,300	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Uniforms & protective Gear	\$3,600	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
Lawton Valley Chemicals	\$463,936	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
Subtotal	2,445,097									

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Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
\$ 143,963	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 86,774	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 4,250	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 6,200	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 83,700	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 55,000	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
\$ 379,887									
\$ 521,449	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 46,500	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 22,800	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ -	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 302,837	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 6,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 4,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 11,870	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 10,910	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 20,500	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 9,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 83,330	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 20,200	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 66,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ -	100% Fire	0%	0%	0%	0%	0%	0%	100%	100%
\$ 30,000	100% Services	0%	0%	0%	0%	0%	100%	0%	100%
\$ 8,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 4,000	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
\$ 1,167,396									
\$ 31,300	100% Fire	0%	0%	0%	0%	0%	0%	100%	100%
\$ 10,396,774	Total O&M Costs								

Rate Year	Allocation Notes	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total % Allocated
1,390,098	100% Base	100%	0%	0%	0%	0%	0%	0%	100%
2,182,211	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
2,533,800	Maximum Day Demand Patterns	62%	38%	0%	0%	0%	0%	0%	100%
733,383	Maximum Day Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
59,546	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
1,772,079	Maximum Hour Demand Patterns	38%	23%	39%	0%	0%	0%	0%	100%
27,134	100% Fire	0%	0%	0%	0%	0%	100%	0%	100%
343,887	100% Meters	0%	0%	0%	100%	0%	0%	0%	100%
217,735	100 % Services	0%	0%	0%	0%	100%	0%	0%	100%
23,322	100% Billing	0%	0%	0%	0%	100%	0%	0%	100%
9,283,195									
155,952	100% base	100%							100%
19,835,921									
Total Capital Costs excluding Treatment									
Revenue Allowance									
Total Costs before Offsets									
OFFSETS									
Nonrate Revenues									
Sundry charges		60%	19%	7%	6%	6%	2%	1%	100%
WPC cost share on customer ser		0%	0%	0%	50%	50%	0%	0%	100%
Middletown cost share on custo		0%	0%	0%	50%	50%	0%	0%	100%
Rental of Property		60%	19%	7%	6%	6%	2%	1%	100%
Water Penalty		60%	19%	7%	6%	6%	2%	1%	100%
Miscellaneous*		60%	19%	7%	6%	6%	2%	1%	100%
Investment Interest Income		60%	19%	7%	6%	6%	2%	1%	100%
Water Quality Protection Fees		60%	19%	7%	6%	6%	2%	1%	100%
Total Nonrate Revenues		100%	0%	0%	0%	0%	0%	0%	100%
821,500									
Net Costs To Recover Through Rates									
\$ 19,014,621									

	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Operation & Maintenance Costs								
Administration								
Salaries, Wages, & Benefits								
Salaries & Wages	177,623	55,948	22,074	16,972	18,671	5,089	1,541	297,917
AFCME retro	-	-	-	-	-	-	-	-
NEA retro	-	-	-	-	-	-	-	-
AFCME benefits on retro pay	-	-	-	-	-	-	-	-
NEA benefits on retro pay	-	-	-	-	-	-	-	-
Standby Salaries	11,161	3,516	1,387	1,066	1,173	320	97	18,720
Accrued Benefits Buyout	-	-	-	-	-	-	-	-
Employee Benefits	82,065	25,849	10,198	7,842	8,626	2,351	712	137,644
Retiree Insurance Coverage	220,857	85,906	32,141	22,571	19,329	5,775	205	386,784
Workers Compensation	32,767	12,745	4,769	3,349	2,868	857	30	57,385
Annual Leave Buyback	1,491	469	185	142	157	43	13	2,500
Subtotal	525,964	184,433	70,754	51,942	50,823	14,434	2,599	900,950

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	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
All Other Administrative Costs								
Advertisement	5,366	1,690	667	513	564	154	47	9,000
Membership Dues & Subscription	3,014	949	375	288	317	86	26	5,055
Conferences & Training	2,385	751	296	228	251	68	21	4,000
Tuition Reimbursement	1,192	376	148	114	125	34	10	2,000
Consultant Fees	150,022	47,254	18,644	14,335	15,769	4,298	1,302	251,625
Postage	596	188	74	57	63	17	5	1,000
Fire & Liability Insurance	21,762	6,855	2,704	2,079	2,287	623	189	36,500
Telephone & Communication	6,320	1,991	785	604	664	181	55	10,600
Water	1,073	338	133	103	113	31	9	1,800
Electricity	4,144	1,305	515	396	436	119	36	6,950
Natural Gas	3,056	962	380	292	321	88	27	5,125
Property Taxes	332,367	104,689	41,304	31,759	34,936	9,522	2,884	557,462
Legal & Administrative								
Audit Fees	3,145	1,040	336	198	116	92	17	4,944
OPEB Contribution	20,031	6,626	2,141	1,260	736	587	107	31,488
City Council	2,508	830	268	158	92	74	13	3,943
City Clerk	2,886	955	308	181	106	85	15	4,537
City Manager	48,743	16,122	5,209	3,065	1,792	1,429	260	76,621
Human Resources	3,536	1,375	515	361	309	92	3	6,193
City Solicitor	23,613	7,810	2,523	1,485	868	692	126	37,118
Finance Administrative 50%	16,675	5,515	1,782	1,049	613	489	89	26,212
Finance Administrative 5%	2,139	708	229	135	79	63	11	3,363
Finance Admin 10% Inv/Debt	7,512	2,485	803	472	276	220	40	11,809
Purchasing	14,253	4,714	1,523	896	524	418	76	22,404
Assessment	-	-	-	-	24,828	-	-	-
Collections	-	-	-	-	214	-	-	24,828
Accounting - Wires - 5%	5,820	1,925	622	366	214	171	31	9,149
Accounting	37,517	14,593	5,460	3,834	3,283	981	35	65,704
Facilities Maintenance								
Data Processing	204,606	64,447	25,427	19,551	21,507	5,862	1,776	343,175
Mileage Allowance	1,192	376	148	114	125	34	10	2,000
Gasoline & Vehicle Allowance	3,822	1,204	475	365	402	109	33	6,410
Repairs & Maintenance	596	188	74	57	63	17	5	1,000
Regulatory Expense	894	282	111	85	94	26	8	1,500
Regulatory Assessment	79,595	25,071	9,891	7,606	8,367	2,280	691	133,500
Office Supplies	7,062	2,224	878	675	742	202	61	11,845
Self Insurance	2,981	939	370	285	313	85	26	5,000
Unemployment Claims	-	-	-	-	-	-	-	-
Subtotal	1,020,426	326,777	125,119	92,965	121,296	29,232	8,045	1,723,859

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	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Customer Service								
Salaries & Wages	-	-	-	163,567	135,645	41,053	-	340,264
Benefits	-	-	-	113,222	93,894	28,417	-	235,533
Copying & binding	-	-	-	-	600	-	-	600
Conferences & Training	-	-	-	-	3,000	-	-	3,000
Support Services	-	-	-	-	51,615	-	-	51,615
Postage	-	-	-	-	64,200	-	-	64,200
Bank Fees (lock box)	-	-	-	-	14,400	-	-	14,400
Gasoline & Vehicle Allowance	-	-	-	15,407	12,777	3,867	-	32,050
Repairs & Maintenance	-	-	-	35,000	-	-	-	35,000
Meter Maintenance	-	-	-	10,000	-	-	-	10,000
Operating Supplies	-	-	-	5,000	-	-	-	5,000
Uniforms & protective Gear	-	-	-	2,450	-	-	-	2,450
Customer Service Supplies	-	-	-	-	3,000	-	-	3,000
Source of Supply - Island								
Salaries & Wages	312,654	-	-	-	-	-	-	312,654
Overtime	25,000	-	-	-	-	-	-	25,000
Temp Salaries	22,800	-	-	-	-	-	-	22,800
Injury Pay	-	-	-	-	-	-	-	-
Employee Benefits	212,190	-	-	-	-	-	-	212,190
Annual Leave Buyback	1,700	-	-	-	-	-	-	1,700
Electricity	38,789	-	-	-	-	-	-	38,789
Gas/Vehicle Maintenance	70,510	-	-	-	-	-	-	70,510
Repairs & Maintenance	14,000	-	-	-	-	-	-	14,000
Reservoir Maintenance	25,000	-	-	-	-	-	-	25,000
Operating Supplies	6,700	-	-	-	-	-	-	6,700
Uniforms & protective Gear	2,000	-	-	-	-	-	-	2,000
Chemicals	94,800	-	-	-	-	-	-	94,800
Source of Supply - Mainland								
Overtime	4,000	-	-	-	-	-	-	4,000
Temp Salaries	27,000	-	-	-	-	-	-	27,000
Permanent Part time	12,900	-	-	-	-	-	-	12,900
Employee Benefits	3,358	-	-	-	-	-	-	3,358
Electricity	160,790	-	-	-	-	-	-	160,790
Repairs & Maintenance	17,000	-	-	-	-	-	-	17,000
Reservoir Maintenance	12,000	-	-	-	-	-	-	12,000
Operating Supplies	500	-	-	-	-	-	-	500

	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Station One (Excludes chemicals)								
Salaries & Wages	318,641	194,404	-	-	-	-	-	513,045
Overtime	54,965	33,535	-	-	-	-	-	88,500
Holiday Pay	13,528	8,253	-	-	-	-	-	21,781
Lead Plant Operator Stipend	7,751	4,729	-	-	-	-	-	12,480
Employee Benefits	183,609	112,021	-	-	-	-	-	295,630
Annual Leave Buyback	7,205	4,395	-	-	-	-	-	11,600
Conferences & Training	2,795	1,705	-	-	-	-	-	4,500
Fire & Liability Insurance	40,224	24,541	-	-	-	-	-	64,765
Electricity	226,185	-	-	-	-	-	-	226,185
Natural Gas	11,080	6,760	-	-	-	-	-	17,840
Rental of Equipment	621	379	-	-	-	-	-	1,000
Sewer Charge	118,900	-	-	-	-	-	-	118,900
Gas/Vehicle Maintenance	3,981	2,429	-	-	-	-	-	6,410
Repairs & Maintenance	34,159	20,841	-	-	-	-	-	55,000
Operating Supplies	9,316	5,684	-	-	-	-	-	15,000
Uniforms & protective Gear	2,251	1,374	-	-	-	-	-	3,625
Station One Chemicals	431,220	-	-	-	-	-	-	431,220
Lawton Valley (Excludes chemicals)								
Salaries & Wages	329,818	201,223	-	-	-	-	-	531,042
Overtime	68,784	41,966	-	-	-	-	-	110,750
Holiday Pay	12,183	7,433	-	-	-	-	-	19,615
Lead Plant Operator Stipend	7,751	4,729	-	-	-	-	-	12,480
Employee Benefits	207,778	126,766	-	-	-	-	-	334,544
Annual Leave Buyback	5,900	3,600	-	-	-	-	-	9,500
Conferences & Training	2,559	1,561	-	-	-	-	-	4,120
Fire & Liability Insurance	37,467	22,858	-	-	-	-	-	60,325
Electricity	301,655	-	-	-	-	-	-	301,655
Natural Gas	16,269	9,926	-	-	-	-	-	26,195
Rental of Equipment	621	379	-	-	-	-	-	1,000
Sewer Charge	476,625	-	-	-	-	-	-	476,625
Gas/Vehicle Maintenance	3,981	2,429	-	-	-	-	-	6,410
Repairs & Maintenance	40,370	24,630	-	-	-	-	-	65,000
Operating Supplies	8,260	5,040	-	-	-	-	-	13,300
Uniforms & protective Gear	2,236	1,364	-	-	-	-	-	3,600
Lawton Valley Chemicals	468,936	-	-	-	-	-	-	468,936

	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Laboratory								
Salaries & Wages	143,963	-	-	-	-	-	-	143,963
Employee Benefits	86,774	-	-	-	-	-	-	86,774
Annual Leave Buyback	4,250	-	-	-	-	-	-	4,250
Repairs & Maintenance	6,200	-	-	-	-	-	-	6,200
Regulatory Assessment	83,700	-	-	-	-	-	-	83,700
Laboratory Supplies	55,000	-	-	-	-	-	-	55,000
Transmission and Distribution								
Salaries & Wages	196,231	119,721	205,496	-	-	-	-	521,449
Overtime	17,499	10,676	18,325	-	-	-	-	46,500
Temp Salaries	8,580	5,235	8,985	-	-	-	-	22,800
Injury Pay	-	-	-	-	-	-	-	-
Employee Benefits	113,964	69,530	119,344	-	-	-	-	302,837
Annual Leave Buyback	2,258	1,378	2,365	-	-	-	-	6,000
Conferences & Training	1,505	918	1,576	-	-	-	-	4,000
Contract Services	4,467	2,725	4,678	-	-	-	-	11,870
Fire & Liability Insurance	4,106	2,505	4,299	-	-	-	-	10,910
Electricity	7,715	4,707	8,079	-	-	-	-	20,500
Heavy Equipment Rental	3,387	2,066	3,547	-	-	-	-	9,000
Gas/Vehicle Maintenance	31,359	19,132	32,839	-	-	-	-	83,330
Repairs & Maintenance	7,602	4,638	7,961	-	-	-	-	20,200
Main Maintenance	24,837	15,153	26,010	-	-	-	-	66,000
Hydrant Maintenance	-	-	-	-	-	-	-	-
Service Maintenance	-	-	-	-	-	30,000	-	30,000
Operating Supplies	3,011	1,837	3,153	-	-	-	-	8,000
Uniforms & protective Gear	1,505	918	1,576	-	-	-	-	4,000
Fire Protection								
Fire Protection	-	-	-	-	-	-	31,300	31,300
Non-Administrative O&M								
Non-Administrative O&M	5,329,228	1,136,092	448,233	344,645	379,130	103,336	31,300	7,771,965

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	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Water Supply	1,390,098	-	-	-	-	-	-	1,390,098
Treatment Station 1	1,355,324	826,888	-	-	-	-	-	2,182,211
Treatment Layton Valley	1,573,687	960,112	-	-	-	-	-	2,533,800
Treatment Both Plants	455,488	277,895	-	-	-	-	-	733,383
T&D Pumping	22,408	13,671	23,466	-	-	-	-	59,546
T&D	666,868	406,859	698,352	-	-	-	-	1,772,079
Fire	-	-	-	-	-	-	27,134	27,134
Meters	-	-	-	343,887	-	-	-	343,887
Services	-	-	-	-	-	217,735	-	217,735
Billing	-	-	-	-	23,322	-	-	23,322
Total	5,463,873	2,485,425	721,819	343,887	23,322	217,735	27,134	9,283,195
	59%	27%	8%	4%	0%	2%	0%	100%
	155,952	-	-	-	-	-	-	155,952
Total Non-Admin Costs	10,949,053	3,621,517	1,170,051	688,532	402,453	321,071	58,434	17,211,112
	64%	21%	7%	4%	2%	2%	0%	100%
	79,297	24,977	9,854	7,577	8,335	2,272	688	133,000
	-	-	-	165,000	165,000	-	-	330,000
	-	-	-	83,000	83,000	-	-	166,000
	53,659	16,902	6,668	5,127	5,640	1,537	466	90,000
	29,811	9,390	3,705	2,849	3,134	854	259	50,000
	6,737	2,122	837	644	708	193	58	11,300
	11,924	3,756	1,482	1,139	1,253	342	103	20,000
	21,000	-	-	-	-	-	-	21,000
	202,428	57,146	22,547	265,336	267,071	5,198	1,574	821,300
Total	\$ 10,746,625	\$ 3,564,371	\$ 1,147,505	\$ 423,196	\$ 135,382	\$ 315,873	\$ 56,860	\$ 16,389,812

	\$	5,329,228	\$	1,136,092	\$	448,233	\$	344,645	\$	379,130	\$	103,336	\$	31,300	\$	7,771,965
Station One	\$	(431,220)														\$ -
Lawton Valley	\$	(468,936)														\$ (431,220)
Source Supply	\$	(94,800)														\$ (468,936)
Electricity	\$															\$ (94,800)
Source Supply	\$	(199,579)														\$ -
Station One	\$	(226,185)														\$ (199,579)
Lawton Valley	\$	(301,655)														\$ (226,185)
Costs Adjusted	\$	3,606,854	\$	1,136,092	\$	448,233	\$	344,645	\$	379,130	\$	103,336	\$	31,300	\$	6,049,590
		60%		19%		7%		6%		6%		2%		1%		100%

	Base	Max Day	Max Hour	Metering	Billing	Services	Fire	Total \$ Allocated
Non-Administrative Labor								
Administration	190,274	59,933	23,646	18,181	20,000	5,451	1,651	319,137
Customer Service	0	0	0	163,567	135,645	41,053	0	340,264
Source of Supply - Island	360,454	0	0	0	0	0	0	360,454
Source of Supply - Mainland	43,900	0	0	0	0	0	0	43,900
Station One	394,339	240,588	0	0	0	0	0	634,927
Lawton Valley	416,686	254,221	0	0	0	0	0	670,907
Laboratory	148,213	0	0	0	0	0	0	148,213
Transmission/Distribution	224,568	137,010	235,171	0	0	0	0	596,749
Total	1,778,435	691,752	258,817	181,748	155,645	46,504	1,651	3,114,551
Percent	57%	22%	8%	6%	5%	1%	0%	100%

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ALLOCATION PERCENTAGES		Commodity Charges						Total % Allocated
		Base Charge	Retail		Navy	Portsmouth	Fire	
Cost Category	Allocation Basis		Residential	Non-Residential				
Base	<i>Average annual demand</i>		40%	29%	11%	19%	0%	100%
Base Excluding PWFD			50%	37%	13%	0%	0%	100%
Base Excluding PWFD & 50% Navy			54%	39%	7%	0%	0%	100%
Water Quality Protection Fees			58%	42%	0%	0%	0%	100%
Total Base to Class			42%	30%	10%	17%	0%	100%
Max Day	<i>Estimated customer peaking factors</i>		31%	25%	7%	14%	23%	100%
Base Excluding PWFD			37%	29%	8%	0%	26%	100%
Max Day Excluding PWFD & 50% Navy			38%	31%	4%	0%	27%	100%
Total Max Day to Class			33%	26%	6%	12%	24%	100%
Max Hour	<i>Estimated customer peaking factors</i>		16%	19%	5%	8%	52%	100%
Base Excluding PWFD			18%	20%	5%	0%	57%	100%
Max Hour Excluding PWFD & 50% Navy			18%	21%	3%	0%	58%	100%
Total Max Hour to Class			18%	21%	3%	0%	58%	100%
Metering	<i>Direct Assignment</i>	100%						100%
Billing	<i>Direct Assignment</i>	100%						100%
Services	<i>Direct Assignment</i>	100%						100%
Fire	<i>Direct Assignment</i>						100%	100%
Treatment Plant Avg. Day	<i>Assured Capacity</i>		0%	0%	0%	0%	0%	0%
Treatment Plant Max. Day	<i>Assured Capacity</i>		0%	0%	0%	0%	0%	0%

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ALLOCATION RESULTS

Cost Category

Cost Category	Rate Year
Base	
Base excluding T&D&WQPF & Pumping	9,831,753
Transmission & Distribution	1,094,892
Pumping	22,408
Water Quality Protection Fees	(21,000)
Revenue Offsets	(181,428)
Administrative Charges	1,546,390
Max Day	
Max Day Except T&D & Pumping	2,939,848
Transmission & Distribution	667,998
Pumping	13,671
Revenue Offsets	(57,146)
Administrative Charges	511,211
Max Hour	
Max Hr. Except T&D & Pumping	-
Transmission & Distribution	1,146,585
Pumping	23,466
Revenue Offsets	(22,547)
Administrative Charges	195,873
Metering	
Revenue Offsets	688,532
Administrative Charges	(265,336)
144,907	144,907
321,071	321,071
Services	
Revenue Offsets	(5,198)
Administrative Charges	43,666
Billing	
Revenue Offsets	402,453
Administrative Charges	(267,071)
172,119	172,119
Fire	
Revenue Offsets	58,434
Administrative Charges	(1,574)
10,644	10,644
Treatment Plant Capital Costs	
Treatment Plant Avg. Day	-
Treatment Plant Max. Day	-
Total To Recover through Rates	\$ 19,014,621

Base Charge	Commodity Charges				Fire	Total \$ Allocated
	Retail		Navy	Portsmouth		
	Residential	Non-Residential				
	3,973,629	2,898,080	1,056,717	1,903,328	-	9,831,753
	587,927	428,791	78,174	-	-	1,094,892
	11,231	8,191	2,987	-	-	22,408
	(12,143)	(8,857)	-	-	-	(21,000)
	(75,772)	(55,263)	(18,855)	(31,539)	-	(181,428)
	645,837	471,027	160,708	268,816	-	1,546,390
	920,586	739,748	193,035	420,351	666,129	2,939,848
	253,799	203,943	26,609	-	183,647	667,998
	4,995	4,014	1,047	-	3,615	13,671
	(18,610)	(14,955)	(3,482)	(6,633)	(13,466)	(57,146)
	166,480	133,777	31,153	59,336	120,464	511,211
	-	-	-	-	-	-
	-	208,799	239,853	29,549	668,384	1,146,585
	-	4,166	4,786	1,179	13,336	23,466
	(4,104)	(4,714)	(592)	-	(13,137)	(22,547)
	35,652	40,954	5,144	-	114,124	195,873
	688,532	-	-	-	-	688,532
	(265,336)	-	-	-	-	(265,336)
	144,907	-	-	-	-	144,907
	321,071	-	-	-	-	321,071
	(5,198)	-	-	-	-	(5,198)
	43,666	-	-	-	-	43,666
	402,453	-	-	-	-	402,453
	(267,071)	-	-	-	-	(267,071)
	172,119	-	-	-	-	172,119
	-	-	-	-	58,434	58,434
	-	-	-	-	(1,574)	(1,574)
	-	-	-	-	10,644	10,644
	Treatment Capital Allocated Using B/EC (See Schedule HJS-5)					-
	-	-	-	-	-	-
	-	-	-	-	-	-
Total To Recover through Rates	\$ 1,235,144	\$ 6,702,471	\$ 5,089,376	\$ 1,563,372	\$ 2,613,660	\$ 1,810,598

6% 35% 27% 8% 14% 10% 1.00

COST OF SERVICE PER UNIT

Description of Billing Units
Percentage of Dollars Allocated
Allocated Cost
Divided by: Number of Units
Unit Cost of Service

Metering	(1)	(2)	(2)	(2)	(2)	(3)	Total
Equivalent meters x 12 months	1000's of gallons annually	Equivalent Connections					
3.0%	35.2%	26.8%	8.2%	13.7%	9.2%		100.0%
\$ 568,103	\$ 6,702,471	\$ 5,089,376	\$ 1,563,372	\$ 2,613,660	\$ 1,743,094		\$ 19,014,621
210,300	605,900	441,900	188,500	359,900	160,336		
\$2.7014	\$11.06	\$11.52	\$8.29	\$7.26	\$10.87		
per equiv per month	per 1000 gallons	per 1000 gallons	per 1000 gallons	per 1000 gallons	Equivalent connections		

Description of Billing Units
Percentage of Dollars Allocated
Allocated Cost
Divided by: Number of Units
Unit Cost of Service

Billing	Services	Hydrants
No. of bills per year	Equivalent Connections	No. of Hydrants
1.6%	1.9%	0.4%
\$ 307,502	\$ 359,539	\$ 67,503
175,323	276,936	1,042
\$1.7539	\$1.2983	\$64.7826
per bill	per equiv	per Hydrant

(1)

- (1) From HJS Schedule D-1, 'Water Accounts, by Size and Class'.
- (2) From HJS Schedule B-6, 'Water Demand History'.
- (3) From HJS Schedule D-2, 'Fire Protection Accounts'.

Allocation Basis	Used to allocate the following cost categories:	Source Schedule	Base	Max Day	Max Hour	Metering	Billing	Services	Direct Fire Protection	Total % Allocated
Average Day Demand Patterns	Supply, Laboratory	N/A	100%							100%
Maximum Day Demand Patterns	Treatment	B-1	62%	38%	0%					100%
Maximum Hour Demand Patterns	Pumping, Transmission/Distribution, Storage	B-1	38%	23%	39%					100%
Fire Protection	Public/Private Fire Protection Costs	D-2							100%	100%
Non Admin less electricity & chemicals	Administration Salaries, Wages, & Benefits	B-1	60%	19%	7%	6%	6%	2%	1%	100%
Customer Service Salaries and Wages	Customer Service Salaries, Wages, & Benefits	B-4	0%	0%	0%	48%	40%	12%	0%	100%
Non-Administrative Wages & Salaries	Administrative Labor Related	B-1	57%	22%	8%	6%	5%	1%	0%	100%
Capital Costs	Certain Legal and Administrative	B-1	59%	27%	8%	4%	0%	2%	0%	0%
Total Non-Admin Costs before Offsets	Administration Non-Salary Costs	B-1	64%	21%	7%	4%	2%	2%	0%	100%
Other Costs	Treatment Plant Capital	B-1	60%	19%	7%	6%	6%	2%	1%	100%
Treatment Plant Capital		B-4	62%	38%	0%	0%	0%	0%	0%	0%

Administration 15-500-2200

Salaries by Staff Position	
Director of Utilities	\$ 87,347
Administrative Secretary	\$ 34,986
Deputy Director - Finance	\$ 66,733
Deputy Director - Engineering	\$ 76,332
Financial Analyst	\$ 32,520
Salary \$ Allocation Results	\$ 297,917

Resulting % Allocation of Administration Salaries, Wages, & Benefits

Allocation of Salary Costs									
Base	Max Day	Max Hour	Metering	Billing	Services	Direct Fire Protection	Total Allocated		
60%	19%	7%	6%	6%	2%	1%	100%		
60%	19%	7%	6%	6%	2%	1%	100%		
60%	19%	7%	6%	6%	2%	1%	100%		
60%	19%	7%	6%	6%	2%	1%	100%		
\$ 177,623	\$ 55,948	\$ 22,074	\$ 16,972	\$ 18,671	\$ 5,089	\$ 1,541	\$ 297,917		
60%	19%	7%	6%	6%	2%	1%	100%		

Customer Service 15-500-2209

Salaries by Staff Position	
Meter Repairman/Reader	\$ 41,112
Meter Repairman/Reader	\$ 50,878
Principal Account Clerk	\$ 47,876
Meter Repairman/Reader	\$ 51,298
Maintenance Mechanic	\$ 53,755
Principal Account Clerk	\$ 23,988
Water Meter Foreman	\$ 64,557
Salary \$ Allocation Results	\$ 333,414

Resulting % Allocation of Customer Service Salaries, Wages, & Benefits

50%	50%	100%	33%	34%	100%	100%
50%	50%	100%	33%	34%	100%	100%
100%	100%	33%	33%	34%	100%	100%
\$ 41,112	\$ 50,878	\$ 47,876	\$ 51,298	\$ 53,755	\$ 23,988	\$ 64,557
50%	50%	100%	33%	34%	100%	100%
\$ 333,414	\$ 160,274	\$ 132,914	\$ 40,226	\$ 1,541	\$ 1,541	\$ 333,414
50%	48%	40%	12%	0%	0%	100%

Functional Break Down of Existing Fixed Assets

	Supply	Treatment Station 1	Treatment Lawton Valley	Treatment Both Plants	T&D	T&D Pump	Fire	Meters	Services	Billing
TRANSMISSION/DISTRIBUTION	\$ 32,296,348				100%					100%
LAWTON VALLEY STATION 1	\$ 50,565,297	100%								100%
TREATMENT BOTH	\$ 43,548,893		100%							100%
STORAGE	\$ 14,635,624			100%						100%
SOURCE OF SUPPLY	\$ 27,662,753									100%
METERS	\$ 6,862,709					100%				100%
SERVICES	\$ 4,345,187							100%		100%
T&D PUMPING	\$ 1,188,312						100%			100%
BILLING	\$ 465,430									100%
FIRE	\$ 541,499									100%
Total	\$ 185,179,866									
LABORATORY	\$ 80,000	100%	0%	0%	0%	0%	0%	0%	0%	0%
LAND AND ROW	\$ 3,594,491	15%	24%	8%	19%	1%	0%	4%	2%	0%
Total	\$ 3,674,491									

Total Fixed Assets \$ 188,854,357

	Supply	Treatment Station 1	Treatment Lawton Valley	Treatment Both Plants	T&D	T&D Pump	Fire	Meters	Services	Billing	Total
TRANSMISSION/DISTRIBUTION	\$ 32,296,348				\$ 32,296,348						\$ 32,296,348
LAWTON VALLEY STATION 1	\$ 50,565,297		50,565,297								50,565,297
TREATMENT BOTH	\$ 43,548,893	43,548,893		14,635,624							43,548,893
STORAGE	\$ 14,635,624			14,635,624	3,067,813						14,635,624
SOURCE OF SUPPLY	\$ 27,662,753							6,862,709			27,662,753
METERS	\$ 6,862,709								4,345,187		6,862,709
SERVICES	\$ 4,345,187									4,345,187	4,345,187
T&D PUMPING	\$ 1,188,312				1,188,312						1,188,312
BILLING	\$ 465,430									465,430	465,430
FIRE	\$ 541,499						541,499				541,499
WORK IN PROGRESS	\$ -										-
Total	\$ 185,179,866	\$ 43,548,893	\$ 50,565,297	\$ 14,635,624	\$ 35,364,161	\$ 1,188,312	\$ 541,499	\$ 6,862,709	\$ 4,345,187	\$ 465,430	\$ 185,179,866
	15%	24%	27%	8%	19%	1%	0%	4%	2%	0%	0%

Total Allocated \$ 188,854,357

	Supply	Treatment Station 1	Treatment Lawton Valley	Treatment Both Plants	T&D	T&D Pump	Fire	Meters	Services	Billing	Total
LABORATORY	\$ 80,000										\$ 80,000
LAND AND ROW	\$ 3,594,491	845,319	981,513	284,089	686,447	23,066	10,511	133,211	84,344	9,034	3,594,491
Total	\$ 616,956	\$ 845,319	\$ 981,513	\$ 284,089	\$ 686,447	\$ 23,066	\$ 10,511	\$ 133,211	\$ 84,344	\$ 9,034	\$ 3,674,491
	17%	23%	27%	8%	19%	1%	0%	4%	2%	0%	0%
Total Allocated	\$ 28,279,710	\$ 44,394,212	\$ 51,546,810	\$ 14,919,713	\$ 36,050,608	\$ 1,211,378	\$ 552,010	\$ 6,995,920	\$ 4,429,531	\$ 474,464	\$ 188,854,357
% of Total Asset Value	15%	24%	27%	8%	19%	1%	0%	4%	2%	0%	0%

Functionalization of Capital Costs

	Supply	Treatment Station 1	Treatment Lawton Valley	Treatment Both Plants	T&D	T&D Pump	Fire	Meters	Services	Billing
Capital Spending Restricted Account	\$ 15%	24%	27%	8%	19%	1%	0%	4%	2%	0%
Debt Service	\$ 15%	24%	27%	8%	19%	1%	0%	4%	2%	0%
	\$ 2,500,000									
	\$ 6,783,195									
	\$ 9,283,195									

	Supply	Treatment Station 1	Treatment Lawton Valley	Treatment Both Plants	T&D	T&D Pump	Fire	Meters	Services	Billing	Total
Capital Spending Restricted Account	\$ 374,359	\$ 587,678	\$ 682,362	\$ 197,503	\$ 477,228	\$ 16,036	\$ 7,307	\$ 92,610	\$ 58,637	\$ 6,281	\$ 2,500,000
Debt Service	\$ 1,015,739	\$ 1,594,524	\$ 1,851,438	\$ 535,880	\$ 1,294,851	\$ 43,510	\$ 19,827	\$ 251,277	\$ 159,098	\$ 17,042	\$ 6,783,195
	\$ 1,390,098	\$ 2,182,211	\$ 2,533,800	\$ 733,383	\$ 1,772,079	\$ 59,546	\$ 27,134	\$ 343,887	\$ 217,735	\$ 23,322	\$ 9,283,195

FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Demand Projection Options			Rate Year Demand Projection	Demand Projection from 4595
								2-Year Avg.	3-Year Avg.	Trend		
640,966	618,574	663,331	651,514	670,930	621,387	643,010	609,006	626,008	624,468	605,896	605,900	661,222
502,475	472,437	485,331	446,842	467,568	440,354	457,187	438,155	447,671	445,232	441,934	441,900	457,205
137,731	222,858	250,769	276,891	217,265	193,192	180,514	192,925	186,720	188,877	188,477	188,500	247,078
398,827	407,837	411,578	455,255	410,309	381,114	380,190	369,706	374,948	377,003	359,891	359,900	432,782
1,679,999	1,721,706	1,811,009	1,830,502	1,766,072	1,636,047	1,660,901	1,609,792	1,635,347	1,635,580	1,596,198	1,596,200	1,798,287

Annual Demand by Class

Residential	640,966
Non-Residential	502,475
Navy	137,731
Portsmouth	398,827
Total (in 1000's Gallons)	1,679,999

	Peaking Comparison										Diversity
	Combined Station #1 and LV WTP Production Volumes in 1,000 gals										
	2011	2012	2013	2014	2015	2016	2017	2018	Peaks	Estimated	
Annual Production	2,304,024	2,059,646	2,071,219	2,115,343	2,027,100	2,009,979	1,986,241	1,823,116	1,904,679		
Average Day Production	6,312	5,643	5,675	5,795	5,554	5,507	5,442	4,995	5,218.30		
Maximum Month Production	268,468	244,463	236,739	227,653	219,066	208,121	230,922	215,388	223,155		
Maximum Day Production	10,163	10,606	9,721	9,462	8,690	7,878	8,660	8,144	8,402		
Max Day Date	7/23/2011	7/7/2012	7/7/2012	7/6/2013	7/25/2014	7/24/2015	7/22/2016	8/22/2017			
Maximum Day Peaking Factor	1.61	1.88	1.71	1.63	1.56	1.43	1.59	1.63	1.6	1.97	1.21
Max-Day to Avg. Day/Max-Month Ratio	1.17	1.34	1.27	1.29	1.23	1.17	1.16	1.17	1.2		
Maximum Hour	12,100	12,500	14,200	12,500	16,000	12,600	13,100	15,900	13,867		
Maximum Hour Peaking Factor	1.92	2.22	2.50	2.16	2.88	2.29	2.41	3.18	3.2	2.73	0.86

(1) Calculated according to AWWA M-1 Guidelines

Estimation of Each Customer Class' Peaking Factors

Customer Class	Max Day Demand Factor	Max Hour Demand Factor
Residential	1.97	2.62
Non-Residential	2.07	3.10
Navy	1.76	2.46
Portsmouth	1.92	2.56
Fire	(5)	
Estimated Systemwide Peaks	1.97	2.73

(5) Fire peaking behavior is estimated using a separate methodology demonstrated in HJS Schedule B-11, 'Fire Protection Demand Analysis'.

System Demands Imposed by Each Customer Class' Peaking Behavior

Customer Class	Rate Year Demand (1,000 gallons)					% Average Demand Ex PWFD & 50% Navy	% Average Demand Ex PWFD
	Annual Demand	Average Daily Demand	Lost Water Adjustment	Adjusted Average Daily Demand	% Average Demand by Class		
Residential	605,900	1,660	399	2,059	40.42%	54%	50%
Non-Residential	441,900	1,211	291	1,501	29.48%	39%	37%
Navy	188,500	516	31	547	10.75%	7%	13%
Portsmouth	359,900	986	-	986	19.36%	0%	0%
Fire					N/A	N/A	N/A
Total, w Fire Prot.	1,596,200	4,373	13%	5,093	100%	100%	100%

Production (1) 1,859,085 5,093 14.14%

Customer Class	Max Day Calculations			% of Daily Peaks			Max Hour Calculations			% of Hourly Peaks		
	Max Day Peaking Factor	Demand x Peaking Factor (3)	Incremental Peak Demand	With Full PWFD & Navy	Without PWFD & Navy	Incremental Peak Demand	Max Hour Peaking Factor	Demand x Peaking Factor	With Full PWFD & Navy	Without PWFD & Navy	Incremental Peak Demand	
Residential	1.97	4,049	1,990	31.3%	38.0%	36.5%	2.62	5,398	16.4%	18.2%	1,350	
Non-Residential	2.07	3,101	1,599	25.2%	30.5%	29.4%	3.10	4,651	18.8%	20.9%	1,550	
Navy	1.76	965	417	6.6%	4.0%	7.7%	2.46	1,347	4.6%	2.6%	382	
Portsmouth	1.92	1,895	909	14.3%	0.0%	0.0%	2.56	2,526	7.7%	0.0%	632	
Fire		1,440	1,440	22.7%	27.5%	26.4%		5,760	52.5%	58.3%	4,320	
Total, w Fire Prot.		11,449	6,355	100.0%	100.0%	100.0%		19,682	100.0%	100.0%	8,233	
Total, without Fire Protection		10,009	4,915					13,922			3,913	

(demand is in thousands of gallons)

(1) From HJS Schedule D-4. The lost water adjustment is made to the peaking analysis so that Portsmouth will not share in that portion of certain operating costs. Navy allocation is reduced to 25%.

(2) From HJS Schedule B-11, Fire Protection Demand Analysis'.

EACH RATE CLASS' SHARE OF SYSTEM PEAKS

Rate Class	Average Demand	Daily Peaks	Hourly Peaks
Retail			
Residential	40%	31%	16%
Non-Residential	29%	25%	19%
Navy	11%	7%	5%
Portsmouth	19%	14%	8%
Fire	N/A	23%	52%
	100%	100%	100%

BASE/EXTRA-CAPACITY DISTRIBUTION OF SYSTEM PEAKS

	Incremental Demand	% Distribution for Max Day	% Distribution for Max Hour
Base	5,218	62.1%	37.6%
Extra Capacity			
Max Day	3,184	37.9%	23.0%
Max Hour	5,465		39.4%
Fire Protection			
Max Day	-	0.0%	0.0%
Max Hour			0.0%
Total%		100.0%	100.0%
Total 1000's Gallons		8,402	13,867

Rhode Island Public Utilities Commission
Docket XXXX
FY 2020 Rate Filing
HIS Schedule B-11
Fire Protection Demand Analysis

Docket XXXX

FIRE PROTECTION ASSUMPTIONS

Fire Protection Flow (gals per minute)	4,000
Hourly Fire Protection Flow (1000's of gallons)	240
Length of Fire Event (in hours)	6

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Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-1
 Water Accounts, by Size and Class

Connection Size	NON-RESIDENTIAL			RESIDENTIAL			WHOLESALE (Monthly)				
	Meter Factors	Meter Read Frequency	Equivalent Meters	Meter Read Frequency	Equivalent Meters	Navy Meters	Navy Equivalents	Ports Meters	Ports Equivalents	Mouth Meters	Mouth Equivalents
		Monthly	Monthly	Monthly	Monthly						
5/8	1.0	877	877	9,839	9,839	5	5	0	0	0	0
3/4	1.1	304	334	2,229	2,452	1	1	0	0	0	0
1	1.4	213	298	357	500	1	1	0	0	0	0
1.5	1.8	202	364	180	324	1	2	0	0	0	0
2	2.9	162	470	92	267	1	3	0	0	0	0
3	11.0	42	462	18	198	0	0	0	0	0	0
4	14.0	13	182	2	28	0	0	0	0	0	0
5	18.0	-	-	10	-	0	0	0	0	0	0
6	21.0	16	336	1	210	8	168	0	0	0	0
8	29.0	3	87	1	29	0	0	0	0	0	0
10	43.5	-	-	-	-	1	44	1	44	1	44
Total	14,579	1,832	3,410	12,728	13,847	18	224	1	44	1	44

Equivalent Meter Units	
Equivalent Meter Units	210,300
17,525	-
N/A	N/A
Total	210,300

Equivalent Billing Units	
Equivalent Billing Units	174,948
-	-
375	375
Total	175,323

Billed Monthly
 Billed Quarterly
 Billed Annually

Connection Size	Existing Differential	Number of Connections	Equivalent Connections (2)
6	111.31	624	69,458
6	111.31	409	45,526
6	111.31	9	1,002
Subtotal: Public Hydrants			115,986
			72%

Private Fire Connections

2	6.19	0	-
4	38.32	79	3,027
6	111.31	237	26,381
8	237.21	54	12,809
10	426.58	5	2,133
12	689.04	0	-
Subtotal: Private Fire Connections			44,350
Total Fire Connections			160,336
			28%
			100%

(1) Demand factors are based on the principles of the Hazen-Williams equation for flow through pressure conduits. For more information, see the AWWA M1 rate manual chapter on fire protection charges.

(2) Equivalent connections are arrived at by multiplying the number of connections by the demand factor.

General Water Service

Connection Size	Service		No. of Services	Equivalent Connections
	Cost	Connections		
5/8	1,000	10,721	10,721	10,721
3/4	1,000	2,534	2,534	2,534
1	1,860	571	1,062	1,062
1.5	4,630	383	1,773	1,773
2	6,150	255	1,568	1,568
3	11,060	60	664	664
4	11,060	15	166	166
5	11,060	0	0	0
6	11,060	34	376	376
8	11,060	4	44	44
10	11,060	2	22	22
			14,579	18,931
				82%

Subtotal General Service Private Fire Connections

2	6,150	0	-
4	11,060	79	874
6	11,060	237	2,621
8	11,060	54	597
10	11,060	5	55
12	11,060	0	-
Subtotal: Private Fire Connections			4,148
			18%

Annualized Total Retail & Private Fire Connections

12	14,954	276,936	100%
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	Station #1		Max. Month:	Lawton Valley		Max. Month:	Combined	
	In Gallons	in 1000's		In Gallons	in 1000's		In Gallons	in 1000's
<u>FY 12 JULY 2011 - JUNE 2012</u>								
July	1,183,810,000	1,183,810	July	875,836,000	875,836	July	2,059,646,000	2,059,646
	145,762,000	145,762	July	98,700	99	July	244,462,700	244,463
<u>FY 13 JULY 2012 - JUNE 2013</u>								
July	1,076,157,000	1,076,157	July	995,062,000	995,062	July	2,071,219,000	2,071,219
	116,038,000	116,038	July	120,700,600	120,701	July	236,738,600	236,739
<u>FY14 JULY 2013 - JUNE 2014</u>								
September	1,151,855,000	1,151,855	July	963,487,700	963,488	July	2,115,342,700	2,115,343
	123,318,000	123,318	July	113,098,100	113,098	July	227,653,100	227,653
<u>FY 15 JULY 2014 - JUNE 2015</u>								
July	874,221,000	874,221	August	1,152,879,049	1,152,879	August	2,027,100,049	2,027,100
	103,314,000	103,314	August	117,426,100	117,426	August	219,066,100	219,066
<u>FY 16 JULY 2015 - JUNE 2016</u>								
August	843,399,000	843,399	June	1,166,580,000	1,166,580	August	2,009,979,000	2,009,979
	95,865,000	95,865	June	112,892,000	112,892	August	208,121,000	208,121
<u>FY 17 JULY 2016 - JUNE 2017</u>								
August	840,881,000	840,881	July	1,145,360,000	1,145,360	July	1,986,241,000	1,986,241
	102,246,000	102,246	July	129,656,000	129,656	July	230,922,000	230,922
<u>FY 18 JULY 2017 - JUNE 2018</u>								
July	746,153,456	746,153	August	1,076,962,802	1,076,963	August	1,823,116,257	1,823,116
	92,763,000	92,763	August	122,673,000	122,673	August	215,388,000	215,388

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	Station #1			Lawton Valley			Combined		
	Max Day Production			Max Day Production			Max Day Production		
	Max Day	In Gallons	in 1000's	Max Day	In Gallons	in 1000's	Max Day	In Gallons	in 1000's
<u>FY 12 JULY 2011 - JUNE 2012</u>	7/4/2011	5,703,000	5,703	8/3/2011	5,981,000	5,981	7/23/2011	10,606,000	10,606
<u>FY 13 JULY 2012 - JUNE 2013</u>	7/6/2012	4,697,000	4,697	9/25/2012	5,400,000	5,400	7/7/2012	9,721,000	9,721
<u>FY14 JULY 2013 - JUNE 2014</u>	9/30/2013	4,749,000	4,749	7/6/2013	5,025,000	5,025	7/6/2013	9,462,000	9,462
<u>FY 15 JULY 2014 - JUNE 2015</u>	9/16/2014	4,096,000	4,096	7/25/2014	5,100,000	5,100	7/25/2014	8,690,000	8,690
<u>FY 16 JULY 2015 - JUNE 2016</u>	7/24/2015	3,484,000	3,484	6/26/2016	4,594,000	4,594	7/24/2015	7,878,000	7,878
<u>FY 17 JULY 2016 - JUNE 2017</u>	7/22/2016	3,715,000	3,715	7/22/2016	4,945,000	4,945	7/22/2016	8,660,000	8,660
<u>FY 18 JULY 2017 - JUNE 2018</u>	7/20/2017	3,472,000	3,472	8/22/2017	5,410,000	5,410	8/22/2017	8,144,000	8,144

PEAK HOURLY FLOW

	Date	Station #1		Date	Lawton Valley	
<u>FY 12 JULY 2011 - JUNE 2012</u>	7/5/2011	6.50	MGD	7/7/2011	6.0	MGD
<u>FY 13 JULY 2012 - JUNE 2013</u>	6/11/2013	8.20	MGD	7/17/2012	6.0	MGD
<u>FY14 JULY 2013 - JUNE 2014</u>	10/16/2013	6.50	MGD	7/7/2013	6.0	MGD
<u>FY 15 JULY 2014 - JUNE 2015</u>	8/29/2014	9.00	MGD	11/12/2014	7.0	MGD
<u>FY 16 JULY 2015 - JUNE 2016</u>	6/20/2016	5.60	MGD	5/26/2018	7.0	MGD
<u>FY 17 JULY 2016 - JUNE 2017</u>	8/7/2016	6.30	MGD	11/12/2016	6.8	MGD
<u>FY 18 JULY 2017 - JUNE 2018</u>	8/21/2017	8.50	MGD	8/21/2018	7.4	MGD

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Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-4
 Demand Summary

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Fiscal Year Annual Demand								
Residential	640,966	618,574	663,331	651,514	670,930	621,387	643,010	609,006
Non-Residential	502,475	472,437	485,331	446,842	467,568	440,354	457,187	438,155
Navy	137,731	222,858	250,769	276,891	217,265	193,192	180,514	192,925
Portsmouth	398,827	407,837	411,578	455,255	410,309	381,114	380,190	369,706
Total 1000's Gallons	1,679,999	1,721,706	1,811,009	1,830,502	1,766,072	1,636,047	1,660,901	1,609,792

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Max Month Demand								
Residential	83,630	196,307	185,908	185,908	76,838	69,250	83,397	69,990
Commercial	61,978	67,646	78,970	78,970	58,767	52,691	60,766	54,230
Navy	24,640	25,677	33,876	33,876	30,167	24,095	18,507	18,345
Portsmouth	46,840	51,672	50,961	50,961	45,224	43,180	51,240	42,860
NonCoincident Max Month	217,088	-	341,302	349,715	210,996	189,216	213,910	185,425

(1000's of gallons)

Unaccounted for Water Analysis

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	3 Year Average	2 Year Average
Billed Consumption (1,000 gals.)	1,679,999	1,721,706	1,811,009	1,830,502	1,766,072	1,636,047	1,660,901	1,609,792	1,635,580	1,635,347
Total Water Produced (1,000 gals.)	2,304,024	2,059,646	2,071,219	2,115,343	2,027,100	2,009,979	1,986,241	1,823,116	1,939,779	1,904,679
Unaccounted for Water (1,000 gals.)	624,026	337,940	260,210	284,841	261,028	373,932	325,340	213,324	304,199	269,332
Percent Unaccounted for Water	27.08%	16.41%	12.56%	13.47%	12.88%	18.60%	16.38%	11.70%	15.56%	14.14%

FY 2018 Retail Billed Consumption (kgal) - Data from Demand Detail tab.

	July	August	September	October	November	December	January	February	March	April	May	June	Total	Avg Day	Max Mon	Max Mo	Avg Day	Max Mo
Residential	52,362	64,716	69,990	62,297	48,926	48,061	44,626	48,685	39,432	42,966	38,874	48,071	609,006	1,669	69,990	2,333	1,669	69,990
Non Residential	36,858	46,992	54,230	50,289	41,153	35,023	29,626	25,685	24,909	29,654	27,064	36,662	438,155	1,200	54,230	1,808	1,200	54,230
Navy	13,621	12,855	17,843	14,959	15,133	16,550	18,945	16,569	16,252	17,537	15,038	18,223	192,925	529	18,345	612	529	18,345
Portsmouth	31,510	42,590	42,860	36,810	34,810	25,806	25,230	29,340	24,290	21,540	27,590	27,330	369,706	1,013	42,860	1,429	1,013	42,860

Based on Monthly Billing Data

	Residential	Non Residential
FY 2018 Average Day (MGD)	1.67	1.20
Avg Day of Max Month (MGD)	2.33	1.81
MM/AD Factor	1.40	1.51
System MD/MM Ratio	1.17	1.17
Weekly Usage Adjustment	1.20	1.17
Max Day Capacity Factor	1.97	2.07

Based on Daily Meter Data²

	Navy	PWFD
FY 2018 Average Day	0.53	1.02
FY 18 Maximum Day	0.93	1.96
Max Day/Avg Day	1.76	1.92
Max Day Capacity Factor	1.76	1.92

2 - Max Day Demand Factors for PWFD and the Navy are based on daily meter read data. PWFD data provided by W. McGlenn. Navy data gathered using data profilers installed on Navy meters.

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Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 H/S Schedule D-5
 Debt Service Restricted Account Cashflow

	FY 2018 ACTUAL											
	July	August	September	October	November	December	January	February	March	April	May	June
Debt Service Account												
Beginning Cash Balance	\$ 4,326,992	\$ 4,895,623	\$ 5,464,815	\$ 589,892	\$ 1,157,484	\$ 1,725,297	\$ 2,293,377	\$ 2,965,126	\$ 3,554,201	\$ 2,813,509	\$ 3,382,835	\$ 3,952,995
Additions												
From Rates	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	1,048	1,608	1,922	8	230	466	974	1,492	1,766	1,743	2,577	3,383
Total Additions	\$ 568,632	\$ 569,192	\$ 569,505	\$ 567,592	\$ 567,813	\$ 568,079	\$ 568,557	\$ 569,076	\$ 569,349	\$ 569,326	\$ 570,160	\$ 570,966
Deductions												
To Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	-	-	5,444,428	-	-	-	-	-	-	-	-	-
Total Deductions	\$ -	\$ -	\$ 5,444,428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,310,042	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 4,895,623	\$ 5,464,815	\$ 589,892	\$ 1,157,484	\$ 1,725,297	\$ 2,293,377	\$ 2,985,126	\$ 3,554,201	\$ 2,813,509	\$ 3,382,835	\$ 3,952,995	\$ 4,523,961

	FY 2019 ACTUAL											
	July	August	September	October	November	December	January	February	March	April	May	June
Debt Service Account												
Beginning Cash Balance	\$ 4,523,961	\$ 5,095,698	\$ 142,721	\$ 716,147	\$ 1,284,000	\$ 1,852,589	\$ 2,421,672	\$ 2,989,255	\$ 3,556,839	\$ 3,169,569	\$ 3,737,152	\$ 4,304,736
Additions												
From Rates	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583	\$567,583
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	4,153	5,328	5,842	270	1,005	1,500	-	-	-	-	-	-
Total Additions	\$ 571,736	\$ 572,912	\$ 573,426	\$ 567,854	\$ 568,589	\$ 569,083	\$ 567,583	\$ 567,583	\$ 567,583	\$ 567,583	\$ 567,583	\$ 567,583
Deductions												
To Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Use of Bond Proceeds	-	5,525,888	-	-	-	-	-	-	(304,528)	-	-	-
Existing Debt Service	-	-	-	-	-	-	-	-	1,259,382	-	-	-
Total Deductions	\$ -	\$ 5,525,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 954,853	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,095,698	\$ 142,721	\$ 716,147	\$ 1,284,000	\$ 1,852,589	\$ 2,421,672	\$ 2,989,255	\$ 3,556,839	\$ 3,169,569	\$ 3,737,152	\$ 4,304,736	\$ 4,872,319

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	July	August	September	October	November	December	January	February	March	April	May	June
FY 2020 PROJECTED												
Debt Service Account												
Beginning Cash Balance	\$ 4,872,319	\$ 5,439,902	\$ 428,445	\$ 1,298,240	\$ 1,863,506	\$ 2,428,773	\$ 2,994,039	\$ 3,559,305	\$ 4,124,571	\$ 3,553,032	\$ 4,118,298	\$ 4,663,564
Additions												
From Rates	\$567,583	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 567,583	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266
Deductions												
To Capital Restricted Acct.	-	-	(304,528)	-	-	-	-	-	(67,349)	-	-	-
Use of Bond Proceeds	5,579,040								1,204,155			
Existing Debt Service	-	-	(304,528)	-	-	-	-	-	1,136,806	-	-	-
Total Deductions	\$ -	\$ -	\$ (304,528)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,136,806	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,439,902	\$ 428,445	\$ 1,298,240	\$ 1,863,506	\$ 2,428,773	\$ 2,994,039	\$ 3,559,305	\$ 4,124,571	\$ 3,553,032	\$ 4,118,298	\$ 4,663,564	\$ 5,248,831

	July	August	September	October	November	December	January	February	March	April	May	June
FY 2021 PROJECTED												
Debt Service Account												
Beginning Cash Balance	\$ 5,248,831	\$ 5,814,097	\$ 603,848	\$ 1,169,114	\$ 1,734,381	\$ 2,299,647	\$ 2,864,913	\$ 3,430,179	\$ 3,995,446	\$ 3,333,777	\$ 3,899,043	\$ 4,464,309
Additions												
From Rates	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266	\$565,266
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266	\$ 565,266
Deductions												
To Capital Restricted Acct.	-	-	-	-	-	-	-	-	1,226,935	-	-	-
Existing Debt Service	5,775,515											
Total Deductions	\$ -	\$ 5,775,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,226,935	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,814,097	\$ 603,848	\$ 1,169,114	\$ 1,734,381	\$ 2,299,647	\$ 2,864,913	\$ 3,430,179	\$ 3,995,446	\$ 3,333,777	\$ 3,899,043	\$ 4,464,309	\$ 5,029,575

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	July	August	September	October	November	December	January	February	March	April	May	June
FY 2022 PROJECTED												
Debt Service Account												
Beginning Cash Balance	\$ 5,029,575	\$ 5,641,026	\$ 306,330	\$ 917,781	\$ 1,529,232	\$ 2,140,683	\$ 2,752,134	\$ 3,363,585	\$ 3,975,036	\$ 3,424,843	\$ 4,036,294	\$ 4,647,745
Additions												
From Rates	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451
From Capital Restricted Acct	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451
Deductions												
To Capital Restricted Acct	-	5,946,147	-	-	-	-	-	-	1,161,643	-	-	-
Existing Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Deductions	\$ -	\$ 5,946,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,161,643	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,641,026	\$ 306,330	\$ 917,781	\$ 1,529,232	\$ 2,140,683	\$ 2,752,134	\$ 3,363,585	\$ 3,975,036	\$ 3,424,843	\$ 4,036,294	\$ 4,647,745	\$ 5,255,196

	July	August	September	October	November	December	January	February	March	April	May	June
FY 2023 PROJECTED												
Debt Service Account												
Beginning Cash Balance	\$ 5,259,196	\$ 5,870,647	\$ 299,961	\$ 911,412	\$ 1,522,862	\$ 2,134,313	\$ 2,745,764	\$ 3,357,215	\$ 3,968,666	\$ 3,427,757	\$ 4,039,208	\$ 4,650,659
Additions												
From Rates	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451
From Capital Restricted Acct	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451
Deductions												
To Capital Restricted Acct	-	6,182,137	-	-	-	-	-	-	1,152,360	-	-	-
Existing Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Total Deductions	\$ -	\$ 6,182,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,152,360	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,870,647	\$ 299,961	\$ 911,412	\$ 1,522,862	\$ 2,134,313	\$ 2,745,764	\$ 3,357,215	\$ 3,968,666	\$ 3,427,757	\$ 4,039,208	\$ 4,650,659	\$ 5,262,109

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	FY 2024 PROJECTED											
	July	August	September	October	November	December	January	February	March	April	May	June
Debt Service Account												
Beginning Cash Balance	\$ 5,262,109	\$ 5,873,560	\$ 222,565	\$ 834,016	\$ 1,445,466	\$ 2,056,917	\$ 2,668,368	\$ 3,279,819	\$ 3,891,270	\$ 4,502,737	\$ 4,042,188	\$ 4,665,639
Additions												
From Rates	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451
Deductions												
To Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	-	6,262,447	-	-	-	-	-	-	1,071,984	-	-	-
Total Deductions	\$ -	\$ 6,262,447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,071,984	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,873,560	\$ 222,565	\$ 834,016	\$ 1,445,466	\$ 2,056,917	\$ 2,668,368	\$ 3,279,819	\$ 3,891,270	\$ 4,502,737	\$ 4,042,188	\$ 4,665,639	\$ 5,265,090

	FY 2025 PROJECTED											
	July	August	September	October	November	December	January	February	March	April	May	June
Debt Service Account												
Beginning Cash Balance	\$ 5,265,090	\$ 5,876,541	\$ 148,074	\$ 759,525	\$ 1,370,975	\$ 1,982,426	\$ 2,593,877	\$ 3,205,328	\$ 3,816,779	\$ 4,428,230	\$ 4,054,074	\$ 4,665,525
Additions												
From Rates	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451
From Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451
Deductions												
To Capital Restricted Acct.	-	-	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	-	6,339,918	-	-	-	-	-	-	985,606	-	-	-
Total Deductions	\$ -	\$ 6,339,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 985,606	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,876,541	\$ 148,074	\$ 759,525	\$ 1,370,975	\$ 1,982,426	\$ 2,593,877	\$ 3,205,328	\$ 3,816,779	\$ 4,428,230	\$ 4,054,074	\$ 4,665,525	\$ 5,276,976

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	FY 2026 PROJECTED											
	July	August	September	October	November	December	January	February	March	April	May	June
Debt Service Account												
Beginning Cash Balance	\$ 5,276,976	\$ 5,888,427	\$ 78,346	\$ 689,797	\$ 1,301,248	\$ 1,912,699	\$ 2,524,150	\$ 3,135,601	\$ 3,747,052	\$ 3,465,154	\$ 4,076,605	\$ 4,688,056
Additions	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451	\$611,451
From Rates	-	-	-	-	-	-	-	-	-	-	-	-
From Capital Restricted Acct	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Total Additions	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451	\$ 611,451
Deductions												
To Capital Restricted Acct	-	-	-	-	-	-	-	-	-	-	-	-
Existing Debt Service	-	6,421,532	-	-	-	-	-	-	893,349	-	-	-
Total Deductions	\$ -	\$ 6,421,532	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 893,349	\$ -	\$ -	\$ -
Ending Cash Balance	\$ 5,888,427	\$ 78,346	\$ 689,797	\$ 1,301,248	\$ 1,912,699	\$ 2,524,150	\$ 3,135,601	\$ 3,747,052	\$ 3,465,154	\$ 4,076,605	\$ 4,688,056	\$ 5,299,507

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Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HUS Schedule D-7
 Expense Detail - Administration

DOCKET XXXX

Account	Description	comments	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50001	Salaries & Wages							
	Director of Utilities - 60%		\$ 87,347					
	Administrative Secretary - 60%		\$ 34,986					
	Deputy Director - Finance - 60%		\$ 66,733					
	Deputy Director - Engineering - 60%		\$ 76,332					
	Financial Analyst 50%		\$ 32,520					
	Total		\$ 297,917	\$281,582	\$286,219	\$ 286,942	\$10,975	\$ 297,917
50044	Standby Salaries							
	3 employees per week at \$120 per week	3 employees \$120 per week	\$ 18,720	\$18,720	\$18,720	\$ 18,857	-\$137	\$ 18,720
		52 wks.				error - reclass \$5,760		
50520	Severance Benefits							
	vacation payout & sick time payout	fy 2018						
	paid from restricted bank account	4 employees	\$91,327					
50100	Employee Benefits							
	Director of Utilities - 60%	S-13	\$ 37,338					
	Administrative Secretary - 60%	S-04	\$ 22,638					
	Deputy Director - Finance - 60%	S-11	\$ 32,008					
	Deputy Director - Engineering - 60%	S-11	\$ 23,737					
	Financial Analyst 50%	N03-5	\$ 20,300					
	FICA on standby salaries, leave buyback, severance		\$ 1,623					
	Total		\$ 137,644	\$115,683	\$140,125	\$ 139,015	-\$1,371	\$ 137,644
50103	Retiree Insurance Coverage							
		Fy 2019 rates	\$28,441					
		monthly	\$3,791					
			\$32,232	\$265,000	\$265,000	\$ 372,907	\$13,877	\$ 386,784
50105	Workers Compensation							
	Premium fy 2018-2019		\$55,985					
	Quarterly direct charges		\$1,400					
	fy 2018 included audit adj of \$15.5k for 2016-7		\$57,385	\$64,000	\$64,000	\$ 78,304	-\$20,919	\$ 57,385

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 FY 2020 Rate Filing
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 Expense Detail - Administration

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Account	Description	comments	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50175	Annual Leave Buyback	3 year average	\$ 2,500	\$3,300	\$3,300	\$ 3,750	-\$1,250	\$ 2,500
50207	Advertisement	use existing budget	\$ 9,000	\$9,000	\$9,000	\$ 2,481	\$6,519	\$ 9,000
50210	Membership Dues & Subscriptions							
		2018	2020					
	RIWWA (7)	\$350	\$350					
	RI Secretary of State Notary Public	\$160	\$80					
	RI PE License (2)	\$600	\$600					
	AWWA dues	\$4,025	\$4,025					
	Total	\$4,532	\$5,055	\$2,500	\$2,500	\$ 4,532	\$523	\$ 5,055
50212	Conferences & Training	use existing budget	\$ 4,000	\$4,000	\$4,000	\$ 410	\$3,590	\$ 4,000
50214	Tuition Reimbursement	use existing budget	\$ 2,000	\$2,000	\$2,000	\$ -	\$2,000	\$ 2,000
50220	Consultant Fees							
	Legal Fees Includes Rate Case	2018	2020					
	Financial Consultant Rate case	\$8,400	\$110,000					
	PUC Rate Case Fees	\$60,350	\$67,000					
	Legal fees (non rate case)	\$8,400	\$8,400					
	Bank Trustees Fees	\$5,100	\$5,100					
	Wimborne property tax advisor	\$775	\$775					
	Total	\$14,275	\$251,625	\$136,878	\$136,878	\$ 14,275	\$237,350	\$ 251,625
50238	Postage	USPS & Fedx	\$ 1,000	\$1,000	\$1,000	\$ 941	\$59	\$ 1,000
50239	Fire & Liability Insurance	premium for fy2018-2019	\$36,500	\$67,000	\$67,000	\$ 78,689	-\$42,189	\$ 36,500

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 FY 2020 Rate Filing
 HJS Schedule D-7
 Expense Detail - Administration

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Account	Description	comments	Calculation FY 2020	Docket #595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50251	Telephone & Communication	monthly @ \$543 iPads 6 @ \$40 device replacement	\$10,600	\$5,600	\$5,600	\$ 10,608	-\$208	\$ 10,600
50261	Property Taxes	2019 with 2% Portsmouth \$440,210 Tiverton \$36,565 Little Compton \$11,756 Middletown \$58,000 \$548,550	\$557,462	\$567,770	\$567,770	\$ 535,316	\$22,146	\$ 557,462
50266	Legal & Administrative	updated to FY 2019 Budget	\$ 328,312	\$333,848	\$333,848	\$ 333,848	-\$5,536	\$ 328,312
50267	Data Processing (MIS)	updated to FY 2019 Budget	\$ 343,175	\$231,161	\$231,161	\$ 231,161	\$112,014	\$ 343,175
50268	Mileage Allowance		\$ 2,000	\$2,000	\$2,000	\$ 392	\$1,608	\$ 2,000
50271	Gasoline & Vehicle Allowance	cost per vehicle \$6,410 # of vehicles 1,00	\$ 6,410	\$5,389	\$5,389	\$ 10,723	-\$4,313	\$ 6,410
50275	Repairs & Maintenance	misc exp \$ 1,000	\$ 1,000	\$1,200	\$1,200		\$1,000	\$ 1,000
50280	Regulatory Expense	misc exp \$ 1,500	\$ 1,500	\$5,000	\$5,000	\$ 906	\$594	\$ 1,500
	Total							

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 FY 2020 Rate Filing
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Account	Description	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50281	Regulatory Assessment						
	FY 2018						
	RI Div. of PUC - Assessment	\$89,946					
	RI Dept. of Health - License	\$21,810					
	RI/WWA Assessment	\$700					
	Total	\$112,456	\$80,000	\$80,000	\$ 112,456	\$21,044	\$ 133,500
50305	Water						
	total	\$150 avg per mo	\$2,015	\$2,015	\$ 1,725	\$75	\$1,800
50306	Electricity 70 Halsey St.						
	2 yr. avg						
	kwh usage	37,332					
	total cost	\$6,950	\$7,956	\$7,956	\$ 7,293	-\$343	\$ 6,950
50307	Natural Gas						
	2 yr. avg						
	therms	4533					
	cost \$	5,125	\$5,226	\$5,226	\$ 5,504	-\$379	\$ 5,125
50361	Office Supplies						
	3 year avg						
	2016	\$12,137					
	2017	\$13,258	\$15,000	\$15,572	\$ 10,136	\$1,709	\$ 11,845
	2018	\$10,136					
50464	Water Revenue reserve						
	"not included in budget"	\$ 254,733				\$0	
50505	Self Insurance						
		\$ 5,000	\$5,000	\$5,000	\$ 2,564	\$2,416	\$ 5,000
Total							
		\$2,624,809	\$2,237,828	\$2,267,479	\$ 2,263,955	\$360,854	\$ 2,624,809
	check	\$ 2,624,809	\$2,237,828		\$ 2,414,709		

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 FY 2020 Rate Filing
 HJS Schedule D-8
 Expense Detail - Customer Service
 15-500-2209

Account	Description	Comments detail for 2020	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50001	Salaries & Wages							
	Meter Repairman/Reader		\$41,112					
	Prin. Account Clerk		\$47,876					
	Meter Repairman/Reader		\$50,878					
	Maintenance Mechanic		\$53,755					
	Billing Clerk 50% allocation		\$23,938					
	Meter Repairman/Reader		\$51,298					
	Water Meter Foreman		\$64,557					
	Total		\$353,414	\$297,917	\$316,581	\$291,674	\$41,740	\$353,414
50002	Overtime							
	seasonal shutoff notices	2 yr avg	\$2,700	\$5,409	\$5,409	\$2,611	\$89	\$2,700
50004	Temp Salaries							
				\$14,976	\$14,976	\$0	\$0	\$0
50100	Employee Benefits							
	Meter Repairman/Reader		\$32,275					
	Prin. Account Clerk		\$35,345					
	Meter Repairman/Reader		\$36,264					
	Maintenance Mechanic		\$36,608					
	Billing Clerk 50% allocation		\$17,673					
	Meter Repairman/Reader		\$36,393					
	Water Meter Foreman		\$40,451					
	FICA on OT, Temp salaries & Leave Buyback		\$524					
	Total		\$235,533	\$235,010	\$174,457	\$173,340	\$62,193	\$235,533
50120	Bank Fees (lock box)	\$1,200 per month	\$14,400	\$16,800	\$16,800	\$13,298	\$1,102	\$14,400
50175	Annual Leave Buyback	3 year average	\$4,150	\$4,150	\$4,500	\$2,526	\$1,624	\$4,150
50205	Copying & binding		600	\$500	\$500	\$532	\$68	\$600

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 FY 2020 Rate Filing
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 Expense Detail - Customer Service
 15-500-2209

Account	Description	Comments detail for 2020	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50212	Conferences & Training							
	Backflow Prevention Device Inspectors / Tester		\$700					
	Recertification Training		\$1,150					
	Cross Connection Control Surveyor		\$850					
	Training & Certification		\$300					
	Fundamentals of Cross Connection Control		\$3,000	\$5,000	\$840	\$2,160	\$3,000	
	American Backflow Prevention Association							
	Total							
50225	Support Services							
	Printing & mailing (TouchPoint Communications)		\$16,275					
	Opal Maintenance Contract		\$5,700					
	Beacon Mobile License		\$4,900					
	Beacon Mobile Hosting		\$21,240					
	Badger/orion service contract		\$3,500					
	total		\$51,615	\$26,175	\$26,175	\$19,252	\$32,363	\$51,615
50238	Postage							
	Postage paid thru printer		\$63,600					
	USPS direct paid		\$600					
	total		\$64,200	\$74,680	\$74,680	\$62,307	\$1,893	\$64,200
50271	Gasoline & Vehicle Allowance							
	cost per vehicle		\$6,410					
	# vehicles		5					
	total		\$32,050	\$26,945	\$26,945	\$30,831	\$1,219	\$32,050
50275	Repairs & Maintenance							
	Small Meters		\$10,000					
	Large Meters		\$10,000					
	Meter Pits		\$3,500					
	Strainers		\$2,000					
	Misc Parts and/or repair		\$2,700					
	meter gun repair		\$3,850					
	Trimble Handheld Repair and / or Replacement		\$2,950					
	CE /ME Receiver Repair and / or Replacement		\$35,000	\$35,000	\$39,880	\$22,708	\$12,292	\$35,000
	Total							

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-8
 Expense Detail - Customer Service
 15-500-2209

Account	Description	Comments detail for 2020	Calculation FY 2020	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50289	Meter Maintenance							
	Appurtenant piping, tail pieces ss fasteners		\$3,500					
	Annual Calibration of Navy meters reducing flanges		\$2,500					
	Annual Calibration of Portable Meter Tester		\$750					
	Certification of Backflow Testing Equipment		\$250					
	Reducing Flanges		\$2,000					
	Misc. Aprts		\$1,000					
	Total		\$10,000	\$10,000	\$10,000	\$7,696	\$2,304	\$10,000
50311	Operating Supplies							
	Repair External meter devices new tool & misc costs		\$2,500					
	gas detectors		\$2,500					
	confined space entry equipment							
	Machine & Tool Lubricant, Replace Blades, Drill Bits, etc							
	Tools (crimping, cutting, drilling, etc.) Service and Pit Keys							
	Total		\$5,000	\$5,000	\$5,000	\$7,924	(\$2,924)	\$5,000
50320	Uniforms & protective Gear							
	Unifirst uniforms		\$1,450					
	Safety Vests		\$150					
	Hi Viz Jackets		\$300					
	Gloves, Safety Glasses, Respirator, etc.		\$550					
	Total		\$2,450	\$1,000	\$1,000	\$0	\$2,450	\$2,450
50380	Customer Service Supplies							
	Conservation material		\$3,000	\$5,000	\$5,000	\$1,951	\$1,049	\$3,000

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-9
 Expense Detail - Source of Supply - Island
 15-500-2212

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50001	Salaries & Wages							
		Dist/Collect Operator	U3-7	\$56,404				
		Dist/Collection Foreman	U5-7	\$64,233				
		Dist/Collect Mechanic	U4-5	\$53,391				
		Laborer	U2-7	\$41,112				
		Dist/Collect Operator	U3-5	\$51,888				
		Super., Water Dist/Collect	N5-10	\$91,252				
		Allocate 50% (Distribution)		-\$45,626				
		Total		\$312,654	\$ 316,074	\$ 297,103	\$ 15,551	\$312,654
50002	Overtime							
		2 year average with union increase of 2% per year	\$	25,000	\$ 33,000	\$ 27,936	\$ (2,936)	\$ 25,000
50004	Temp Salaries							
		2 people 19 weeks @\$15/hour	\$	22,800	\$ 26,180	\$ 20,270	\$ 2,530	\$ 22,800
50100	Employee Benefits							
		Dist/Collect Operator	U3-7	\$37,956				
		Dist/Collection Foreman	U5-7	\$39,710				
		Dist/Collect Mechanic	U4-5	\$37,034				
		Laborer	U2-7	\$33,275				
		Dist/Collect Operator	U3-5	\$36,574				
		Super., Water Dist/Collect	N5-10	\$47,710				
		Allocate 50% (Distribution)		-\$23,855				
		FICA on OT Temp & Leave buyback		\$3,787				
		Total		\$212,190	\$ 174,277	\$ 175,319	\$ 36,871	\$ 212,190

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-9
 Expense Detail - Source of Supply - Island
 15-500-2212

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018	Change from Test	Proposed FY 2020
			3 yr avg	\$	\$	Test Year	year to Proposed	Rate Year
50175	Annual Leave Buyback			\$1,700	\$3,800	\$3,800	1,700	\$1,700
50306	Contribution to Electricity Restricted Account							
	St Mary's & Paradise Pumping Stations		2yr avg					
			203,960					
		kw/hr Usage		\$38,789	\$49,880	\$42,593	(3,804)	\$38,789
		total cost						
50271	Gas/Vehicle Maintenance							
		cost per vehicle		\$6,410				
		vehicles		11				
		total		\$70,510	\$59,279	\$57,957	12,553	\$70,510
50275	Repairs & Maintenance							
	(Industrial & Stonkus)							
		Annual Maintenance of pumps		\$1,500				
		Misc Pump & minor repairs		\$8,500				
		Aluminum boat & boat engine supplies		\$1,500				
		Trimmers, blowers, chain saw, supplies, repairs & replace		\$2,000				
		Misc.		\$500				
		total		\$14,000	\$10,000	\$11,086	2,914	\$14,000
50277	Reservoir Maintenance							
		Tree Removal		\$2,500				
		Dam repairs (gravel, riprap, gabions, etc.)		\$11,000				
		sign installation & Maintenance		\$2,000				
		aquatic herbicide & supplies		\$2,500				
		brush cutter/mower		\$5,000				
		dam inspections		\$2,000				
		total		\$25,000	\$16,000	\$21,424	3,576	\$25,000

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-9
 Expense Detail - Source of Supply - Island
 15-500-2212

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50311	Operating Supplies							
		machine & tool lubricant		\$600				
		parts for trackless		\$700				
		Brush cutter/mower		\$400				
		small mower replacement		\$200				
		coppering bags		\$600				
		replacement blades/brush cutting		\$1,200				
		pest control		\$200				
		weed control (herbicides)		\$2,000				
		cement, grass seed, etc.		\$800				
		other		\$6,700	\$ 7,500	\$ 9,251	(\$ 2,551)	\$ 6,700
		Total						
50320	Uniforms & protective Gear							
		UnifFirst uniforms		\$1,450				
		Eye ear & hand protection		\$150				
		Tyvek protective suits & shirts / vests		\$100				
		N95 respirator (dust masks)		\$200				
		insect repellent, poison ivy soap		\$100				
				\$2,000	\$ 1,510	\$ 238	\$ 1,762	\$ 2,000
50335	Chemicals							
		Copper Sulfate		40,000				
		usage in lbs	\$	1,6200				
		cost per lb	\$	64,800				
		Green Clean Pro		30,000				
		quantity	\$	1,0000				
		cost per lb	\$	30,000				
		total cost	\$	94,800	\$ 66,800	\$ 61,200	\$ 33,600	\$ 94,800
		total	\$	826,143	\$ 747,085	\$ 724,377	\$ 101,766	\$ 826,143

Account Description	Docket #595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50002 Overtime					
3 months (4.3 weeks) one day per week 24 hour day manage Sakonnet in addition to temp 2 year average	\$ 4,000	\$ 11,610	\$ 5,023	-\$1,023	\$ 4,000
50004 Temp Salaries					
Sakonnet for 3 months 3 people at 40 hours per week at \$15 per hour	\$ 27,000	\$ 29,996	\$ 21,106	\$ 5,894	\$ 27,000
50005 Permanent Part time	\$ 12,900	\$ 12,900	\$ 6,040	\$ 6,860	\$ 12,900
Caretaker Sakonnet Pump Station					
Employee Benefits					
FICA 7.65% on OT, Temporary, Perm Part time	\$ 43,900				
Fringe on Part Time, Temp & OT	\$ 3,358	\$ 2,555	\$ 2,461	\$ 897	\$ 3,358
50306 Contribution to Electricity Restricted Account					
Sakonnet pumping Station					
kw/h usage	2 yr avg 823,788				
total cost	\$ 160,790	\$ 154,424	\$ 149,593	\$ 11,197	\$ 160,790
50275 Repairs & Maintenance					
(Industrial & Stonkus)					
Annual Maintenance of pumps	\$ 1,500				
Pump, valve, electrical AC motors(VFD) repairs	\$ 9,000				
Emergency Repair - pumps / electrical	\$ 2,000				
Excavator & heavy Equip Rental	\$ 4,000				
Misc.	\$ 500				
total	\$ 17,000	\$ 7,000	\$ 18,462	-\$1,462	\$ 17,000

Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-10
 Expense Detail - Source of Supply - Mainland
 15-500-2213

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Account	Description	Comments	Docket #595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50277	Reservoir Maintenance						
		Tree Removal					500
		aquatic herbicide & supplies					2,500
		brush cutter/mower					5,000
		Dam improvement repairs (gravel, riprap, gabions, etc.)					2,000
		dam inspections					2,000
		total	\$4,500	\$4,500	4,199	\$7,801	\$12,000
50311	Operating Supplies						
		machine & tool lubricant, grease guns, etc					200
		pest control					200
		misc Supplies (papergoods, cleaners, etc.)					100
		total	\$1,000	\$1,000	178	\$322	\$500
		total	\$223,955	\$223,955	207,062	\$30,486	\$237,548

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-11
 Expense Detail - Station One
 15-500-2222

Account	Description	Comments	Detail	Calculation	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test. Year to Proposed	Budget 2015	Budget FY 2019	Proposed FY 2020 Rate Year
50001	Salaries & Wages										
		Water Plant Op - Grade3	U4-7	\$60,254							
		Water Plant Op - PC#3	U2-1	Vacant Position #1							
		Water Plant Op - Grade3	U4-7	\$60,217							
		Water Plant Op - Grade 3	U2-2	\$43,591							
		Water Plant Op - PC#3	U4-7	\$58,308							
		Water Qual/Prod Sup.	S08	\$85,729							
		Allocate 50% (Lawton Valley)	S07	-\$42,864							
		Assist Water Treat Super	S07	\$76,851							
		Allocate 50% (Lawton Valley)	U4-6	-\$38,426							
		Water Plant Op - PC#3	U2-7	\$56,611							
		Water Plant Op - Grade1	U2-7	\$47,659							
		Water Plant Op - Grade1	U2-3	\$44,898							
		Water Plant Op - Grade3	U4-7	\$60,217							
		Total		\$513,045	\$ 511,075	\$ 558,686	\$ 561,329	\$ (48,284)	\$ 519,056	\$ 547,256	\$ 513,045
50002	Overtime										
		avg plus 2 % in both 2019 & 2020									
		2017 - \$78k									
		2018 - \$92k									
		total			\$ 102,940	\$ 102,940	\$ 91,625	\$ (3,125)	\$ 60,021	\$ 102,940	\$ 88,500
50003	Holiday Pay										
		Operators		9.0							
		Holidays		12							
		Hours/Holiday		8							
		Average Pay Rate		25.21							
		Total		\$ 21,781	\$ 22,032	\$ 22,032	\$ 20,686	\$ 1,095	\$ 18,835	\$ 22,032	\$ 21,781
50045	Lead Plant Operator Stipend										
		3 staff \$80 per week 52 weeks		\$ 12,480	\$ 12,480	\$ 12,480	\$ 11,240	\$ 1,240	\$ 36,492	\$ 12,480	\$ 12,480

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-11
 Expense Detail - Station One
 15-500-2222

Account Description	Comments	Detail	Calculation	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test Year to Proposed	Budget 2015	Budget FY 2019	Proposed FY 2020 Rate Year
50100 Employee Benefits										
	Water Plant Op - Grade3	U4-7	\$19,726							
	Water Plant Op - PC#3	U2-1	\$0							
	Water Plant Op - Grade3	U4-7	\$38,521							
	Water Plant Op - Grade 3	U2-2	\$34,034							
	Water Plant Op - PC#3	U4-7	\$38,539							
	Water Qual/Prod Sup.	S08	\$45,265							
	Allocate 50% (Lawton Valley)		-\$22,633							
	Assist Water Treat Super	S07	\$43,405							
	Allocate 50% (Lawton Valley)		-\$21,702							
	Water Plant Op - PC#3	U4-6	\$26,001							
	Water Plant Op - Grade1	U2-7	\$23,261							
	Water Plant Op - Grade1	U2-3	\$22,415							
	Water Plant Op - Grade3	U4-7	\$38,521							
	FICA on OT, Stipend, holiday, Leave Buyback		\$10,279							
	Total		295,630	\$ 263,937	\$ 287,885	\$ 280,974	\$ 14,656	\$ 283,712	\$ 306,323	\$ 295,630
50175 Annual Leave Buyback				\$ 12,000	\$ 12,000	\$ 9,645	\$ 1,955	\$ 5,000	\$ 12,000	\$ 11,600
50212 Conferences & Training										
	RIDOH Required Certifications for 10 employees		\$ 1,980							
	Supv/Plant Prod - RIWWA		\$ 150							
	Supv/Plant Prod - NEIWWA		\$ 550							
	Conferences & Training		\$ 540							
	Training, travel		\$ 1,000							
	total		\$ 4,500	\$ 4,500	\$ 4,500	\$ 2,190	\$ 2,310	\$ 4,500	\$ 4,500	\$ 4,500
50239 Fire & Liability Insurance										
	RI Interfocal			\$ 35,000	\$ 35,000	\$ 28,331	\$ 36,434	\$ 12,687	\$ 35,000	\$ 64,765
	Premium for fy 2018-2019			\$ 35,000	\$ 35,000	\$ 28,331	\$ 36,434	\$ 12,687	\$ 35,000	\$ 64,765
50306 Contribution to Electricity Restricted Account										
	100 Bliss Mine Rd			\$ 212,484	\$ 212,484	\$ 223,249	\$ 2,936	\$ 252,674	\$ 212,484	\$ 226,185
	2 yr avg kwh usage cost		1,438,960							
			226,185	\$ 212,484	\$ 212,484	\$ 223,249	\$ 2,936	\$ 252,674	\$ 212,484	\$ 226,185

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-11
 Expense Detail - Station One
 15-500-2222

Account	Description	Comments	Detail	Calculation	Docket-4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Budget 2015	Budget FY 2019	Proposed FY 2020 Rate Year
50307	Natural Gas		2 yr avg therms	22,194							
	/		cost \$	17,840	\$43,410	\$43,410	\$32,402	(\$14,562)	24,250	\$43,410	\$17,840
50280	Rental of Equipment										
		Dumpster Rentals	\$	850							
		chemical cylinders	\$	150							
		total	\$	1,000	\$1,000	\$1,000	1,854	(854)	600	\$1,000	\$1,000
50305	Sewer Charge		2 yr average gallons	5,800,000							
			\$/Gal \$	20.50							
		Cost \$		118,900	204,000	204,000	98,180	19,720	293,020	\$204,000	\$118,900
50271	Gas/Vehicle Maintenance		cost per vehic	6,410							
			vehicles	1							
			\$	6,410	5,389	5,389	7,050	(640)	8,360	\$5,389	\$6,410
50275	Repairs & Maintenance										
		Variable frequency Drives	\$	3,000							
		Gas Boilers & Hot water Heater	\$	5,000							
		Backup Generators-annual service	\$	1,500							
		transfer switches	\$	600							
		SCADA Maintenance & repair	\$	14,000							
		Analyzer service	\$	8,350							
		Building Systems & AC service contact	\$	10,000							
		DAF Compressors	\$	5,000							
		Fire Panel Maintenance	\$	500							
		Reservoir Rd Storage Inspection	\$	2,000							
		MCC Breaker Panel Inspection	\$	2,000							
		Rebuild/Repack Raw water Pumps 1 & 2	\$	2,300							
		DAF Pump Repair	\$	570							
		Fire Extinguisher Service	\$	180							
		total	\$	55,000	66,992	72,469	33,512	21,488	15,000	\$66,992	\$55,000

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-11
 Expense Detail - Station One
 15-500-2222

Account	Description	Comments	Detail	Calculation	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Budget 2015	Budget FY 2019	Proposed FY 2020 Rate Year
50311	Operating Supplies										
	Valves		\$ 4,350	\$ 4,350							
	Piping		\$ 500	\$ 500							
	Tools		\$ 500	\$ 500							
	Mechanical Seals & Packing		\$ 500	\$ 500							
	Analytical Analyzer Reagents		\$ 3,830	\$ 3,110							
	Analyzer probe Salt bridges, Cell Solution, Grit Filters		\$ 669	\$ 670							
	Fluoride Feeder Filter Pack		\$ 364	\$ 365							
	Roll towels, bathroom tissue		\$ 250	\$ 100							
	Cleaning supplies		\$ 475	\$ 200							
	Chemical Transfer Pumps		\$ 2,050	\$ 2,050							
	GLO2 Generator Maintenance Kit & Filters		\$ 924	\$ 925							
	Generator Fuel		\$ 2,814	\$ 850							
	Misc.		\$ 880	\$ 880							
	Total		\$ 18,106	\$ 15,000	\$ 17,161	\$ 16,426	\$ 119	\$ 14,881	\$ 25,210	\$ 17,161	\$ 15,000
50320	Uniforms & Protective Gear										
	Unifirst uniforms			\$2,575							
	Overboots			\$150							
	Rain Gear			\$300							
	Misc. gloves, eye protection			\$200							
	Coveralls			\$250							
	Respirator Work Lights			\$90							
	Work Lights			\$60							
	Total		\$ 1,426	\$ 3,625	\$ 1,426	\$ 1,426	\$ 835	\$ 2,790	\$ 1,062	\$ 1,426	\$ 3,625

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-11
 Expense Detail - Station One
 15-500-2222

Account Description	Comments	Detail	Calculation	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test Year to Proposed	Budget 2015	Budget FY 2019	Proposed FY 2020 Rate Year
50335 Chemicals										
	PACl Quantity		60,435							
	Unit Cost Per Gal		\$ 1,5900							
	PACl Total Cost		\$ 96,092							
	Hypochlorite Quantity		24,199							
	Unit Cost		\$ 0,9780							
	Chlorine Total Cost		\$ 23,667							
	Flouride quantity		6,000							
	Unit cost		\$ 0,5871							
	Flouride Total Cost		\$ 3,523							
	Sodium chlorite quantity		66,526							
	Unit Cost		\$ 0,5880							
	Sodium chlorite total Cost		\$ 39,117							
	32% HCl Quantity		4,625							
	Unit Cost Per Gal		\$ 1,3620							
	Sodium chlorite total Cost		\$ 6,299							
	Polymer Quantity		970							
	Unit Cost		\$ 8,6400							
	Polymer Total Cost		\$ 8,381							
	Sodium Hydroxide quantity		29,741							
	Unit Cost		\$ 1,0560							
	Sodium Hydroxide total cost		\$ 31,406							
	GAC Filters (816) Quantity		1,640							
	Unit Cost Per CF		\$ 30,78							
	GAC Total Cost		\$ 50,479							
	GAC AWT (400) Quantity		4							
	Unit Cost Per Vessel		\$ 41,814							
	GAC Total Cost		\$ 167,256							
	HCl Scrubber Media (Chlorosorb)									
	HCl Scrubber Media Total Cost		\$ 5,000							
	total		\$ 431,220	\$ 366,315	\$ 366,315	\$ 242,583	\$ 188,637	\$ 447,189	\$ 366,315	\$ 431,220
	total		\$ 1,887,482	\$ 1,882,141	\$ 1,958,442	\$ 1,646,804	\$ 240,678	\$ 2,007,768	\$ 1,960,708	\$ 1,887,482

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-12
 Expense Detail - Lawton Valley
 15-500-2223

Account	Description	Comments	Calc	Docket-4595	Budget 2018	Actual FY 2018 Test Year	Change from Test Year to Proposed	Proposed FY 2020 Rate Year
50001	Salaries & Wages							
	Water Plant Op - PC#3	U4-4	53,363					
	Water Plant Op - PC#3	U4-7	59,254					
	Water Plant Op - Grade2	U4-7	57,130					
	Water Plant Op - PC#3	U4-7	59,117					
	Water Plant Op	U4-2	50,297					
	Allocated 50%	S08	42,864					
	Allocates 50% (Lawton Valley)	S07	38,426					
	Water Plant Op 1	U4-3	51,806					
	Water Plant Op - PC#3	U4-7	60,217					
	Water Plant Op - Grade3	U4-7	58,567					
	Total		531,042	\$ 531,042	\$ 506,954	\$ 528,608	\$ 2,434	\$ 531,042
50002	Overtime							
	2017-\$110,513		\$110,750	\$ 98,903	\$ 98,903	\$ 102,478	\$ 8,272	\$ 110,750
	2018 - \$102,478	2 yr avg plus union 2% inc for 2019 & 20						
50003	Holiday Pay							
	Operators		9					
	Holidays		12					
	Hours/Holiday		8					
	Average Pay Rat	\$50,000 per year	\$	\$ 19,992	\$ 19,992	\$ 19,772	\$ (157)	\$ -
	Total		\$ 19,615	\$ 19,992	\$ 19,992	\$ 19,772	\$ (157)	\$ 19,615
50045	Lead Plant Operator Stipend							
	3 staff \$60 per week \$2 weeks		\$ 12,480	\$ 12,480	\$ 12,480	\$ 4,176	\$ 8,304	\$ 12,480

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-12
 Expense Detail - Lawton Valley
 15-500-2223

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50100 Employee Benefits								
	U4-4	Water Plant Op - PC#3	\$37,025					
	U4-7	Water Plant Op - PC#3	\$38,828					
	U4-7	Water Plant Op - Grade2	\$38,178					
	U4-7	Water Plant Op - PC#3	\$38,786					
	U4-2	Water Plant Op	\$24,068					
	S08	Allocated 50%	\$22,633					
	S07	Allocate 50% (Lawton Valley)	\$21,702					
	U4-3	Water Plant Op 1	\$36,548					
	U4-7	Water Plant Op - PC#3	\$26,502					
	U4-7	Water Plant Op - Grade3	\$38,618					
		FICA on OT, holiday, Slipend, Leave buyback	\$11,654					
		Total	\$334,544	\$ 322,889	\$ 280,565	\$ 309,454	\$ 25,090	\$ 334,544
50175	Annual Leave Buyback		\$ 9,500	\$ 7,400	\$ 7,400	\$ 9,724	\$ (224)	\$ 9,500
50212	Conferences & Training		\$ 1,980					
		RIDOH Required Certifications for 9 employees	\$ 150					
		Supv/Plant Prod - RIWMA	\$ 550					
		Supv/Plant Prod - NEWMA	\$ 540					
		Conferences & Training	\$ 900					
		Training, travel						
		total	\$ 4,120	\$4,120	\$4,120	\$ 2,495	\$ 1,625	\$ 4,120
50239	Fire & Liability Insurance		\$ 60,325	\$ 54,000	\$ 54,000	\$ 61,505	\$ (1,180)	\$ 60,325
		RI Interlocal						
		premium fy 2018-2019						
50306	Contribution to Electricity Restricted Account		\$ 1,898,977					
		Lawton Valley Treatment plant & pumping station	2 yr avg					
		kwh usage	1,898,977					
		cost	\$ 301,655	\$ 375,091	\$ 375,092	\$ 289,647	\$ 12,008	\$ 301,655

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Rhode Island Public Utilities Commission
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 FY 2020 Rate Filing
 HJS Schedule D-12
 Expense Detail - Lawton Valley
 15-500-2223

Account Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50307 Natural Gas		2 yr average 25,374					
	Total Cost	cost \$	26,195 \$	34,663 \$	25,950 \$	245 \$	26,195 \$
50260 Rental of Equipment							
	Dumpster Rentals	\$	850				
	chemical cylinders	\$	150				
	total	\$	1,000 \$	1,000 \$	322 \$	678 \$	1,000 \$
50305 Sewer Charge							
	Gallons	2 yr average \$	23,250,000				
	\$/Gal	per 1,000 rate \$	20.50				
	Cost	\$	476,625 \$	510,000 \$	437,731 \$	38,894 \$	476,625 \$
50271 Gas/Vehicle Maintenance							
	cost per vehicle	\$	6,410				
	3 of vehicles		1				
	total	\$	6,410 \$	5,389 \$	5,678 \$	732 \$	6,410 \$
50275 Repairs & Maintenance							
	Variable frequency Drives	\$	3,000				
	Gas Boilers & Hot water Heater	\$	5,600				
	Backup Generators-annual service	\$	1,500				
	transfer switches	\$	600				
	SCADA Maintenance & repair	\$	14,000				
	Building Systems & A/C service contract	\$	18,000				
	Analyzer service	\$	9,625				
	DAF Compressors	\$	4,000				
	Fire Panel Maintenance	\$	400				
	Tank Inspection	\$	4,275				
	Rebuild/Repack Raw water Pumppps 1 & 2	\$	3,000				
	Misc.	\$	1,000				
	total	\$	65,000 \$	61,556 \$	66,013 \$	55,359 \$	9,641 \$

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-12
 Expense Detail - Lawton Valley
 15-500-2223

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50311	Operating Supplies							
	Valves		\$ 500					
	Piping		\$ 500					
	Tools		\$ 500					
	Mechanical Seals & Packing		\$ 500					
	Analytical Analyzer Reagents		\$ 2,728					
	Analyzer probe Salt bridges, Cell Solution, Grit Filters		\$ 669					
	Fluoride Feeder Filter Pack		\$ 364					
	Roll towels, bathroom tissue		\$ 200					
	Cleaning Supplies		\$ 475					
	Chemical Transfer Pumps		\$ 2,050					
	GLO2 Generator Maintenance Kit & Filters		\$ 924					
	HVAC Filters		\$ 196					
	Generator Fuel		\$ 2,814					
	Misc.		\$ 880					
	Total		\$ 13,300	\$ 13,311	\$ 13,311	\$ 2,747	\$ 10,553	\$ 13,300
50320	Uniforms & protective Gear							
	Unifirst Uniforms		\$2,290					
	Overboots		\$ 300					
	Rain Gear		\$ 200					
	Misc. Gloves, Eye protection		\$ 340					
	Coveralls		\$ 275					
	Respirator Work Lights		\$ 95					
	Work Lights		\$ 100					
			\$ 3,600	\$ 1,303	\$ 1,303	\$ 835	\$ 2,765	\$ 3,600

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-12
 Expense Detail - Lawton Valley
 15-500-2223

Account	Description	Comments	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test Year to Proposed	Proposed FY 2020 Rate Year
50335	Chemicals							
		PACI Quantity	86,535					
		Unit Cost Per Gal	\$ 1.5900					
		PACI Total Cost	\$ 137,591					
		Hypochlorite Quantity	32,982					
		Unit Cost	\$ 0.9780					
		Chlorine Total Cost	\$ 32,256					
		Flouride quantity	4,656					
		Unit cost	\$ 0.5871					
		Flouride Total Cost	\$ 2,734					
		Sodium chlorite quantity	39,000					
		Unit Cost	\$ 0.5880					
		Sodium chlorite total Cost	\$ 22,932					
		32% HCl Quantity	4,402					
		Unit Cost Per Gal	\$ 1.3620					
		Sodium chlorite total Cost	\$ 5,996					
		Polymer Quantity	805					
		Unit Cost	\$ 8.6400					
		Polymer Total Cost	\$ 6,955					
		Sodium Hydroxide quantity	33,955					
		Unit Cost	\$ 1.0560					
		Sodium Hydroxide total cost	\$ 35,856					
		GAC Filters (616) Quantity	1,760					
		Unit Cost Per CF	\$ 29.75					
		GAC Total Cost	\$ 52,360					
		GAC AWI (400) Quantity	4					
		Unit Cost Per Vessel	\$ 41,814					
		GAC Total Cost	\$ 167,256					
		HCl Scrubber Media (Chlorosorb)						
		HCl Scrubber Media Total Cost	\$ 5,000					
		total	\$ 468,936	\$ 328,667	\$ 328,667	\$ 332,292	\$ 136,644	\$ 468,936
		total	\$ 2,445,097	\$ 2,381,806	\$ 2,321,852	\$ 2,188,773	\$ 256,324	\$ 2,445,097

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-13
 Expense Detail - Laboratory
 15-500-2235

Account	Description	Comments	Detail	Calculation Amount	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50001	Salaries & Wages								
	Laboratory Supervisor		N03-6	\$78,895					
	Microbiologist		N04-8	\$65,065					
			Total	\$143,963 \$	121,179	\$123,419	105,565 \$	38,398 \$	\$143,963
50100	Employee Benefits								
	Laboratory Supervisor		U3-1	\$44,841					
	Microbiologist		U4-2	\$41,608					
	Benefits on Annual leave buyback		Total	\$325	55,194	\$59,707	56,521 \$	30,253 \$	\$86,774
50175	Annual Leave Buyback		3 yr avg	\$4,250 \$	1,500	\$1,500	4,210 \$	40	\$4,250
50275	Repairs & Maintenance								
	HACH QbD TOC analyzer			\$3,375					
	Calibration Bal & thermometers			\$550					
	Calibration lab weights			\$275					
	HACH calibrate TL 2300 (2)			\$1,000					
	HACH calibrate DR 3900 (2)			\$1,000					
			Total	\$6,200 \$	1,700	\$1,700	995 \$	5,205	\$6,200
50281	Regulatory Assessment								
	IDEXX/BACTERIA			\$7,100					
	UCMR 4 (begins Feb 2020)			\$16,920					
	TTHM / HASS			\$7,850					
	TOC			\$3,360					
	LEAD			\$650					
	COPPER			\$510					
	BROMIDE			\$790					
	SODIUM			\$1,250					
	ERA QC PT			\$1,850					
	LAB LICENSE			\$440					
	RIDOH			\$26,400					
	CHLORITES			\$1,800					
	CHLORATES			\$5,550					
	LT2 Cysteine/iodium			\$2,400					
	ALGAE TOXIN			\$4,000					
	Algae Test Strips			\$2,830					
			Total	\$63,700 \$	47,024	\$68,223	58,270 \$	25,430 \$	\$63,700

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-14
 Expense Detail - Distribution
 15-500-2241

Account	Description	Comments	Detail	calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50175	Annual Leave Buyback		3 yr avg		\$6,000 \$	7,500 \$	2,722 \$	3,278 \$	\$6,000
50212	Conferences & Training								
	Continuing Education Units			\$	3,000				
	Training videos, books, online courses			\$	1,000				
	Total			\$	4,000 \$	4,000 \$	1,200 \$	2,800 \$	4,000
50225	Contract Services								
	Welding Services (Swabbing) as required			\$	1,000				
	Weather Data Network			\$	120				
	Inflowater			\$	3,750				
	Dig safe Contract (608;15*12)			\$	7,000				
	total			\$	11,870 \$	21,525 \$	10,316 \$	1,554 \$	11,870
50239	Fire & Liability Insurance								
	RI Interfocal		Premium fy 2018-2019	\$	10,910	12,000 \$	9,664 \$	1,246 \$	10,910
50306	Electricity Restricted Account								
	Forest Ave, Goullart Lane, Reservoir Rd								
			kwh usage	2 yr avg	105,200				
			cost		20,500 \$	20,607 \$	16,922 \$	3,578 \$	20,500
50260	Heavy Equipment Rental								
	Excavator, 10 wheel Dump Truck, asphalt roller & other equipment			\$	8,000				
	Total			\$	1,000	8,260 \$	246 \$	8,754 \$	9,000
50271	Gas/Vehicle Maintenance								
	total		cost per vehicle	\$	6,410	70,057 \$	93,121 \$	(9,791) \$	83,330
			# of vehicles		13				
50275	Repairs & Maintenance								
	Overhead Door Repair & Maintenance			\$	5,000				
	Fire Alarm Panel, Fire Extinguisher/Serv & Repair			\$	1,200				
	Misc. snow removal equipment & supplies			\$	3,000				
	Travel/Vacuum repairs and/or replacement			\$	5,000				
	pump, generator, jackhammer, repair & mmainence			\$	6,000				
	total			\$	20,200 \$	26,000 \$	18,687 \$	1,513 \$	20,200

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-14
 Expense Detail - Distribution
 15-500-2241

Account Description	Comments	Detail	calc	Docket 4585	Budget 2018	Actual FY 2018 Fisc Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50276 Main Maintenance								
	Valves, pipe, couplings, clamps, risers, covers, etc.		\$ 26,000					
	Swabbing Program - supplies		\$ 2,000					
	Gravel, stone, cold patch, hot mix, etc.		\$ 15,000					
	Leak Detection Services		\$ 12,000					
	Permits & Police details		\$ 5,000					
	demolition Saw, blades, etc.		\$ 3,000					
	Misc.		\$ 3,000					
	Total		\$ 66,000	\$ 91,200	\$ 94,370	\$ 84,145	(\$ 18,145)	\$ 66,000
50266 Service Maintenance								
	Tapping machine repair and/or replace, misc. parts & misc. parts		\$ 3,000					
	service boxes, risers, keys		\$ 4,000					
	Corporation & curb stops, saddles, unions, etc.		\$ 4,000					
	Type K copper		\$ 5,000					
	Fittings		\$ 6,000					
	Gravel, stone, cold patch, hot mix, etc.		\$ 4,000					
	Permits & Police Details		\$ 3,000					
	Misc.		\$ 1,000					
	Total		\$ 30,000	\$ 30,000	\$ 32,629	\$ 27,194	2,806	\$ 30,000
50311 Operating Supplies								
	machine & tool lubricant, grease guns		\$ 1,800					
	Marking paint, flags, etc.		\$ 3,000					
	Replacement blades/cutting wheels, chains, bars		\$ 1,600					
	Metal detectors		\$ 1,600					
	Total		\$ 8,000	\$ 8,000	\$ 8,000	\$ 10,014	(\$ 2,014)	\$ 8,000
50320 Uniforms & protective Gear								
	Uniform uniforms		\$2,200					
	Tyvek protective Suits		\$700					
	N 95 respirator		\$500					
	Safety Vests		\$200					
	Hi Viz Jackets		\$200					
	Gloves, safety glasses, respirator, etc.		\$200					
	Total		\$4,000	\$4,000	\$ 4,000	\$ 1,173	2,827	\$ 4,000
	total		\$1,167,386	\$ 1,209,218	\$ 1,245,823	\$ 1,036,044	\$ 131,352	\$ 1,167,396

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-15
 Expense Detail - Fire Protection
 15-500-2245

Account	Description	Calc	Docket 4595	Budget 2018	Actual FY 2018 Test Year	Change from Test year to Proposed	Proposed FY 2020 Rate Year
50275	Repair & Maintenance - Equipment						
	Permits	\$ 500					
	Hydrant parts	\$ 5,000					
	Hydrant Paint	\$ 1,800					
	Misc.	\$ 600					
	Quick Valve - Supplies	\$ 7,500					
	Police Details	\$ 1,760					
	Hydrant and/or Hydrant inserts	\$ 14,140	\$ 23,800	\$ 23,800	\$ 7,739	\$ 23,561	\$ 31,300
	total	\$ 31,300	\$ 23,800	\$ 23,800	\$ 7,739	\$ 23,561	\$ 31,300

Docket XXXX

Rhode Island Public Utilities Commission
 Docket XXXX
 FY 2020 Rate Filing
 HJS Schedule D-17
 City Services Calculation

	<i>FY2019 Adopted Budget</i>	<i>Less School</i>	<i>Less Civic Support</i>	<i>Less Debt Service</i>	<i>Less Capital</i>	<i>Total to be Allocated</i>	<i>Percentage</i>
General Fund	\$97,003,290	\$20,775,023	\$2,014,487	\$5,452,352	\$3,212,552	\$65,548,876	69.15%
Water Fund Total Operating Expenses	\$23,100,625	\$-	\$-	\$6,796,599	\$3,360,400	\$12,943,626	13.66%
WPC Fund	\$24,262,052			\$6,303,683	\$4,205,000	\$13,753,369	14.51%
Maritime Fund	\$1,236,587				\$295,000	\$941,587	0.99%
Parking Fund	\$2,061,699				\$460,000	\$1,601,699	1.69%
Total	\$147,664,253					\$94,789,157	

School Appropriation: \$25,968,779
 20% appropriation left in general fund \$5,193,756
 \$20,775,023

Allocated Item	Cost To Be Allocated	Water Fund	
		Water %	Water Fund
Audit Fees	\$ 80,000	6.18%	4,944
OPEB Contribution (1)	\$ 820,000	3.84%	31,488
City Council	\$ 115,297	3.42%	3,943
City Clerk	\$ 453,679	1.00%	4,537
City Manager	\$ 560,914	13.66%	76,621
Human Resources	\$ 355,898	1.74%	6,193
City Solicitor	\$ 271,725	13.66%	37,118
Finance Admin 50%	\$ 191,888	13.66%	26,212
Finance - 5% RICWFA	\$ 6,726	50.00%	3,363
Finance Admin 10% Inv/Debt	\$ 38,378	30.77%	11,809
Purchasing	\$ 121,302	18.47%	22,404
Collections	\$ 428,073	5.80%	24,828
Accounting - Wires - 5%	\$ 13,070	70.00%	9,149
Accounting	\$ 598,939	10.97%	65,704
Total Allocation			328,312
Legal & Administrative			328,312
		rounded	\$ 328,312

Allocation of Data Processing Costs to Enterprise Funds

Allocated Item	Cost To Be Allocated	Water Fund	
		Water %	Water Fund
MIS	\$ 2,512,260	13.66%	343,175
Total Allocation			343,175
Data Processing (1)			343,175
		rounded	\$ 343,175

EXHIBIT 1

Rhode Island Public Utilities Commission
 Docket 4595
 FY 2017 Rate Filing
 HJS Schedule D-8 Compliance
 Comparison With Gradualism

		A			B			
		Cost of Service Rates			Rates With Gradualism			
		Proposed Rates	% Change	Projected Revenues	Proposed Rates	% Change	Projected Revenues	
Base Charge (per bill)								
Monthly								
5/8		\$ 5.02	3%	\$647,520	\$ 5.02	3%	\$647,520	
3/4		\$ 5.27	5%	\$157,847	\$ 5.27	5%	\$157,847	
1		\$ 7.03	16%	\$47,832	\$ 7.03	16%	\$47,832	
1.5		\$ 11.33	29%	\$51,121	\$ 11.33	29%	\$51,121	
2		\$ 15.86	40%	\$50,054	\$ 15.86	40%	\$50,054	
3		\$ 41.71	65%	\$29,030	\$ 41.71	65%	\$29,030	
4		\$ 49.12	70%	\$9,431	\$ 49.12	70%	\$9,431	
5		\$ 58.99	75%	\$0	\$ 58.99	75%	\$0	
6		\$ 66.40	77%	\$25,498	\$ 66.40	77%	\$25,498	
8		\$ 86.15	82%	\$1,034	\$ 86.15	82%	\$1,034	
10		\$ 121.95	87%	\$1,463	\$ 121.95	87%	\$1,463	
Portsmouth Base Charge (4")		\$ 1.36	-52%	\$16	\$ 1.36	-52%	\$16	
				\$1,020,846			\$1,020,846	
Volume Charge (per 1,000 gallons)								
Retail								
Residential		\$ 9.60	-4%	6,347,731	\$ 10.02	0%	6,625,444	
Non-Residential		\$ 10.14	-10%	4,636,059	\$ 11.22	0%	5,129,840	
				10,983,790			11,755,285	
Wholesale								
Navy		\$ 7.3105	12%	1,806,264	\$ 6.5190	0%	1,610,701	
Portsmouth Water & Fire District		\$ 6.1985	20%	2,682,598	\$ 5.2920	3%	2,290,282	
				4,488,862			3,900,983	
Fire Protection								
Public (per hydrant)		\$ 1,073.13	14%	1,114,982	\$ 944.22	0%	981,045	
Private (by Connection Size)								
	Connection Size	Existing Charge Differential						
	<2		\$ 34.97	35%	-	\$ 33.26	28%	-
	2	6.19	\$ 146.43	35%	-	\$ 139.26	28%	-
	4	38.32	\$ 512.60	28%	37,932	\$ 468.22	17%	34,648
	6	111.31	\$ 1,184.72	25%	278,409	\$ 1,055.81	11%	248,115
	8	237.21	\$ 2,344.00	23%	128,920	\$ 2,069.28	9%	113,810
	10	426.58	\$ 4,087.79	23%	-	\$ 3,593.75	8%	-
	12	689.04	\$ 6,504.61	22%	-	\$ 5,706.61	7%	-
				\$ 445,262			\$ 396,574	
				<u>\$ 18,053,742</u>			<u>\$ 18,054,733</u>	

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION APPLICATION TO
CHANGE RATE SCHEDULES**

DOCKET NO:

**INDEX AND RESPONSES IN COMPLIANCE WITH THE
RHODE ISLAND PUBLIC UTILITIES COMMISSION'S RULES OF
PRACTICE AND PROCEDURE, PART 5 (810-RICR-00-00-5),
SECTIONS 5.4 THROUGH 5.9 and R.I.G.L § 39-3-12.1**

I. Index and Responses in Compliance with Part 5, Section 5.4

Item 5.4 **Notice of Filing (to be published in Providence Journal).**

Response: Please see Table of Contents, Item 3

Notice of Proposed General Rate Schedule to Customers.

Response: Please see Table of Contents, Item 4

II. Index and responses in Compliance with Part 5, Section 5.5

Item 5.5.A.1 **Current and Proposed Tariffs, Rate Schedules, Terms and Conditions.**

Response: Please see Appendix.

Item 5.5.A.2 **Complete Direct Case.**

Response: Please see Table of Contents, Items 6 through 7.

Item 5.5.A.3.a **Annual Report to the Commission for Last Two Years.**

Response: All required reports are on file with the Rhode Island Public Utilities Commission.

Item 5.5.A.3.b **Federal Energy Regulation Commission or Federal Communication Commission Annual Reports.**

Response: Not applicable.

Item 5.5.A.3.c **Federal Energy Regulatory/Communications Commission Audit Reports.**

Response: Not applicable.

Item 5.5.A.3.d **Security and Exchange Commission Report.**

Response: Not applicable.

Item 5.5.A.3.e **Prospectus for Last Two Years.**
Response: Not applicable.

Item 5.5.A.3.f **Annual Reports to Stockholders.**
Response: Not applicable.

Item 5.5.A.3.g **Statements Reconciling Differences in Filing and Above Reports.**
Response: Not applicable.

III. Index and responses in Compliance with Part 5, Section 5.6

Item 5.6.A **Test Year (July 1, 2017 to June 30, 2018).**
Response: Please see testimony of Harold Smith and supporting schedules.

Item 5.6.B **Rate Year (July 1, 2019 to June 30, 2020).**
Response: Please see testimony of Harold Smith and supporting schedules.

Item 5.6.C **Adjustments to the Test Year.**
Response: Please see testimony of Harold Smith and Julia Forgue and supporting schedules.

IV. Index and responses in Compliance with Part 5, Section 5.7

Item 5.7 **Attestation of Financial Data.**
Response: Please see testimony of Julia Forgue.

V. Index and responses in Compliance with Part 5, Section 5.8

Items 5.8.A.1-23 **Supporting Information and Work Papers to be Filed by Investor
Owned Utilities.**
Response: Not applicable.

VI. Index and responses in Compliance with Part 5, Section 5.9

Item 5.9.A.1 **Cost of Service Schedules.**
Response: Please see testimony of Harold Smith and supporting schedules.

Item 5.9.A.2 **Work Papers Supporting Claim for Working Capital.**
Response: Not applicable.

Item 5.9.A.3 **Work Papers Supporting Allocation of Cost of Service among Associated
Entities.**
Response: Not applicable

- Item 5.9.A.4** **Work Papers Detailing Test Year and Rate Year Revenues, etc.**
Response: Please see testimony of Harold Smith and supporting schedules.
- Item 5.9.A.5** **Effect of Proposed Rate Changes.**
Response: Please see testimony of Harold Smith and supporting schedules. For
sample bill and proposed tariffs, see Appendix.
- Item 5.9.A.6** **Debt Service Schedules.**
Response: Please see testimony of Harold Smith and supporting schedules.
- Item 5.9.A.7** **Schedule of Lease Payments.**
Response: Please see Appendix.
- Item 5.9.A.8** **Analysis of Revenues and Associated Expenses for Test Year.**
Response: Please see testimony of Harold Smith and supporting schedules.
- Item 5.9.A.9** **Rate Year Municipal Tax Expense Calculation.**
Response: Please see Appendix.
- Item 5.9.A.10** **Employee Information.**
Response: Please see Appendix.
- Item 5.9.A.11** **Summary of Affiliated Entities Transaction.**
Response: Please see Appendix.
- Item 5.9.A.12** **Financial Data for Non-Coinciding Test Year.**
Response: Not Applicable.
- Item 5.9.A.13** **Summary of Expenses Incurred and Projected Related to Instant Rate
Case.**
Response: Please see Appendix.
- Item 5.9.A.14.a** **Unaccounted for Water.**
Response: Please see Appendix.
- Item 5.9.A.14.b** **Loss on Transmission of Electricity, or Gas.**
Response: Not applicable.
- Item 5.9.A.14.c** **Utilities Own Use of Water.**
Response: Please see Appendix.

Item 5.9.A.15

Compliance with Prior Commission Orders

Newport is compliant with prior Commission Orders.

VII. Compliance with R.I.G.L § 39-3-12.1

Please See Appendix for:

- (1) The status of its physical plant, including the volume of its water supply and the source of the supply.
- (2) The maintenance policy of the utility, to include the date distribution pipes were last installed, and the length of pipe installed for at least a ten (10) year duration.
- (3) The name and cost of each chemical introduced into the water supply during the most recent six (6) month period, including the amount used, and the purpose for the use.
- (4) The policy of the utility toward future expansion and renovation of the physical plant, including the amount of funds expended within the preceding year and expected to be expended within the next year for expansion, renovation, equipment purchase, and/or research and development.

A

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

COMPLIANCE TARIFFS

SCHEDULE

A	PUBLIC FIRE PROTECTION
B	PRIVATE FIRE PROTECTION
C	BILLING CHARGE
D	METERED SALES - NEWPORT
E	METERED SALES - NAVY
F	METERED SALES - PORTSMOUTH
G	MISCELLANEOUS CHARGES

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE A

PUBLIC FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for public fire protection.

Rates:

Per Hydrant \$944.22

Terms of Payment:

All bills for public fire service furnished under this schedule are rendered in advance monthly and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE B

PRIVATE FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for services to private fire protection facilities.

Rates:

For each service connection to the Newport Water Division's mains used wholly or in part to supply fire protection appliances owned and maintained by the customer, the following charges shall apply:

	<u>Per Annum</u>
For each connection less than 2 inch	\$33.26
For each 2 inch connection	\$139.26
For each 4 inch connection	\$468.22
For each 6 inch connection	\$1,055.81
For each 8 inch connection	\$2,069.28
For each 10 inch connection	\$3,593.75
For each 12 inch connection	\$5,706.61

No additional charge shall be made for private protection appliances owned and maintained by the customer.

Method of Payment:

All bills for private fire services under this schedule are rendered annually in advance and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE C

BASE CHARGE

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for industrial, commercial and residential users, exclusive of fire service connections.

Rates:

For each meter connected to the Newport Water Division's mains the following charges shall apply:

Monthly	
Meter Size	Rate (\$/month)
5/8"	5.02
3/4"	5.27
1"	7.03
1.5"	11.33
2"	15.86
3"	41.71
4"	49.12
5"	58.99
6"	66.40
8"	86.15
10"	121.95
Portsmouth Water and Fire District	1.36

Method of Payment:

All billing charges under this schedule are rendered in advance concurrent with the billing cycle, monthly or quarterly and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE D

METERED SALES

Applicability:

General metered service in the entire territory served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

<u>Customer Class</u>	<u>Rate Per Thousand Gallons</u>
Residential	\$10.02
Non-Residential	\$11.22

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly or quarterly at the option of Newport Water Division and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE E

METERED SALES

Applicability:

General metered service to the Department of the Navy, Naval Station Newport served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$6.5190 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE F

METERED SALES

Applicability:

General metered service to the Portsmouth Water and Fire Districts served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

\$5.2920 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

Effective: October 1, 2016

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

SCHEDULE G

MISCELLANEOUS CHARGES

1. Temporary Water Services: Applicable to all temporary meters furnished by the Water Division for temporary purposes such as construction or renovation. Charges are withheld from the water user's \$1000.00 deposit upon removal of the temporary meter.

Water consumed will be charged at PUC approved retail rate per 1,000 gals.

Meter rental charge: \$10.00 per day

Labor charge: Cost plus 75% overhead

Minimum Charge: \$60.00

2. Meter Test: Applicable to all meters returned to the Water Division for testing. Charges are payable in advance. If upon completion of the test, the meter is found to be in excess of 2%, plus or minus, of actual, the charge is refunded.

Charge: Meter sizes 2-inches or less - \$65.00

Meter sizes greater than 2-inches – Labor cost plus 75% overhead, and contractor cost, plus 25% overhead

3. Service Turn-on and Turn-off: Applicable to all meters installed or removed for seasonal users and for requests by customers for plumbing work on private property

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

4. Service Turn-on Charge: Applicable to all services turned on after the cessation of a specific violation which resulted in the service shut off. Charges are payable prior to turn on.

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

5. Meter Connection /Service Fee: Applicable to all meter installations and maintenance due to breakage, tampering, overheating or freezing because of owner neglect or abuse.

Charge: Material and equipment costs plus 25% and Labor cost plus 75%. If applicable, \$50.00 tapping charge for new service and Police details at cost.

6. Interest on Delinquent Water Accounts: Amounts not paid by DUE DATE will accumulate a penalty of 18% per annum (1.5% per month) from the DUE DATE through the PAYMENT DATE. DUE DATE is 30 days after the BILLING DATE and is listed on each billing statement, and the BILLING DATE is the date on which the billing statement was mailed and also is listed on each billing statement.

7. Interim Water Bills: \$35.00.each for requested interim bills including meter reading.

8. Sample Testing: Charge assessed for the laboratory testing of water samples at customer request.

Charge: Cost of materials and testing charges plus 25% overhead and labor costs plus 75% overhead

9. Flow Testing: Charge assessed for the flow testing of service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

10. Pressure Testing: Charge assessed for the pressure testing of existing or proposed service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

11. Service Application Fee: Charge assessed at time that application for water service is submitted.

Charge: Residential Service - \$60.00
Commercial Service - \$100.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: 4595

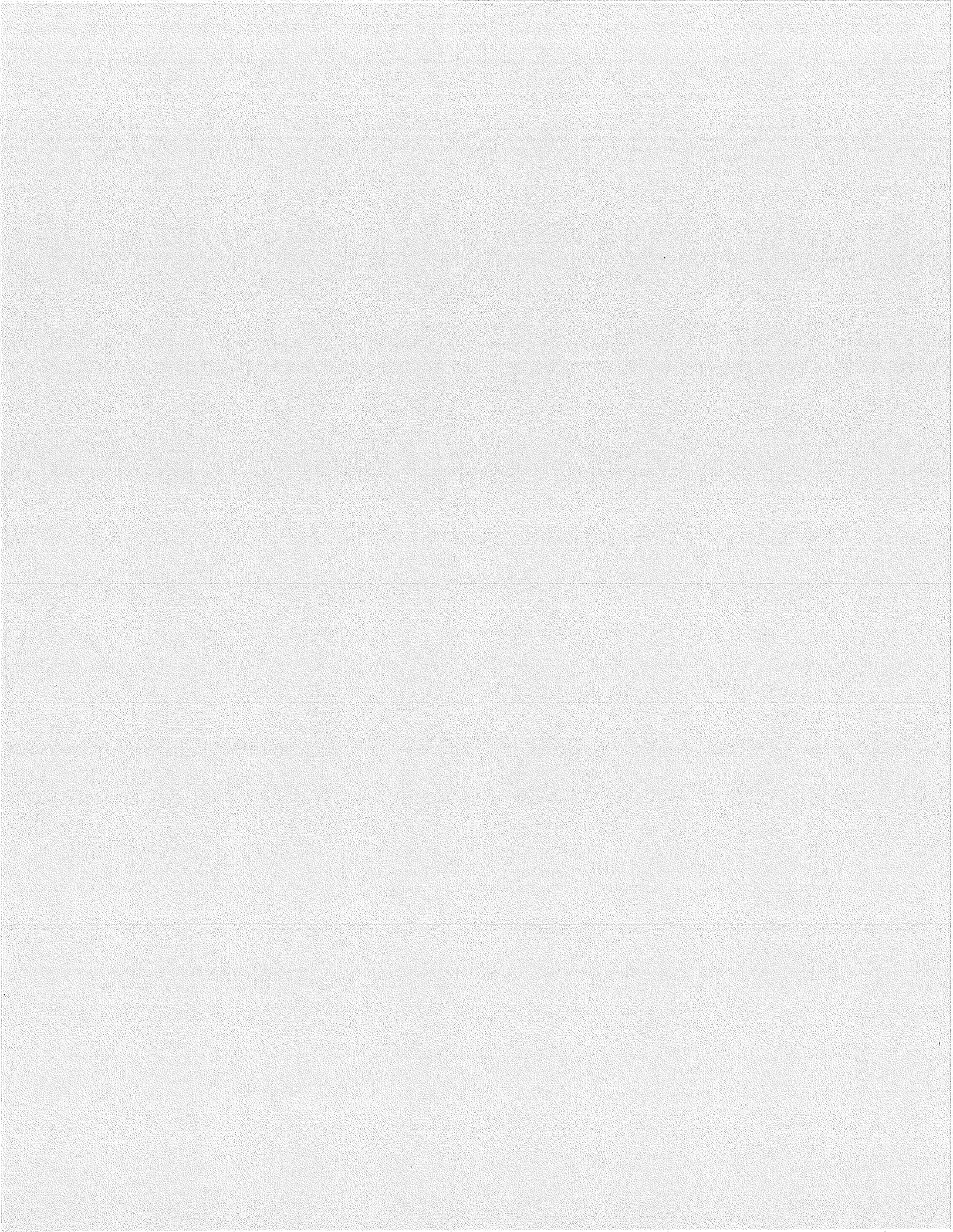
12. Statement Charge: Charge assessed at time that request for a copy of a billing statement is submitted.

Charge: \$2.50 per statement

13. Photocopying: Charge assessed for copying of documents. Fee payable at time copies are made.

Charge: Letter or legal size copy - \$0.15 per page
Distribution Sheet - \$3.00 per copy

Effective Date: October 1, 2016



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

PROPOSED TARIFFS
(FY2020)

SCHEDULE

- | | |
|---|----------------------------|
| A | PUBLIC FIRE PROTECTION |
| B | PRIVATE FIRE PROTECTION |
| C | BILLING CHARGE |
| D | METERED SALES - NEWPORT |
| E | METERED SALES - NAVY |
| F | METERED SALES - PORTSMOUTH |
| G | MISCELLANEOUS CHARGES |

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE A

PUBLIC FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for public fire protection.

Rates:

Per Hydrant ~~\$944.22~~ \$1,274.91

Terms of Payment:

All bills for public fire service furnished under this schedule are rendered in advance monthly and are due and payable in full when rendered.

Effective: ~~October 1, 2016~~ March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE B

PRIVATE FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for services to private fire protection facilities.

Rates:

For each service connection to the Newport Water Division's mains used wholly or in part to supply fire protection appliances owned and maintained by the customer, the following charges shall apply:

	<u>Per Annum</u>
For each connection less than 2 inch	\$33.26 \$39.38
For each 2 inch connection	\$139.26 \$164.87
For each 4 inch connection	\$468.22 \$590.66
For each 6 inch connection	\$1,055.81 \$1,384.18
For each 8 inch connection	\$2,069.28.00 \$2,752.86
For each 10 inch connection	\$3,593.75.00 \$4,811.63
For each 12 inch connection	\$5,706.61 \$7,665.01

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No additional charge shall be made for private protection appliances owned and maintained by the customer.

Method of Payment:

All bills for private fire services under this schedule are rendered annually in advance and are due and payable in full when rendered.

Effective: October 1, 2016 March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE C

BASE CHARGE

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for industrial, commercial and residential users, exclusive of fire service connections.

Rates:

For each meter connected to the Newport Water Division's mains the following charges shall apply:

Monthly	
Meter Size	Rate (\$/month)
5/8"	5.025.76
3/4"	5.276.03
1"	7.037.96
1.5"	11.3312.63
2"	15.8617.58
3"	41.7145.83
4"	49.1253.94
5"	58.9964.74
6"	66.4072.85
8"	86.1594.46
10"	121.95133.63
Portsmouth Water and Fire District	1.361.76

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Method of Payment:

All billing charges under this schedule are rendered in advance concurrent with the billing cycle, monthly or quarterly and are due and payable in full when rendered.

Effective: October 1, 2016 March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE D
METERED SALES

Applicability:

General metered service in the entire territory served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

<u>Customer Class</u>	<u>Rate Per Thousand Gallons</u>
Residential	\$10.02 <u>\$11.07</u>
Non-Residential	\$11.22 <u>\$11.52</u>

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly or quarterly at the option of Newport Water Division and are due and payable in full when rendered.

Effective: October 1, 2016 March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE E

METERED SALES

Applicability:

General metered service to the Department of the Navy, Naval Station Newport served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

~~\$6.5190~~ \$8.2938 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

Effective: October 1, 2016 March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE F
METERED SALES

Applicability:

General metered service to the Portsmouth Water and Fire Districts served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

~~\$5.2920~~\$7.2622 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

Effective: October 1, 2016 March 15, 2019

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE G

MISCELLANEOUS CHARGES

1. Temporary Water Services: Applicable to all temporary meters furnished by the Water Division for temporary purposes such as construction or renovation. Charges are withheld from the water user's \$1000.00 deposit upon removal of the temporary meter.

Water consumed will be charged at PUC approved retail rate per 1,000 gals.

Meter rental charge: \$10.00 per day

Labor charge: Cost plus 75% overhead

Minimum Charge: \$60.00

2. Meter Test: Applicable to all meters returned to the Water Division for testing. Charges are payable in advance. If upon completion of the test, the meter is found to be in excess of 2%, plus or minus, of actual, the charge is refunded.

Charge: Meter sizes 2-inches or less - \$65.00

Meter sizes greater than 2-inches – Labor cost plus 75% overhead, and contractor cost, plus 25% overhead

3. Service Turn-on and Turn-off: Applicable to all meters installed or removed for seasonal users and for requests by customers for plumbing work on private property

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

4. Service Turn-on Charge: Applicable to all services turned on after the cessation of a specific violation which resulted in the service shut off. Charges are payable prior to turn on.

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and
Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with
notice to customer)

5. Meter Connection /Service Fee: Applicable to all meter installations and maintenance due to breakage, tampering, overheating or freezing because of owner neglect or abuse.

Charge: Material and equipment costs plus 25% and Labor cost plus 75%. If applicable, \$50.00 tapping charge for new service and Police details at cost.

6. Interest on Delinquent Water Accounts: Amounts not paid by DUE DATE will accumulate a penalty of 18% per annum (1.5% per month) from the DUE DATE through the PAYMENT DATE. DUE DATE is 30 days after the BILLING DATE and is listed on each billing statement, and the BILLING DATE is the date on which the billing statement was mailed and also is listed on each billing statement.

7. Interim Water Bills: \$35.00.each for requested interim bills including meter reading.

8. Sample Testing: Charge assessed for the laboratory testing of water samples at customer request.

Charge: Cost of materials and testing charges plus 25% overhead and labor costs plus 75% overhead

9. Flow Testing: Charge assessed for the flow testing of service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

10. Pressure Testing: Charge assessed for the pressure testing of existing or proposed service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

11. Service Application Fee: Charge assessed at time that application for water service is submitted.

Charge: Residential Service - \$60.00
Commercial Service - \$100.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

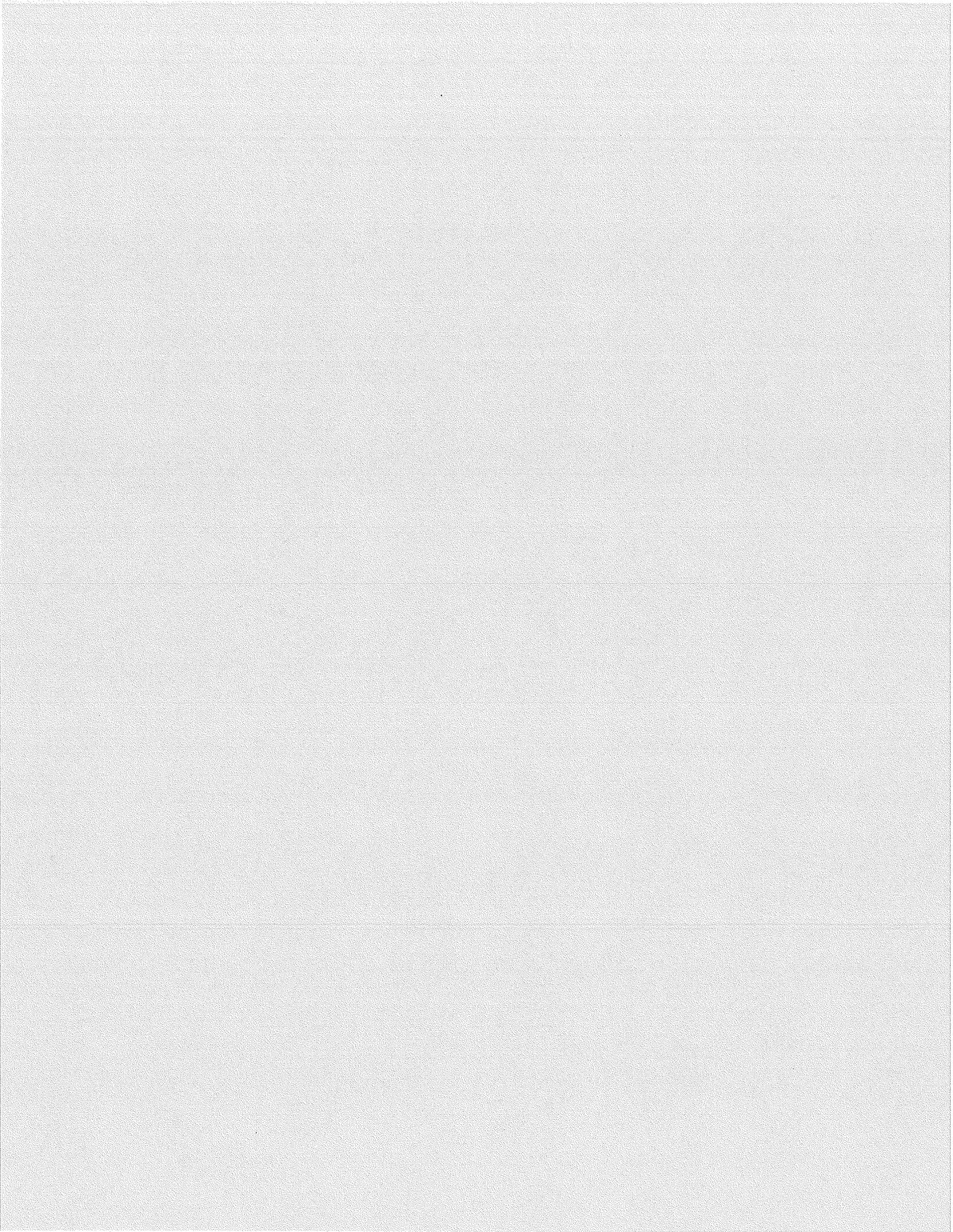
12. Statement Charge: Charge assessed at time that request for a copy of a billing statement is submitted.

Charge: \$2.50 per statement

13. Photocopying: Charge assessed for copying of documents. Fee payable at time copies are made.

Charge: Letter or legal size copy - \$0.15 per page
Distribution Sheet - \$3.00 per copy

Effective Date: ~~October 1, 2016~~ March 15, 2019



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

PROPOSED TARIFFS
(FY2022)

SCHEDULE

- | | |
|---|----------------------------|
| A | PUBLIC FIRE PROTECTION |
| B | PRIVATE FIRE PROTECTION |
| C | BILLING CHARGE |
| D | METERED SALES - NEWPORT |
| E | METERED SALES - NAVY |
| F | METERED SALES - PORTSMOUTH |
| G | MISCELLANEOUS CHARGES |

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE A

PUBLIC FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for public fire protection.

Rates:

Per Hydrant \$1,274.94 \$1,318.14

Terms of Payment:

All bills for public fire service furnished under this schedule are rendered in advance monthly and are due and payable in full when rendered.

Effective: July 1, 2019 2021

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE B

PRIVATE FIRE PROTECTION

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for services to private fire protection facilities.

Rates:

For each service connection to the Newport Water Division's mains used wholly or in part to supply fire protection appliances owned and maintained by the customer, the following charges shall apply:

	<u>Per Annum</u>
For each connection less than 2 inch	\$39.38 <u>\$40.77</u>
For each 2 inch connection	\$164.87 <u>\$170.67</u>
For each 4 inch connection	\$590.66 <u>\$611.26</u>
For each 6 inch connection	\$1,384.18 <u>\$1,432.12</u>
For each 8 inch connection	\$2,752.86 <u>\$2,847.95</u>
For each 10 inch connection	\$4,811.63 <u>\$4,977.64</u>
For each 12 inch connection	\$7,665.01 <u>\$7,929.32</u>

No additional charge shall be made for private protection appliances owned and maintained by the customer.

Method of Payment:

All bills for private fire services under this schedule are rendered annually in advance and are due and payable in full when rendered.

Effective: July 1, ~~2019~~2021

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE C

BASE CHARGE

Applicability:

Applicable throughout the entire territory served by the Newport Water Division for industrial, commercial and residential users, exclusive of fire service connections.

Rates:

For each meter connected to the Newport Water Division's mains the following charges shall apply:

Monthly	
Meter Size	Rate (\$/month)
5/8"	5,765.91
3/4"	6,036.19
1"	7,968.19
1.5"	12,6313.03
2"	17,5818.16
3"	45,8347.43
4"	53,9455.83
5"	64,7467.03
6"	72,8575.42
8"	94,4697.81
10"	133,63138.40
Portsmouth Water and Fire District	1,761.77

Method of Payment:

All billing charges under this schedule are rendered in advance concurrent with the billing cycle, monthly or quarterly and are due and payable in full when rendered.

Effective: July 1, 2019-2021

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE D

METERED SALES

Applicability:

General metered service in the entire territory served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

<u>Customer Class</u>	<u>Rate Per Thousand Gallons</u>
Residential	\$11.07 <u>\$11.39</u>
Non-Residential	\$11.52 <u>\$11.86</u>

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly or quarterly at the option of Newport Water Division and are due and payable in full when rendered.

Effective: July 1, ~~2019~~ 2021

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE E

METERED SALES

Applicability:

General metered service to the Department of the Navy, Naval Station Newport served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

| \$~~8.29388~~8.5276 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

| Effective: July 1, 2019~~2021~~

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE F

METERED SALES

Applicability:

General metered service to the Portsmouth Water and Fire Districts served by the Newport Water Division.

Rates:

For all quantities used except for private fire protection and bulk sales the following rates shall apply:

| ~~\$7.2622~~ \$7.4641 per thousand gallons

Terms of Payment:

All metered sales under this schedule are rendered in arrears monthly and are due and payable in full when rendered.

| Effective: July 1, ~~2019~~ 2021

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

SCHEDULE G

MISCELLANEOUS CHARGES

1. Temporary Water Services: Applicable to all temporary meters furnished by the Water Division for temporary purposes such as construction or renovation. Charges are withheld from the water user's \$1000.00 deposit upon removal of the temporary meter.

Water consumed will be charged at PUC approved retail rate per 1,000 gals.

Meter rental charge: \$10.00 per day

Labor charge: Cost plus 75% overhead

Minimum Charge: \$60.00

2. Meter Test: Applicable to all meters returned to the Water Division for testing. Charges are payable in advance. If upon completion of the test, the meter is found to be in excess of 2%, plus or minus, of actual, the charge is refunded.

Charge: Meter sizes 2-inches or less - \$65.00

Meter sizes greater than 2-inches – Labor cost plus 75% overhead, and contractor cost, plus 25% overhead

3. Service Turn-on and Turn-off: Applicable to all meters installed or removed for seasonal users and for requests by customers for plumbing work on private property

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

4. Service Turn-on Charge: Applicable to all services turned on after the cessation of a specific violation which resulted in the service shut off. Charges are payable prior to turn on.

Charge: During Business Hours (7:30 am to 3:30 pm, Monday through Friday) – \$40.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

After Business Hours: (3:30 p.m. to 7:30 a.m., Monday through Friday, and Saturdays, Sundays and Holidays) Labor cost plus 75% overhead (with notice to customer)

5. Meter Connection /Service Fee: Applicable to all meter installations and maintenance due to breakage, tampering, overheating or freezing because of owner neglect or abuse.

Charge: Material and equipment costs plus 25% and Labor cost plus 75%. If applicable, \$50.00 tapping charge for new service and Police details at cost.

6. Interest on Delinquent Water Accounts: Amounts not paid by DUE DATE will accumulate a penalty of 18% per annum (1.5% per month) from the DUE DATE through the PAYMENT DATE. DUE DATE is 30 days after the BILLING DATE and is listed on each billing statement, and the BILLING DATE is the date on which the billing statement was mailed and also is listed on each billing statement.
7. Interim Water Bills: \$35.00.each for requested interim bills including meter reading.
8. Sample Testing: Charge assessed for the laboratory testing of water samples at customer request.

Charge: Cost of materials and testing charges plus 25% overhead and labor costs plus 75% overhead

9. Flow Testing: Charge assessed for the flow testing of service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

10. Pressure Testing: Charge assessed for the pressure testing of existing or proposed service connections at customer request.

Charge: Labor costs plus 75% overhead \$40.00 minimum charge

11. Service Application Fee: Charge assessed at time that application for water service is submitted.

Charge: Residential Service - \$60.00
Commercial Service - \$100.00

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: XXXX

12. Statement Charge: Charge assessed at time that request for a copy of a billing statement is submitted.

Charge: \$2.50 per statement

13. Photocopying: Charge assessed for copying of documents. Fee payable at time copies are made.

Charge: Letter or legal size copy - \$0.15 per page
Distribution Sheet - \$3.00 per copy

| Effective Date: July 1, ~~2019~~2021

B



City of Newport
Department of Utilities
 43 Broadway
 Newport, RI 02840-2746

www.cityofnewport.com/departments/utilities
 For Billing Inquiries Call
 (401) 845-5604

ADDRESS SERVICE REQUESTED

Account Number:
Pin Number:
Due Date: 02/28/19
Bill Date: 2/01/19



1566
7

Meter Number 82896685
 Previous Reading/Date 2,078,000 / 12/19/18
 Current Reading/Date 2,081,000 / 01/22/19
 Consumption/Days 3,000 / 34
 Average Daily Consumption 88
 Type of Reading ACTUAL

Service Address:

Current Billing Information		Usage History			
Past Due Balance	\$0.00	Meter Read Date	Gallons Used	Days in Period	Average Daily Use
Interest Charge on Past Due Balance	\$0.00	01/22/19	3,000	34	88
Base Charge	\$5.02	12/19/18	3,000	29	103
Water Usage Charge	\$33.66	11/20/18	1,000	29	34
Water Quality Protection Surcharge	\$0.88	10/22/18	5,000	34	147
Sewer Charge	\$59.40	09/18/18	3,000	32	94
CSO Fixed Charge	\$16.00	08/17/18	2,000	29	69
Sales Tax	\$2.71	07/19/18	2,000	30	67
Miscellaneous Fees	\$0.00	06/19/18	2,000	32	63
Previous Credit	(\$0.00)	05/18/18	3,000	32	94
		04/16/18	1,000	26	38
TOTAL DUE	\$117.67	03/21/18	2,000	33	61
		02/16/18	2,000	28	71

SPECIAL COMMENTS:

During frigid temperature periods, please take immediate steps to prevent water freeze ups, especially in unheated areas of your home. We also request that landlords, where applicable, forward water bills to tenants in a timely manner to avoid past due interest charges. Thank you.

RETAIN THIS PORTION FOR YOUR RECORDS - FEES WILL APPLY FOR ADDITIONAL COPIES - REFER TO REVERSE SIDE FOR CUSTOMER INFORMATION

PLEASE RETURN THIS STUB WITH PAYMENT

Account Number:
Due Date: 02/28/19
Service Address:

Past Due Balance \$0.00
 Interest Charge on Past Due Balance \$0.00
 Base Charge \$5.02
 Water Usage Charge \$33.66
 Water Quality Protection Surcharge \$0.88
 Sewer Charge \$59.40
 CSO Fixed Charge \$16.00
 Sales Tax \$2.71
 Miscellaneous Fees \$0.00
 Previous Credit (\$0.00)
TOTAL DUE \$117.67



Remit Payment and make check payable to:

City of Newport
 Department of Utilities
 PO Box 1195
 Providence, RI 02901-1195



00100100700504000001176712014022820194

Billing Information

The current water rate structure for billing:

Base Charge: Based on meter size and billing frequency
Water Charges: Residential \$ 10.02 / 1000 gal, Non-Residential \$ 11.22 / 1000 gal

How to compute a bill

Base Charge: The cost of providing customer related services such as metering, meter reading and billing. These fixed costs are unaffected by the amount of water consumption.

Residential Water Usage Charge: Multiply the total consumption by \$0.01002
Non-Residential Water Usage Charge: Multiply the total consumption by \$0.01122
Water Quality Protection Surcharge: Multiply the total consumption by \$ 0.000292

Additional information on water rates available at
<http://www.cityofnewport.com/home/showdocument?id=4032>

If you are a homeowner age 65 or older, you may be exempt from paying the Water Quality Protection Surcharge portion of the water bill for your residence. Applications are available at the Water Department, 70 Halsey St, as well as the Collections Division in City Hall, 43 Broadway. Please call the Billing Office (401)845-5604 for details. If you have previously applied in the past there is no need to reapply.

If you believe your bill is inaccurate, contact the Billing Clerk at (401)845-5604. Billing Department hours of operation are 8am to 4pm daily. If a mutually satisfactory settlement of the matter cannot be reached, you have the right to submit the matter to:

Division of Public Utilities and Carriers
89 Jefferson Boulevard, Warwick, RI 02888
Telephone 401-780-9700

The current sewer rate structure for Newport customers:

Sewer Use Charge \$19.80/1000 gal
CSO fixed charge Assessed by meter size

Sewer Use Charge: Multiply total water consumption by \$ 0.01980
CSO Fixed Charge (Sewer): An annual flat fee based on water meter size for costs associated with the City of Newport CSO Long-Term Capital Plan. This is an annual fee and is prorated based on your billing cycle.

Additional information on sewer rates available at
<http://www.cityofnewport.com/departments/utilities/water-pollution-control/rates-fees>

All past due accounts: Penalties accrue daily 18% per annum

If your account is enrolled in the ACH Auto Debit Program, the Amount Due will be withdrawn from your bank account on the BILL DUE DATE

Credit card payments are accepted as follows:
www.RIeGov.com

Confirmation numbers should be kept for your records
RIeGov charges a nominal convenience fee for this service

ESTA NOTICIA MUITO IMPORTANTE. FACA FAVOR DE TRADUZIR IMEDIATAMENTE A VISO IMPORTANTE. POR FAVOR PIDA QUE LO TRADUZCAN LOS MAS PRONTO POSIBLE

C

Item 5.9.A.7

Schedule of Lease Payments

Canon Copier

	Test Year FY2018	Rate Year FY2020
July	\$ 195.00	\$ 195.00
August	\$ 195.00	\$ 195.00
September	\$ 195.00	\$ 195.00
October	\$ 195.00	\$ 195.00
November	\$ 195.00	\$ 195.00
December	\$ 195.00	\$ 195.00 **
January	\$ 195.00	\$ 195.00
February	\$ 195.00	\$ 195.00
March	\$ 195.00	\$ 195.00
April	\$ 195.00	\$ 195.00
May	\$ 195.00	\$ 195.00
June	\$ 195.00	\$ 195.00
Total	\$ 2,340.00	\$ 2,340.00

**** Lease Expires but is expected to be renewed**

D

Item 5.9.A.9

Rate Year Municipal Tax Expense Calculation

Rate Year plus prior 3 Fiscal Years

Little Compton

FY 20 \$ 11,991 (estimated with increase of 2% FY20)
FY 19 \$ 11,756
FY 18 \$ 11,519
FY 17 \$ 11,184

Middletown

FY 20 \$ 59,160 (estimated with increase of 2% FY20)
FY 19 \$ 58,000
FY 18 \$ 57,412
FY 17 \$ 57,195

Portsmouth

FY 20 \$ 449,014 (estimated with increase of 2% FY20)
FY 19 \$ 440,210
FY 18 \$ 425,563
FY 17 \$ 447,440

Tiverton

FY 20 \$37,296 (estimated with increase of 2% FY20)
FY 19 \$36,565
FY 18 \$42,439
FY 17 \$42,439

E

Newport Water Division Overtime Pay

Item 5.9.A.10

Employee Totals	Total
June 30, 2018	47
July 1, 2017	47
Rate Year projected	49

	Year	Total Overtime Pay
Fiscal Year 2020	Overtime provided in Rate Year	277,450.00
Fiscal Year 2018	Test Year	273,014.00
Previous Year #1 (F/Y 2017)	(July 1, 2016 ~ June 30, 2017)	259,899.02
Previous Year #2 (F/Y 2016)	(July 1, 2015 ~ June 30, 2016)	229,971.31

F

<p style="text-align: center;">City of Newport Transactions with Affiliates FY 2018</p>
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Item 5.9.A.11

Revenue		FY 2018
	City Accounts Billed	\$330,224
	Hydrant billing	\$950,987
	WPC reimbursment	\$331,646
Expenses		
	Legal and Admin Management fees	\$333,848
	Computer Management fees	\$231,161
	Gas & Vehicle Maintenance	\$205,360
	Sewer Charges	\$538,636

G

Newport Water Division
 Current and Projected Rate Case Expenses
 Item 5.9.A.13

Unamortized Expenses from Prior Rate Case \$0

Actual Expenses incurred for new Rate Case		
Legal Consultant - Keough & Sweeney	8/14/2018	\$2,150
Legal Consultant - Keough & Sweeney	10/2/2018	\$975
		\$3,125

Estimated Expenses for New Rate Case

Based on Docket # 4595 actuals

Legal Consultant		\$	
Financial Consultant		\$	Keough & Sweeney
Division of Public Utilities and Carriers		\$	Raftelis Financial Consultants
		\$	PUC
			\$220,410

Subtotal \$220,410

Total Costs Unamortized & Estimated TOTAL \$220,410

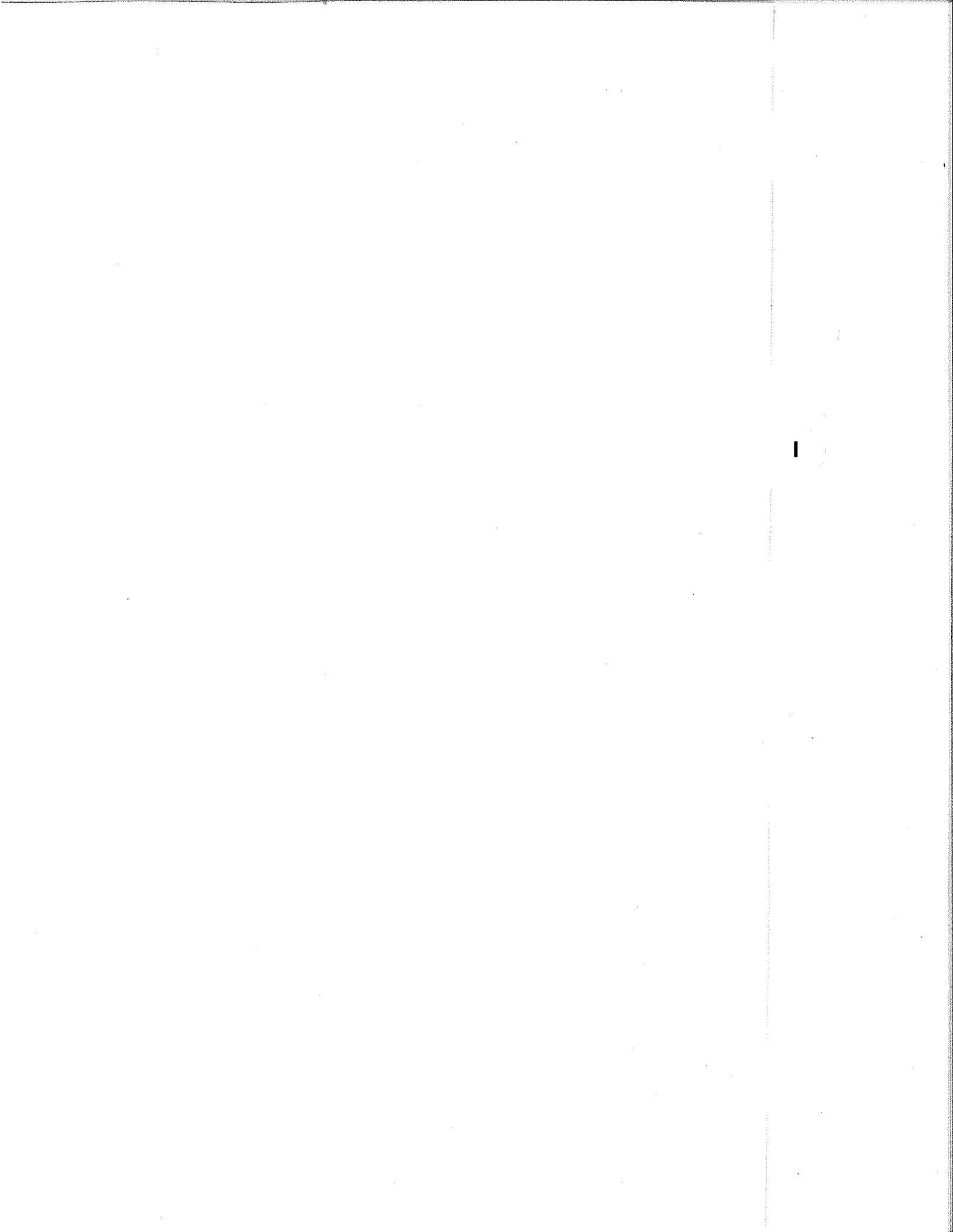
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Item 5.9.A.14.a

Unaccounted for Water
Newport Water Division

Fiscal year

2014	141,705,000 gallons	6.70%
2015	70,731,835 gallons	3.00%
2016	214,363,874 gallons	9.00%
2017	180,242,262 gallons	9.00%
2018	180,029,530 gallons	9.00%



Item 5.9.A.14.c

Utilities Own Use of Water
Newport Water Division

Fiscal year	Consumption of Water Gallons	
2014	101,113,040	gallons
2015	51,478,510	gallons
2016	12,428,000	gallons
2017	12,118,000	gallons
2018	10,421,056	gallons

J

STATUS OF PHYSICAL PLANT Newport Water Division

The Newport Water Division (NWD) is a water supplier that serves a population of approximately 45,000 customers. The transient population served can be higher as Newport is a seasonal community. The retail service area includes the City of Newport, Town of Middletown and a small section of the Town of Portsmouth. NWD also provides water wholesale to the Portsmouth Water & Fire District and Naval Station Newport. NWD owns and operates the water distribution system in Newport, Middletown and the small section in Portsmouth. Portsmouth Water & Fire District and Naval Station Newport own and operate their respective water distribution systems.

The NWD obtains its raw water supply from a system of nine (9) surface reservoirs. Nonquit Pond and Harold E. Watson Reservoir are located on the mainland across the Sakonnet River from Aquidneck Island and comprise more than half of the total system storage. The remaining seven supplies (St. Mary's Pond, Lawton Valley Reservoir, Sisson Pond, North Easton Pond, South Easton Pond, Nelson (Paradise) Pond, and Gardiner's Pond) are located on Aquidneck Island where the systems two water treatment plants are located.

Each reservoir collects and stores runoff from its own watershed. St. Mary's, Sisson, Lawton Valley, and North and South Easton Ponds are also designated as raw water distribution reservoirs because they can provide intermediate storage between another reservoir and a treatment plant. Except for 1.0 square mile in Newport, watersheds for the nine reservoirs are located in Little Compton (3.8 sq. mi.), Tiverton (6.4 sq. mi.), Portsmouth (2.5 sq. mi.) and Middletown (6.2 sq. mi.).

Water treatment is provided at the 7MGD Lawton Valley WTP in Portsmouth and the 9 MGD Newport Station1 WTP in Newport. The Lawton Valley Plant was replaced with a new treatment facility that went into service September 2014. The Station 1 Plant went into service March 6, 1991 and underwent extensive upgrades which were in service July 2014. Both treatment plants have a core treatment process of dissolved air flotation followed by primary granular activated carbon (GAC) filters and disinfection with liquid chlorine. Both plants also have post-filter Advanced Water Treatment contactors using GAC.

There are three service areas or pressure zones in the NWD water distribution system identified as Low, Medium, and High.

- The Low service area is supplied by the Newport Station 1 WTP. Four pumps at the WTP supply water to the Low Service area. Storage in the Low Service Area is provided by the 3Mgal storage tank located on Reservoir Road, Middletown.
- The Medium Service area is supplied from the Lawton Valley WTP. Treated water from the WTP is pumped to two (2) storage tanks (2 MGal and 1.75 MGal) which operate on the same hydraulic grade line. The Medium Service

Area can also be provided water from one of 2 booster pumps located at Newport Station 1. Also Newport Station 1 can receive treated water from the Lawton Valley WTP. This demonstrates the systems flexibility to move treated water to be used by each plant. A normally closed interconnection exists between the low and medium service area.

- The High Service Area is provided by a booster pumping station on Forest Ave., Middletown which pumps water to the 1.5 Mgal tank on Goulart Lane, Portsmouth. A normally closed interconnection exists between the medium and high service areas. An emergency interconnection exists between the High Service Area and Portsmouth Water and Fire District at Mitchell's Lane.

The NWD's system consists of approximately 170 miles of transmission and distribution mains, 3300 valves and 1,000 fire hydrants. There are approximately 14,500 metered service connections in the NWD distribution system which includes services in Newport, Middletown and a small section of Portsmouth. NWD owns all the meters in the system. The NWD in 2014 completed the conversion to a radio read metering system which included replacing old meters and downsizing large meters when applicable. All customers as of July 2014 are billed monthly.

MAINTENANCE POLICY
Newport Water Division
2018

The Newport Water Division (NWD) maintains its system to ensure that it operates in accordance with all regulatory requirements and accepted standards in order to provide and deliver the safest and most reliable drinking water to all of its customers.

Water Mains- There are approximately 170 miles of transmission and distribution mains in the NWD system. The original water works in Newport was started in 1876. The City of Newport has owned and operated the system since 1936. Between 1900 and 1940 nearly all new pipes added to the distribution system were unlined cast iron pipe (CI). Some of the unlined CI installed during this period has since been cleaned and lined. Between 1940 and 1970 water pipes installed were either lined CI or Asbestos/Cement (A/C or transite). Water pipes installed between 1970 and 1984 were either cement lined ductile iron (DI) or Poly Vinyl Chloride (PVC). Since 1984 all water pipes installed have been cement lined DI pipe. NWD conducts a complete leak detection survey of the entire distribution system every three years. The last third party leak detection survey was completed in February 2015 May 2014 and an in-house survey is currently underway as of October 2018.

NWD's 2015 Draft Infrastructure Replacement Plan submitted to RIDOH in January, 2015 continues the plan to upgrade the distribution system and the work is being implemented. NWD is committed to continue to replace and/or rehabilitate identified water lines within the operating budget IFR funds. Attached is a listing of water mains replaced/installed over the last ten (10) years. NWD Distribution Section staff is on call after hours to perform emergency repairs to the transmission and distribution system as necessary.

Hydrants- NWD maintains 1042 hydrants located as follows:

Newport	624
Middletown	409
Portsmouth	9

The age of the hydrants range from 1930 to 2018. The NWD has an active hydrant flushing program where the hydrants are flushed and exercised each year. The NWD has implemented a hydrant replacement program that allows for no hydrant to be older than 50 years of age. NWD's Hydrant Maintenance program calls for all hydrants to be inspected and tested at least once a year but more commonly twice a year. Older Hydrants are prioritized for replacement so that no hydrant is more than 50 years of age.

Valves- The valves in the system were installed with the water mains. NWD staff operates distribution valves as part of an ongoing valve exercise program. NWD staff replaces valves when they are found to be inoperable. Valves are also included with the replacement of a water main.

Service Connections- There are approximately 14,500 metered service connections in the NWD system. The NWD is responsible for the water service from the main to the curb stop. The property owner is responsible for the water service from the curb stop to the building/house. All water services installed after 1931 are copper. The NWD Distribution Section replaces services which are lead or wrought iron as part of their regular work as scheduling allows.

Meters- NWD owns, maintains, and replaces all meters in the system. NWD has an active meter replacement program which is funded through the Meter Section's operating budget and IFR. The NWD uses a radio read metering system. NWD converted to monthly billing for all customers in July 2014.

Newport Water Division Chemical Cost Breakdown

Sodium Hydroxide

DATE	cost/gal	gallons used	Total cost
Station One Plant			
May-18	\$ 1.056	2467	\$ 2,605.14
Jun-18	\$ 1.056	2473	\$ 2,611.72
Jul-18	\$ 1.056	3379	\$ 3,568.30
Aug-18	\$ 1.056	3598	\$ 3,799.63
Sep-18	\$ 1.056	2646	\$ 2,793.73
Oct-18	\$ 1.056	2460	\$ 2,597.47
Lawton Valley Plant			
May-18	\$ 1.056	2172	\$ 2,294.04
Jun-18	\$ 1.056	2101	\$ 2,218.46
Jul-18	\$ 1.056	3273	\$ 3,456.80
Aug-18	\$ 1.056	3397	\$ 3,586.79
Sep-18	\$ 1.056	3031	\$ 3,200.66
Oct-18	\$ 1.056	2480	\$ 2,618.56
Combined totals			\$ 35,351.31

Newport Water Division Chemical Cost Breakdown

Sodium Chlorite

DATE	cost/lb	lbs used	Total cost
Station one plant			
May-18	\$ 0.59	713	\$ 419.39
Jun-18	\$ 0.59	756	\$ 444.68
Jul-18	\$ 0.59	961	\$ 565.25
Aug-18	\$ 0.59	939	\$ 552.42
Sep-18	\$ 0.59	807	\$ 474.50
Oct-18	\$ 0.59	786	\$ 461.98
Lawton Valley plant			
May-18	\$ 0.59	452	\$ 265.55
Jun-18	\$ 0.59	539	\$ 317.11
Jul-18	\$ 0.59	794	\$ 466.95
Aug-18	\$ 0.59	671	\$ 394.57
Sep-18	\$ 0.59	520	\$ 305.98
Oct-18	\$ 0.59	496	\$ 291.39
Combined totals			\$ 4,959.77

Newport Water Division Chemical Cost Breakdown

Polyaluminum chloride

DATE	cost/gal	gallons used	Total cost
Station one plant			
May-18	\$ 1.59	4986	\$ 7,927.61
Jun-18	\$ 1.59	5390	\$ 8,570.69
Jul-18	\$ 1.59	6834	\$ 10,866.15
Aug-18	\$ 1.59	7037	\$ 11,189.45
Sep-18	\$ 1.59	5880	\$ 9,349.01
Oct-18	\$ 1.59	5843	\$ 9,290.97
Lawton Valley plant			
May-18	\$ 1.59	9371	\$ 14,899.57
Jun-18	\$ 1.59	10158	\$ 16,151.18
Jul-18	\$ 1.59	13082	\$ 20,800.68
Aug-18	\$ 1.59	15582	\$ 24,774.76
Sep-18	\$ 1.59	13602	\$ 21,627.07
Oct-18	\$ 1.59	18875	\$ 30,010.57
Combined totals			\$ 185,457.73

Newport Water Division Chemical Cost Breakdown

Sodium Hypochlorite

DATE	cost/gal	gallons used	Total cost
Station one plant			
May-18	\$ 0.98	1937	\$ 1,894.02
Jun-18	\$ 0.98	2021	\$ 1,976.56
Jul-18	\$ 0.98	2803	\$ 2,741.29
Aug-18	\$ 0.98	2490	\$ 2,435.03
Sep-18	\$ 0.98	2055	\$ 2,009.45
Oct-18	\$ 0.98	1514	\$ 1,480.61
Lawton Valley plant			
May-18	\$ 0.98	2738	\$ 2,677.58
Jun-18	\$ 0.98	3172	\$ 3,102.01
Jul-18	\$ 0.98	4090	\$ 4,000.14
Aug-18	\$ 0.98	3262	\$ 3,189.81
Sep-18	\$ 0.98	2563	\$ 2,506.15
Oct-18	\$ 0.98	2094	\$ 2,047.57
Combined totals			\$ 30,060.21

Newport Water Division Chemical Cost Breakdown
 Hydrochloric Acid

DATE	cost/gal		gallons used	Total cost
May-18	\$	1.36	534.9516964	\$ 728.60
Jun-18	\$	1.36	572.8593369	\$ 780.23
Jul-18	\$	1.36	701.9383125	\$ 956.04
Aug-18	\$	1.36	683.6375561	\$ 931.11
Sep-18	\$	1.36	598.4439964	\$ 815.08
Oct-18	\$	1.36	584.3139057	\$ 795.84

Lawton Valley plant

May-18	\$	1.36	449.7	\$ 612.53
Jun-18	\$	1.36	508.1168346	\$ 692.06
Jul-18	\$	1.36	641.8936882	\$ 874.26
Aug-18	\$	1.36	533.7041836	\$ 726.91
Sep-18	\$	1.36	450.3495159	\$ 613.38
Oct-18	\$	1.36	448.9207993	\$ 611.43

Combined totals \$ 9,137.47

Newport Water Division Chemical Cost Breakdown

Carus Profloc 5215A

DATE	cost/lb	lbs used	Total cost
Station one plant			
May-18	\$ 8.64	80	\$ 691.20
Jun-18	\$ 8.64	80	\$ 691.20
Jul-18	\$ 8.64	100	\$ 864.00
Aug-18	\$ 8.64	105	\$ 907.20
Sep-18	\$ 8.64	105	\$ 907.20
Oct-18	\$ 8.64	100	\$ 864.00
Lawton Valley plant			
May-18	\$ 8.64	45	\$ 388.80
Jun-18	\$ 8.64	45	\$ 388.80
Jul-18	\$ 8.64	65	\$ 561.60
Aug-18	\$ 8.64	80	\$ 691.20
Sep-18	\$ 8.64	80	\$ 691.20
Oct-18	\$ 8.64	42	\$ 362.88
Combined totals			\$ 8,009.28

Newport Water Division Chemical Cost Breakdown

Granular Activated Carbon

DATE	Total cost
Station one plant	
May-18	
Jun-18	
Jul-18	
Aug-18	\$41,814
Sep-18	
Oct-18	\$41,814
Lawton Valley plant	
May-18	
Jun-18	
Jul-18	
Aug-18	\$125,442
Sep-18	
Oct-18	
Combined totals	\$209,070

Newport Water Division Chemical Cost Breakdown

Copper Sulfate

DATE	cost/lb	lbs used	Total cost
May-18	\$1.6900	0	\$0.00
Jun-18	\$1.6900	9200	\$15,548.00
Jul-18	\$1.6900	11150	\$18,843.50
Aug-18	\$1.6900	15850	\$26,786.50
Sep-18	\$1.6700	4450	\$7,431.50
Oct-18	\$1.6700	2550	\$4,258.50
totals		43200	\$72,868.00

Newport Water Division Chemical Cost Breakdown

GreenClean Pro

DATE	cost/lb	lbs used	Total cost
May-18	\$1.0000	0	\$0.00
Jun-18	\$1.0000	0	\$0.00
Jul-18	\$1.0000	0	\$0.00
Aug-18	\$1.0000	4000	\$4,000.00
Sep-18	\$1.0000	4000	\$4,000.00
Oct-18	\$1.0000	0	\$0.00
totals			\$8,000.00

POLICY RELATED TO FUTURE EXPANSION AND RENOVATIONS
OF THE PHYSICAL PLANT
Newport Water Division

The Newport Water Division maintains its treatment facilities to ensure they operate in accordance with all regulatory requirements and accepted standards in order to provide and deliver the safest and most reliable drinking water to all of its customers.

Since September 2014 the new Lawton Valley and renovated Station One water treatment plants have been in service. Both plants have advanced water treatment processes incorporated into the treatment train for use when raw water quality requires additional treatment.

The City submitted in February, 2015 an update to the Water Infrastructure Replacement Plan (IRP) to the RIDOH for review and approval. The long term improvements recommended for the treatment facilities were incorporated into the IRP. The five year update of the IRP is scheduled to be completed for submission to the RIDOH by January 2020.

The Capital Improvement Plan adopted by the Newport Water Division is implemented in accordance with the 2015 Water Infrastructure Replacement Plan.