

Schacht & McElroy

*Michael R. McElroy
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Attorneys at Law

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*Members of the Rhode Island
and Massachusetts Bars*

*21 Dryden Lane
Post Office Box 6721
Providence, RI 02940-6721*

*(401) 351-4100
fax (401) 421-5696*

September 30, 2019

Luly Massaro, Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: Block Island Utility District – Rate Change Application

Dear Luly:

As you know, this office represents Block Island Utility District (“BIUD”).

Enclosed for filing are the original and nine (9) copies of a Rate Change Application.

Also enclosed are the following, which I believe contain all the information required by your Rules:


1. Application.
2. Proposed notice for your review and comment.
3. Index of filing requirements and supporting documents.
4. The existing tariffs, a red-lined version of the proposed tariffs, and a clean copy of the proposed tariffs.
5. The existing terms and conditions, a red-lined version of the proposed terms and conditions, and a clean copy of the proposed terms and conditions.
6. The direct testimony of David G. Bebyn, CPA, and Exhibits.
7. The direct testimony of Richard LaCapra, and Exhibits.

8. The direct testimony of Jeffery Wright, President.

BIUD is seeking no overall rate increase. However, due to proposed rate design changes, the impacts will vary by rate class.

If you have any questions, please feel free to call.

Very truly yours,



Michael R. McElroy

MRMc:tmg

cc: New Shoreham Town Clerk (certified mail, RRR)
David Bebyn, CPA
Richard LaCapra
Jeffery Wright, President
Christy Hetherington, Esq.
John Bell
Cynthia Wilson-Frias, Esq.

BIUD/2019 Rate Case/PUC

Schacht & McElroy

Application

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT : DOCKET No: _____

RATE CHANGE APPLICATION

Pursuant to R.I.G.L. § 39-1-1 et seq., the Block Island Utility District hereby applies for authorization and permission to increase its rates as shown on the attached proposed revised tariffs.

The following is provided pursuant to Rule 1.10 of the Rules of Practice and Procedure (“Rules”):


1. Name of Applicant: Block Island Utility District.
2. Place of Business: The District’s administrative offices are located at 100 Ocean Avenue, Block Island.
3. Notices: Correspondence or communications in regard to this Application should be addressed to:

Michael R. McElroy, Esq.
Leah J. Donaldson, Esq.
Schacht & McElroy
21 Dryden Lane
P.O. Box 6721
Providence, RI 02940-6721
Tel: (401) 351-4100
Fax: (401) 421-5696
Michael@McElroyLawOffice.com
Leah@McElroyLawOffice.com

The additional information required by 1.10(B) and Part 5 of the Rules is attached hereto.

Block Island Utility District
By its attorneys

Date: 9/24/19


Michael R. McElroy, Esq.
Leah J. Donaldson, Esq.

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21 Dryden Lane
P.O. Box 6721
Providence, RI 02940-6721
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VERIFICATION


Jeffery Wright, President of Block Island Utility District, being first duly sworn, deposes and says that the information presented in this Application is true to the best of his knowledge, information, and belief.

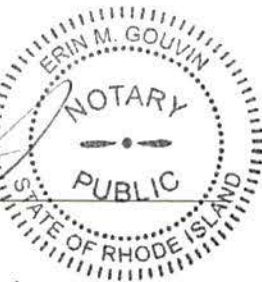

Jeffery Wright

STATE OF RHODE ISLAND

COUNTY OF Washington

Sworn to and subscribed before me this 24th day of September, 2019.


Notary Public (Seal)



Proposed Notice of Filing

NOTICE OF FILING

Block Island Utility District ("BIUD") hereby gives notice that on September 30, 2019, BIUD filed with the Rhode Island Public Utilities Commission (the "Commission") new rates and schedules designed to collect total revenues of \$3,291,335 (Docket No. _____). BIUD is seeking no overall rate increase. However, due to proposed rate design changes, the impacts will vary by rate class.

The new rates are proposed to take effect on October 1, 2019. However, the Commission can suspend the effective date of the proposed rates and no rate change will take effect until the Commission has conducted a full investigation on the proposal. The Commission will publish a notice of the hearing dates when they are scheduled. At that time, ratepayers may comment on the proposal.

A copy of the filing is available at the offices of BIUD's attorneys, Michael R. McElroy and Leah J. Donaldson, 21 Dryden Lane, P.O. Box 6721, Providence, RI 02940-6721, and at the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, RI 02888, and may be examined by the public during business hours. This notice is given pursuant to the Commission's Rules of Practice and Procedure.

Block Island Utility District

Index of filing requirements and supporting documents

INDEX OF ITEMS TO BE INCLUDED IN THIS FILING

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

Item 5.4 Notice of Filing (to be published in Block Island Times).

Response: Included in filing. Please see Cover Letter, Item 2

Response: Notice of Proposed General Rate Schedule to Customers.

Included in filing. Please see Cover Letter, Item 2

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: Included in filing. Please see Cover Letter, Items 4 and 5.

Item 5.5.A.2 Complete Direct Case.

Response: Please see Cover Letter, Items 6 through 8. Attached DGB Testimony, RLC Testimony and JW Testimony.

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.
Item 5.5.B	Documents provided to Commission in prior proceedings within twelve months.
Response:	Not applicable.
Item 5.5.C	Service of Documents provide to Attorney General.
Response:	Served Christy Herrington, Assistant Attorney General.
Item 5.5.D	Index outlining information 5.5 through 5.10.
Response:	This Index.

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

Item 5.6.A	Test Year (January 1, 2018 to December 31, 2018).
Response:	Please see testimony of David Bebyn and supporting schedules.
Item 5.6.B	Rate Year (January 1, 2020 to December 31, 2020).
Response:	Please see testimony of David Bebyn and supporting schedules.
Item 5.6.C	Adjustments to the Test Year.
Response:	Please see testimony of David Bebyn and supporting schedules.

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

Item 5.7	Attestation of financial data.
Response:	Attached to the testimony of David Bebyn.

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:	No Longer applicable. Block Island Utility District is Non-profit utility.

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 Richard LaCapra 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 David Bebyn and supporting schedules.
Item 5.9.A.5	Effect of Proposed Rate Changes.
Response:	Please see testimony of Richard LaCapra and supporting schedules. For sample bill, see " <u>Attachment Item 5.9.A.5</u> ". For proposed tariffs, Please see Cover Letter, Item 4.
Item 5.9.A.6	Debt Service Schedules.
Response:	Please see testimony of David Bebyn and " <u>Attachment Item 5.9.A.6</u> ".
Item 5.9.A.7	Schedule of Lease Payments.
Response:	Please see testimony of David Bebyn (page 17).
Item 5.9.A.8	Analysis of Revenues and Associated Expenses for Test Year.
Response:	Please see testimony of David Bebyn and supporting schedules.
Item 5.9.A.9	Rate Year Municipal Tax Expense Calculation.
Response:	Not Applicable because BIPCo transitioned to BIUD and BIUD is exempt from municipal taxes.
Item 5.9.A.10	Employee Information.
Response:	Please see testimony of David Bebyn and supporting schedules. (pages 15 and 16 & schedule DGB-RY-5a).
Item 5.9.A.11	Summary of Affiliated Entities Transactions.
Response:	Not applicable.
Item 5.9.A.12	Financial Data for Non-Coinciding Test Year.
Response:	Please see testimony of David Bebyn (Schedules DGB-TY-4).
Item 5.9.A.13	Summary of Expenses Incurred and Projected Related to Instant Rate Case.
Response:	Please see testimony of David Bebyn.
Item 5.9.A.14a	Unaccounted for Water.
Response:	Not applicable.

Item 5.9.A.14b **Loss on Transmission of Electricity, or Gas.**
Response: see "Attachment Item 5.9.A.14b".

Item 5.9.A.14c **Utilities Own Use of Electricity.**
Response: see "Attachment Item 5.9.A.14c".

Item 5.9.A.15 **Compliance with Prior Commission Orders**
Response: BIUD is compliant with prior Commission Orders.



BLOCK ISLAND POWER COMPANY

100 Ocean Avenue P.O. Box 518
Block Island, Rhode Island 02807

Customer Service: 401-466-5851

BLOCK ISLAND RI 02807-0000



Statement Date	08/01/2019
Account Number	#####
Payment Due	08/25/2019

Service Summary

Previous Balance	\$7,201.18
Payment Received 07/22/2019	Thank You \$7,201.18 CR
Balance Forward	\$0.00

Current Charges \$7,090.78

Total Amount Due \$7,090.78

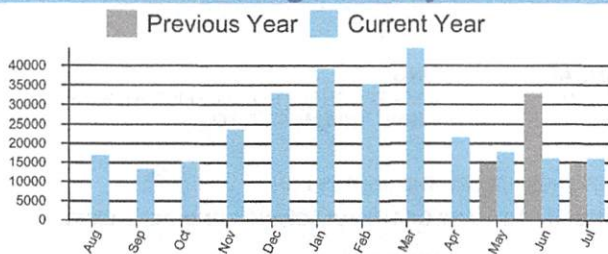
Message from BIPCO

Please join us Saturday 8/24 at 4pm at Town Hall for our first annual meeting.

Account Number: ##### Rate : G

Meter Number	Read Type	Services	From	To	Days	Previous	Present	Meter Multiplier	Power Factor	Usage	Units
#####	Actual		07/01/19	08/01/19	31	16996	17036	400	0.0	16000	KWH

kWh Usage History



COMPARISONS	DAYS	KWH	AVG TEMP	AVG KWH
Current Month	31	16000	74	516
Previous Month	29	16000	66	552
Same Month Last Year	27	14800	73	548

Avg Cost Per Day: \$228.73

Current Service Charges

CURRENT CHARGES	RATE	BILLED USE	AMOUNT
Customer Charge			\$12.38
Plant & Distribution Charge	0.2652	16000	\$4,243.20
Transmission Charge (TMC)	0.07	16000	\$1,120.00
Standard Offer Charge (SOC)	0.0972	16000	\$1,555.20
DSI	0.01	16000	\$160.00

Summary

Current Service Total \$7,090.78
Total Charges \$7,090.78

KEEP SEND IF YOU HAVE NOT PAID YOUR PREVIOUS BALANCE, BALANCES MAY BE SUBJECT TO PENALTIES/INTEREST & DISCONNECTION, BILLS ARE DUE WHEN RENDERED, PAYMENTS MUST BE RECEIVED BY BLOCK ISLAND POWER COMPANY NO LATER THAN THE DUE DATE TO AVOID LATE PAYMENT FEES AND DISCONNECTION NOTICES. PLEASE ALLOW SEVEN (7) DAYS PRIOR TO DUE DATE FOR PROCESSING TIME.
Please do not staple or paperclip.

BLOCK ISLAND POWER COMPANY
P.O. BOX 518
BLOCK ISLAND RI 02807-0000

Account Number	#####
Total Due 08/25/2019	\$7,090.78

Please fill in amount paid \$ _____
DO NOT SEND CASH

PAYMENT OPTIONS

- ☐ Mail: Include this coupon with payment.
- ☐ In Person at: 100 Ocean Ave, Block Island, RI
- ☐ Pay By Phone: Call 1-844-749-3053
- ☐ Pay Online: <https://blockisland.smarthub.coop>

☐ Please check here and complete the appropriate section on the reverse side to update your Mailing Address, Phone Numbers, or Email.

Make checks payable to:

Block Island Power Company
PO BOX 518
Block Island, RI 02807-0518



Block Island Power Company is a recipient of Federal financial assistance from the U.S. Department of Agriculture (USDA). The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. USDA is an equal opportunity provider and employer.

EXPLANATION OF CHARGES

1. **CUSTOMER CHARGE:** THE PORTION OF YOUR BILL THAT COVERS BASIC COSTS OF PROVIDING SERVICE SUCH AS METERING, ADMINISTERING THE SMART METER APPLICATIONS AND BILLING. THESE CHARGES ARE UNAFFECTED BY THE ACTUAL AMOUNT OF ELECTRICITY THAT YOU USE.
2. **SYSTEM CHARGE:** THIS CHARGE APPLIES TO THOSE CUSTOMERS WHOSE KILOWATT-HOUR USE IN THE SUMMER BILLING PERIOD MONTHS (JUNE-SEPT) EXCEEDS TWO (2) TIMES THE CUSTOMER'S AVERAGE KILOWATT-HOUR USAGE IN THE PRECEDING EIGHT WINTER BILLING MONTHS (OCT-MAY). THE SYSTEM CHARGE WILL BE APPLIED IN EACH SUMMER BILLING MONTH.
3. **PLANT AND DISTRIBUTION CHARGE (WAS CALLED ENERGY CHARGE IN THE PAST):** THIS PORTION OF YOUR BILL COVERS THE COSTS ASSOCIATED WITH MAINTAINING THE GENERATING PLANT AND DISTRIBUTION DELIVERY SYSTEM. THE CHARGE IS CALCULATED BY MULTIPLYING THE RATE BY THE NUMBER OF KILOWATT-HOURS USED.
4. **DEMAND CHARGE:** THIS PORTION OF YOUR BILL APPLIES IF YOU EXCEED 8 KW OF USAGE FOR ONE FIFTEEN MINUTE PERIOD WITHIN THE MOST RECENT 24 MONTHS OR WHOSE ANNUAL USAGE EXCEEDS 20,000 KWH. THE DEMAND CHARGE IS BASED ON YOUR HIGHEST DEMAND RECORDS ON A 15 MINUTE INTERVAL WITHIN THE BILLING PERIOD.
5. **TRANSMISSION CHARGE (TMC):** THIS PORTION OF YOUR BILL COVERS THE COSTS ASSOCIATED WITH THE TRANSMISSION COSTS THE BLOCK ISLAND POWER COMPANY IS SUBJECT TO. THIS RATE IS APPLIED TO ALL KILOWATT HOURS CONSUMED ON THIS RATE.
6. **STANDARD OFFER CHARGE (SOC):** THIS PORTION OF YOUR BILL COVERS THE COST OF ENERGY AND CAPACITY PURCHASED BY THE BLOCK ISLAND POWER COMPANY AND OTHER FEES CHARGED BY THE ISO-NE. THIS RATE IS APPLIED TO ALL KILOWATT HOURS CONSUMED ON THIS RATE.
7. **FUEL ADJUSTMENT CHARGE:** THIS PORTION OF THE BILL VARIES EACH MONTH AND ONLY APPLIES TO KWH USAGE WHEN THE BACKUP GENERATION IS RUNNING, SUCH AS DURING CABLE OUTAGES. IT INCLUDES THE COST OF FUEL, UREA USED IN THE POLLUTION CONTROL EQUIPMENT AND TRANSPORTATION OF THE FUEL. IT ALSO INCLUDES A ONE CENT PER KILOWATT-HOUR CHARGE DURING THE MONTHS OF JUNE, JULY, AUGUST AND SEPTEMBER TO FUND AN INTEGRATED RESOURCE PLANNING PROCESS SET FORTH IN PUC DOCKET 3655 AND IS INTENDED TO FUND DISTRIBUTION SYSTEM IMPROVEMENTS.

RIGHT TO DISPUTE YOUR BILL AND TO AN IMPARTIAL HEARING

IF YOU BELIEVE YOUR BILL IS INACCURATE OR FOR ANY REASON PAYMENT MAY BE WITHHELD, YOU SHOULD FIRST CONTACT OUR OFFICE AT 466-5851. IF A MUTUALLY SATISFACTORY SETTLEMENT OF THIS MATTER CANNOT BE MADE YOU HAVE THE RIGHT TO SUBMIT THIS MATTER TO:

REVIEW OFFICER, PUBLIC UTILITIES DIVISION

86 JEFFERSON BLVD. WARWICK, RHODE ISLAND 02888 (401) 941-4500

BLOCK ISLAND POWER COMPANY WILL NOT DISCONNECT YOUR SERVICE PENDING PROCEEDINGS BEFORE THE COMMISSION

PROTECTION AGAINST TERMINATION OF SERVICE OR THE RIGHT TO RESTORATION OF SERVICE IF ANY OF THE FOLLOWING CONDITIONS EXIST:

8. EVERYONE IN YOUR HOUSEHOLD IS SIXTY-TWO (62) OR OLDER.
9. ANY MEMBER OF YOUR HOUSEHOLD IS HANDICAPPED OR SERIOUSLY ILL AS CERTIFIED BY A LICENSED PHYSICIAN.
10. YOU ARE WILLING TO PARTICIPATE IN A RESIDENTIAL PAYMENT PLAN.
11. IF SERVICE IS NECESSARY TO PROTECT THE HEALTH, WELFARE AND SAFETY OF THE RESIDENTS OF THE DWELLING AS SET FORTH IN THE RULES AND REGULATIONS GOVERNING THE TERMINATION OF RESIDENTIAL ELECTRIC SERVICE, DATED APRIL 11, 2012.
12. INFANT AND FINANCIAL HARDSHIP PROTECTION-BIPCO WILL NOT TERMINATE ELECTRIC SERVICE IN ANY RESIDENCE IN WHICH THERE IS DOMICILED A PERSON UNDER THE AGE OF TWENTY-FOUR MONTHS AND THE CUSTOMER'S SERVICE HAS NOT BEEN PREVIOUSLY SHUT OFF FOR NON-PAYMENT BEFORE THE BIRTH OF THE CHILD; PROVIDED THAT THE CUSTOMER CANNOT AFFORD TO PAY ANY OVERDUE BILL BECAUSE OF FINANCIAL HARDSHIP AS DEFINED IN THE RIPUC RULES.
THE COMPANY SHALL REQUIRE CERTIFICATION OF SUCH INFANCY BY BIRTH CERTIFICATE OR OTHER VERIFIABLE CERTIFICATION. SUCH CERTIFICATION SHALL REMAIN IN EFFECT WITHOUT RENEWAL UNTIL THE INFANT REACHES THE AGE OF TWENTY-FOUR (24) MONTHS. ADDITIONALLY, DURING THE WINTER SEASON (NOVEMBER 1- APRIL 1)
13. YOU ARE ELIGIBLE FOR HEATING ASSISTANCE AID AS VERIFIED BY THE AGENCY ADMINISTERING THIS ASSISTANCE.
14. THE PRINCIPAL WAGE EARNER IS CURRENTLY RECEIVING UNEMPLOYMENT COMPENSATION AS VERIFIED BY THE DEPT. OF LABOR AND TRAINING.
15. YOUR DELINQUENT BALANCE IS LESS THAN \$500 IF ELECTRICITY IS YOUR PRIMARY SOURCE OF HEAT OR LESS THAN \$200 FOR SECONDARY USE OF ELECTRICITY.

PAYMENT PLANS

A VARIETY OF PAYMENT PLANS ARE AVAILABLE TO HELP CUSTOMERS MANAGE THEIR ELECTRIC ACCOUNTS. PLEASE CALL OUR OFFICE FOR INFORMATION 466-5851.

RECONNECTION CHARGE

DURING NORMAL BUSINESS HOURS	\$25.00
AFTER NORMAL BUSINESS HOURS	\$50.00

FAILURE TO RECEIVE AN ELECTRIC BILL DOES NOT EXCUSE ANYONE FROM PAYING THE MONTHLY BILL. INTEREST AND PENALTIES WILL ACCRUE. BIPCO REQUIRES A DEPOSIT ON NEW ELECTRIC ACCOUNTS. THE DEPOSIT WILL BE RETAINED BY BLOCK ISLAND POWER COMPANY UNTIL THE ELECTRIC ACCOUNT IS CLOSED.

ALL BILLS ARE DUE WHEN RENDERED AND ARE CONSIDERED OVERDUE IF NOT PAID BY THE DUE DATE. A LATE FEE OF 1.5% PER MONTH WILL BE ASSESSED ON ALL BALANCES THAT ARE PAST DUE. A \$20 FEE WILL BE CHARGED TO CUSTOMERS FOR EACH CHECK PRESENTED FOR PAYMENT NOT HONORED BY THE FINANCIAL INSTITUTION.

Please indicate change of address here:

New Mailing Address		
City	State	Zip
Phone Number	Alternate Phone	

Co-op Name: Block Island Utility District
 Co-op ID: R1001
 Date Prepared: 8/26/2019
 Interest Rates as of: 8/23/2019
 Financing Amount: \$5,800,000
 Scenario Name: Term Out BLOC

Effective Interest Rate: 3.18%
 Stated Interest Rate: 3.66%
 Benefit of Disc & Pat Cap: 0.48%



PROJECTED ANNUAL CASH FLOW SUMMARY

	CFC					
	Ending Balance	Principal Payments	Interest Expense	Total Discounts	Cash Patronage	Cash Flows
30-Jun	(5,800,000)	(3,748,960)	256,076	328,055	(8,964,828)	
2019	0	0	0	0	0	0
2020	5,717,865	(82,135)	(163,697)	11,182	7,162	(227,489)
2021	5,604,801	(113,064)	(207,734)	14,189	9,089	(297,519)
2022	5,487,542	(117,259)	(203,539)	13,903	8,905	(297,989)
2023	5,365,932	(121,610)	(199,188)	13,606	8,715	(298,477)
2024	5,239,810	(126,122)	(194,675)	13,297	8,518	(298,982)
2025	5,109,008	(130,802)	(189,995)	12,978	8,313	(299,507)
2026	4,973,353	(135,656)	(185,142)	12,646	8,100	(300,051)
2027	4,832,664	(140,689)	(180,108)	12,302	7,880	(300,615)
2028	4,686,754	(145,909)	(174,888)	11,946	7,652	(301,200)
2029	4,535,431	(151,323)	(169,474)	11,576	7,415	(301,806)
2030	4,378,492	(156,938)	(163,859)	11,193	7,169	(302,436)
2031	4,215,731	(162,762)	(158,036)	10,795	6,915	(303,088)
2032	4,046,930	(168,801)	(151,997)	10,382	6,650	(303,765)
2033	3,871,865	(175,064)	(145,733)	9,954	6,376	(304,467)
2034	3,690,305	(181,560)	(139,237)	9,511	6,092	(305,195)
2035	3,502,008	(188,297)	(132,500)	9,051	5,797	(305,950)
2036	3,306,724	(195,284)	(125,514)	8,573	5,492	(306,733)
2037	3,104,194	(202,530)	(118,267)	8,078	5,175	(307,545)
2038	2,894,149	(210,045)	(110,753)	7,565	4,846	(308,387)
2039	2,676,310	(217,839)	(102,959)	7,033	4,505	(309,260)
2040	2,450,389	(225,922)	(94,876)	6,481	4,151	(310,166)
2041	2,216,084	(234,305)	(86,493)	5,908	3,784	(311,105)
2042	1,973,085	(242,999)	(77,799)	5,314	3,404	(312,079)
2043	1,721,070	(252,015)	(68,782)	4,698	3,009	(313,090)
2044	1,459,704	(261,366)	(59,431)	4,060	2,600	(314,138)
2045	1,188,639	(271,064)	(49,733)	3,397	9,338	(308,062)
2046	907,517	(281,122)	(39,675)	2,710	10,825	(307,263)
2047	615,963	(291,554)	(29,244)	1,998	10,185	(308,615)
2048	313,591	(302,372)	(18,426)	1,259	9,521	(310,018)
2049	0	(313,591)	(7,206)	492	8,833	(311,472)
2050	0	0	0	0	8,313	8,313
2051	0	0	0	0	8,100	8,100
2052	0	0	0	0	7,880	7,880
2053	0	0	0	0	7,652	7,652
2054	0	0	0	0	7,415	7,415
2055	0	0	0	0	7,169	7,169
2056	0	0	0	0	6,915	6,915
2057	0	0	0	0	6,650	6,650
2058	0	0	0	0	6,376	6,376
2059	0	0	0	0	6,092	6,092
2060	0	0	0	0	5,797	5,797
2061	0	0	0	0	5,492	5,492
2062	0	0	0	0	5,175	5,175
2063	0	0	0	0	4,846	4,846
2064	0	0	0	0	4,505	4,505
2065	0	0	0	0	4,151	4,151
2066	0	0	0	0	3,784	3,784
2067	0	0	0	0	3,404	3,404
2068	0	0	0	0	3,009	3,009
2069	0	0	0	0	2,600	2,600
2070	0	0	0	0	2,176	2,176
2071	0	0	0	0	1,736	1,736
2072	0	0	0	0	1,280	1,280
2073	0	0	0	0	806	806
2074	0	0	0	0	315	315
2075	0	0	0	0	0	0

* Interest rates are calculated as a monthly internal rate of return.

**The impact of patronage capital is estimated based upon CFC's historical patronage allocation and retirement. The timing of patronage capital distributions may also be affected by the dates that funds are advanced.

*** This information is confidential and is not to be disclosed to third parties without prior CFC consent. This presentation reflects CFC's programs and policies in effect at the time this presentation was created. No future represent

Created & Owned by America's Electric Cooperative Network

	<u>KWH Purchase</u>	<u>KWH Sales</u>	<u>Loss on Transmission</u>	
May-17	1,014,130	887,493		
Jun-17	1,453,760	1,273,926		
Jul-17	2,166,110	1,885,094		
Aug-17	2,139,340	1,917,749		
Sep-17	1,398,680	1,221,039		
Oct-17	933,900	797,912		
Nov-17	772,890	648,651		
Dec-17	856,660	722,403		
Jan-18	925,400	782,057		
Feb-18	739,780	628,154		
Mar-18	806,810	678,159		
Apr-18	824,960	701,154		
	<u>14,032,420</u>	<u>12,143,791</u>	<u>1,888,629</u>	0.13459
May-18	1,068,050	1,003,412		
Jun-18	1,443,000	1,340,227		
Jul-18	2,369,950	1,946,415		
Aug-18	2,537,010	2,213,768		
Sep-18	1,536,240	1,384,158		
Oct-18	976,200	889,859		
Nov-18	854,760	746,062		
Dec-18	883,450	761,699		
Jan-19	934,130	802,335		
Feb-19	814,500	706,711		
Mar-19	906,730	752,017		
Apr-19	889,740	680,681		
	<u>15,213,760</u>	<u>13,227,344</u>	<u>1,986,416</u>	0.130567

Block Island Power Company

Revision: 19042

09/27/2019 1:18:58 pm

USAGE HISTORY

Page: 1

Customer: 41680 **Name:** BLOCK ISLAND POWER COMPANY**Account:** 41680001 **Cycle:** 1**Revenue Class:** 2**Service Status:** 1**Service:** ELEC**Provider:** BIPCO**Srv Loc Nbr:** 19290000**Substation:**

Rate	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
G	2018	0	0	0	0	14,581	32,800	14,800	16,800	13,200	15,200	23,600	32,800	163,781
G	2019	39,200	35,200	44,400	21,600	17,600	16,000	16,000	18,000	0		0	0	208,000

Grand Totals:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	39,200	35,200	44,400	21,600	32,181	48,800	30,800	34,800	13,200	15,200	23,600	32,800	371,781

Block Island Power Company

Revision: 19042

09/27/2019 1:16:54 pm

USAGE HISTORY

Page: 1

Customer: 24510 **Name:** BLOCK ISLAND POWER COMPANY**Account:** 24510001 **Cycle:** 1**Revenue Class:** 1**Service Status:** 1**Service:** ELEC**Provider:** BIPCO**Srv Loc Nbr:** 7980000**Substation:**

Rate	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
D	2018	0	0	0	0	0	0	2,334	2,534	1,276	680	755	735	8,314
D	2019	716	726	688	647	606	628	1,633	1,705	0		0	0	7,349
R	2016	0	0	0	0	0	0	0	0	1,459	1,200	1,650	1,967	6,276
R	2017	963	423	511	432	415	669	953	916	716	672	760	912	8,342
R	2018	814	728	716	675	617	789	0	0	0		0	0	4,339
Grand Totals:		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
		2,493	1,877	1,915	1,754	1,638	2,086	4,920	5,155	3,451	2,552	3,165	3,614	34,620

Existing tariffs

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

RESIDENTIAL SERVICE**RATE “R”****AVAILABILITY**

Available only for low voltage service where the use is predominately for residential purposes.

Available in individual residences and in individually metered dwelling units in multifamily dwellings.

Available in churches and adjacent buildings operated in connection therewith.

Available only if Customer takes his entire electric energy requirements from the Company.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.

Not available for residential premises in which three (3) or more rooms are available for hire.

Not available to any customer whose 15-minute interval metered demand is found to exceed eight (8) kilowatts at any time during the period June 1 through September 30 of any year.

Not available for temporary, auxiliary or emergency service.

Not available to Residential Customers using more than 2,500 kilowatt-hours in any calendar month or more than 20,000 kilowatt-hours in any year. Customers for whom usage in excess of these limits is recorded will be served under the Company's Demand Metered General Service rate schedule, Rate “D”.

MONTHLY RATE

The Monthly rate for service will be the sum of the following four charges for each month:

		For Service During the months of <u>June – September</u>	For Service During the months of <u>October – May</u>
1.	Customer Charge	\$12.38 per month	\$12.38 per month
2.	System Charge	\$22.51 per month	None
3.	Plant/Distribution Charge	23.99¢ per kWh	9.10¢ per kWh
4.	Transmission Charge	As determined in accordance with Rider “TMC”	

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 2

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

MONTHLY RATE (Continued)

- | | | |
|----|------------------------|--|
| 5. | Standard Offer Rate | As determined in accordance with Rider "SOR" |
| 6. | Fuel Adjustment Charge | As determined in accordance with Rider "FAC" |

APPLICATION OF SYSTEM CHARGE

The System Charge will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in the billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October - May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

GENERAL SERVICE

RATE "G"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels except where Customer electric devices (or groups of electric devices which start together) have a starting load in excess of 15 KVA.

Available only if Customer takes his entire electric energy requirements from the Company.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.

Not available for temporary, auxiliary or emergency service.

Not available to customers having metered demands in excess of eight (8.0) kW or energy use for a twelve-month period in excess of 20,000 kWh. Customers for whom usage in excess of these limits is recorded will be served under the Company's Demand Metered General Service rate schedule, Rate "D".

MONTHLY RATE

The Monthly rate for service will be the sum of the following four (4) charges for each month:

		For Service During the months of <u>June – September</u>	For Service During the months of <u>October – May</u>
1.	Customer Charge	\$12.38 per month	\$12.38 per month
2.	System Charge	\$42.20 per month	None
3.	Plant/Distribution Charge	26.52¢ per kWh	12.05¢ per kWh
4.	Transmission Charge	As determined in accordance with Rider "TMC"	
5.	Standard Offer Rate	As determined in accordance with Rider "SOR"	
6.	Fuel Adjustment Charge	As determined in accordance with Rider "FAC"	

BLOCK ISLAND POWER COMPANY
Block Island, Rhode Island

R.I. PUC No. 4690
Sheet No. 2
Canceling R.I. PUC No. 3900
Effective: May 1, 2017

APPLICATION OF SYSTEM CHARGE

The System Charge will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in the billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October – May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" – FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provision of the Fuel Adjustment Charge – Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

DEMAND-METERED GENERAL SERVICE

RATE "D"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels except where Customer electric devices (or groups of electric devices which start together) have a starting load in excess of 15 KVA.

Available for auxiliary or emergency service.

Not available to any customer whose monthly metered demands fail to exceed 4.0 kW for any month within a twenty-four (24) month period.

MONTHLY RATE

The Monthly rate for service will be the sum of the following four (4) charges for each month:

		For Service During the months of <u>June – September</u>	For Service During the months of <u>October – May</u>
1.	Customer Charge	\$18.57 per month	\$18.57 per month
2.	Demand Charge	\$19.58 per kW	\$6.53 per kW
3.	Plant/Distribution Charge	21.85¢ per kWh	10.90¢ per kWh
4.	Transmission Charge	As determined in accordance with Rider “TMC”	
5.	Standard Offer Rate	As determined in accordance with Rider “SOR”	
6.	Fuel Adjustment Charge	As determined in accordance with Rider “FAC”	

BLOCK ISLAND POWER COMPANY
Block Island, Rhode Island

R.I. PUC No. 4690
Sheet No. 2
Canceling R.I. PUC No. 3900
Effective: May 1, 2017

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge – Rider “FAC”, combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

PUBLIC AUTHORITY SERVICE

RATE "P"

AVAILABILITY

Available for uses of electric service by a Public Authority Customer at secondary voltage levels except where Customer electric devices (or groups of electric devices which start together) have a starting load in excess of 15 KVA.

Available only if Customer takes his entire electric energy requirements from the Company.

Available only for metered service.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.

Not available for temporary, auxiliary or emergency service.

MONTHLY RATE

The Monthly rate for service will be the sum of the following five (5) charges for each month:

	For Service During the months of <u>June – September</u>	For Service During the months of <u>October – May</u>
1. Customer Charge		
a. Non-Demand	\$12.38 per month	\$12.38 per month
b. Demand Metered	\$18.57 per month	\$18.57 per month
2. Demand Charges	\$18.57 per kW	\$6.19 per kW
3. Plant/Distribution Charge		
a. Non-Demand	24.25¢ per kWh	12.13¢ per kWh
b. Demand-Metered	19.57¢ per kWh	9.78¢ per kWh
4. System Charge	\$42.20 per month	None
5. Transmission Charge	As determined in accordance with Rider "TMC"	

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 2

Canceling R.I. PUC No. 3900

Effective: May 1, 2017

MONTHLY RATE (Continued)

- | | | |
|----|------------------------|--|
| 6. | Standard Offer Rate | As determined in accordance with Rider "SOR" |
| 7. | Fuel Adjustment Charge | As determined in accordance with Rider "FAC" |

APPLICATION OF SYSTEM CHARGE

The System Charge will be applied in each summer billing month (June through September) to each Non-Demand customer whose kilowatt-hour (kWh) use in the billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October - May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period. The System Charge is not applicable to Demand-Metered customers.

APPLICATION OF DEMAND CHARGE

The Demand Charge will be applied to each customer having demand metering installed by, or for, the Company, for whom at least one metered demand in excess of eight (8.0) kW has been recorded within the most recent 24 months. Demand metering equipment will be installed for any customer whose energy use for a consecutive twelve-month period in excess of 20,000 kWh. Customers for whom usage in excess of (8.0) kW during any 15-minute interval exceeds eight kW (8.0) or for whom metered annual kWh use exceeds 20,000 kWh will be transferred to demand billing status.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge-Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4579

Sheet No. 1

Canceling R.I. PUC No. 3900

Effective: October 15, 2015

STREET LIGHTING SERVICE

RATE "S"

AVAILABILITY

Available for all street lighting and pole-mounted flood lighting purposes on the Company's existing distribution lines suitable for supplying the service requested. The Company will furnish, maintain, and operate mercury vapor lamps of 6000 mean lumens and light emitting diode ("LED") lamps of at least 6000 mean lumens.

Available for the supply of lighting from dusk to dawn using suitable control apparatus furnished, maintained, and operated by the Company.

Available only for installations which use transformers and circuits energized for Residential, Commercial, Public Authority, or other non-lighting purposes.

Not available for a newly installed street lighting fixture on an existing Company-owned pole supplied from an existing secondary circuit where no street lighting fixture(s) is currently installed.

MONTHLY RATE

Where street lighting fixtures are mounted on wood poles and supplied by overhead type construction of circuits:

<u>Lamps</u>	<u>Monthly Charge</u>
Mercury Vapor 6000 mean lumen	\$17.39
73W LED/6800 lumens	\$7.37
125 W LED/11800 lumens	\$12.61

BILLING

Charges for use will be billed monthly based on the number of lamps installed.

TERMS OF CONTRACT

Two years and thereafter until canceled by one year's written notice.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4849

Sheet No. 1

Canceling _____

Effective: August 15, 2018

WAIVER OF CREDIT CARD/DEBIT CARD/E-CHECK PAYMENT PROVISION

Availability:

Customers of Block Island Power Company (BIPCo) have the option of paying their electric bills issued by BIPCo through the use of a credit or debit card or e-check. Residential and Non-Residential customers, as determined by the BIPCo rate schedule designations, have the option to make these payments by the use of such cards or e-check. Payments are accepted both on line at BIPCo's website, through the SmartHub application or by Veri-Phone.

Payment Types:

The following payment methods shall be accepted under this provision:

1. Visa and MasterCard;
2. Debit Cards issued by a financial institution which include the card association symbol of MasterCard or Visa;
3. E-checks.

Fees:

Customers choosing to make payment under this option will not be charged a fee. This applies to both Residential and Non-Residential customers.

BIPCo's customer must initiate each payment transaction. Initiating one payment transaction does not establish future payment transactions for a customer.

Payment Amount

Customers who chose to make payments under this provision shall have the ability to make partial payments.

Additionally, BIPCo shall not deny a customer's use of these payment options because the customer's account is past due.

Terms and Conditions

BIPCo's Terms and Conditions, as may be amended from time to time, and where consistent with the specific provisions hereof, are a part of this provision.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: May 1, 2019

STANDARD OFFER & TRANSMISSION COST RATES

Standard Offer Rate 9.72¢ per kWh
See Rider "SOR" for additional Details

Transmission Cost Rate 7.00¢ per kWh
See Rider "TMC" for additional Details

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: May 1, 2018

STANDARD OFFER RATE RIDER

RATE “SOR”

STANDARD OFFER RATE

The Standard Offer is defined as the total costs of purchased power less Transmission Costs. The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

STANDARD OFFER RATE CALCULATION:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost, or Standard Offer in accordance with the definitions of those elements of purchased power. These costs will then be divided by .96 to reflect the cost of gross receipt tax (GRT);
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated Company's sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the Company will service at the Standard Offer during the upcoming six - month period.

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: May 1, 2018

TRANSMISSION COST RIDER

RATE “TMC”

TRANSMISSION COST RATE

Transmission Costs are defined by the local service agreement between the parties of New England Power Company (d/b/a National Grid), Block Island Power Company and ISO New England Inc under ISO New England Inc. FERC Electric Tariff No.3 (first revised service agreement No. TSA-NEP-83). The Transmission Costs include any and all other applicable charges in accordance with the rates, terms and conditions of Schedule 21-NEP of the Tariff, including, without limitation, Monthly demand charges with PTF and non-PTF components

- Transformer surcharge
- Rolled-In Distribution Surcharge
- Direct Assignment Facilities Charge for interconnection facilities
- Meter Surcharge
- Network load dispatch surcharge
- Block Island Transmission System Surcharge

The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

TRANSMISSION RATE CALCULATION:

The per-unit rate of the Transmission cost along with the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost or Standard Offer in accordance with the definitions of those elements of purchased power. These costs will then be divided by .96 to reflect the cost of gross receipt tax (GRT);
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated Company’s sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the Company will service at the Standard Offer during the upcoming six-month period.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: May 1, 2018

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: April 1, 2017

FUEL ADJUSTMENT CLAUSE RIDER

RATE “FAC”

FUEL ADJUSTMENT CHARGE

The fuel adjustment charge will be calculated each month to cover the cost of financing fuel and urea inventories, transportation costs, as well as to cover the cost of fuel and urea usage in the following manner.

FUEL AND UREA FINANCING COST:

The beginning inventory value (fuel and urea) of the month being calculated will be multiplied times the prime rate (beginning of the month) plus 0.5% then divided by 12 (months) to arrive at the appropriate financing cost. This financing cost will then be divided by .96 to reflect the cost of gross receipt tax (GRT).

FUEL AND UREA USAGE EXPENSE:

The total number of gallons used of fuel for the month being calculated will be multiplied times the “weighted” cost of the fuel used and the related transportation cost (i.e. ferry, truck, driver, etc.) required for delivering the fuel to the Island. This calculated fuel cost will then be divided by .96 to provide for GRT.

The same calculation will be completed for the urea usage costs. The total number of gallons used of urea for the month being calculated will be multiplied times the “weighted” cost of the urea used and the related transportation cost required for delivering the urea to the Island. This calculated urea cost will then be divided by .96 to provide for GRT.

ENGINE RENTAL EXPENSE:

The total cost for the month to rent auxiliary engines (including any required components such as wiring and transformers) and the related installation and transportation costs (i.e. ferry, truck, driver, etc.) required for transportation of the rental equipment. This calculated engine rental cost will then be divided by .96 to provide for GRT.

DSI FUND:

There is a surcharge of 1.00¢ per kWh for Distribution System Improvements (DSI), which shall be placed in a restricted account. These funds shall be used for professional fees specifically related to distribution system improvements. In addition, funds not needed for such fees shall be used to make improvements to the distribution system. The funds shall be collected on kWh consumption in June, July, August and September of each year through the fuel surcharge (FAC). This calculated DSI fund will then be divided by .96 to provide for GRT.

BLOCK ISLAND POWER COMPANY

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 2

Effective: April 1, 2017

FAC FACTOR:

The combined financing cost and usage costs for fuel and urea along with the engine rental costs and DSI funding will then be divided by the kWh sales for the same month to arrive at a FAC factor to be applied to all kWh sales for that month.

APPROVAL:

The FAC factor will be submitted to the Division of Public Utilities and Carriers for review and approval before billing to the customers.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.

Red-lined version of the proposed tariffs

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

Canceling R.I. PUC No. ~~3900~~
4690

Effective: ~~May 1, 2017~~

RESIDENTIAL SERVICE

RATE "R"

AVAILABILITY

Available only for low voltage service where the use is predominately for residential purposes.

Available in individual residences and in individually metered dwelling units in multifamily dwellings.

Available in churches and adjacent buildings operated in connection therewith.

Available only if Customer takes his entire electric energy requirements from the ~~Company~~ District.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the ~~Company~~ District.

Not available for residential premises in which three (3) or more rooms are available for hire.

~~Not available to any customer whose 15 minute interval metered demand is found to exceed eight (8) kilowatts at any time during the period June 1 through September 30 of any year.~~

Not available for temporary, auxiliary or emergency service.

~~Not available to Residential Customers using more than 2,500 kilowatt hours in any calendar month or more than 20,000 kilowatt hours in any year. Customers for whom usage in excess of these limits is recorded will be served under the Company's Demand Metered General Service rate schedule, Rate "D".~~

MONTHLY RATE

~~The Monthly rate for service will be the sum of the following four (4) charges for each month:~~

	For Service During	For Service During
	the months of	the months of
	June – September	October – May
1. Customer Charge	\$12.38 per month	\$12.38 per month
2. System Charge	\$22.51 per month	None
3. Plant/Distribution Charge	23.99¢ per kWh	9.10¢ per kWh
4. Transmission Charge	As determined in accordance with Rider "TMC"	

~~5. Standard Offer Rate As determined in accordance with Rider "SOR"~~

~~6. Fuel Adjustment Charge As determined in accordance with Rider "FAC"~~

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other <u>Months</u>
1. Customer Charge	\$10.00 per month	\$10.00 per month	\$10.00 per month
2. System Charge	see "APPLICATION OF SYSTEM CHARGE"		
3. Plant/Distribution Charge	28.50¢ per kWh	14.25¢ per kWh	8.95¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider "TMC"		
6. Standard Offer Rate	As determined in accordance with Rider "SOR"		
7. Fuel Adjustment Charge	As determined in accordance with Rider "FAC"		

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____
Sheet No. 2
Canceling R.I. PUC No. ~~3900~~
4690
Effective: ~~May 1, 2017~~

APPLICATION OF SYSTEM CHARGE

The System Charge of \$25.00 will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in a **summer** billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October - May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this ~~Company~~ District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the ~~Company~~ District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this ~~Company~~ District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District 's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

Canceling R.I. PUC No. ~~3900~~
4690Effective: ~~May 1, 2017~~

COMMERCIAL SERVICE

RATE "~~GC~~"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels where Customer electric devices (or groups of electric devices which start together) have a starting load in less than 15 KVA.

Available only if Customer takes his entire electric energy requirements from the ~~Company~~ District.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.

Not available for temporary, auxiliary or emergency service.

~~Not a~~ Available to customers having metered demands ~~in excess of~~ of less than eight (8.0) kW in all months and ~~or~~ energy use ~~for below~~ 20,000 kWh for a twelve-month period ~~in excess of 20,000 kWh~~. Customers for whom usage in excess of these limits ~~is recorded~~ will be served under the ~~Company~~ District's ~~Demand Metered~~ General Service rate schedule, Rate "~~DGS~~".

MONTHLY RATE

~~The Monthly rate for service will be the sum of the following four (4) charges for each month:~~

	For Service During _____ the months of _____ June September	For Service During _____ the months of _____ October May
1. Customer Charge	\$12.38 per month	\$12.38 per month
2. System Charge	\$42.20 per month	None
3. Plant/Distribution Charge	26.52¢ per kWh	12.05¢ per kWh
4. Transmission Charge	As determined in accordance with Rider "TMC"	
5. Standard Offer Rate	As determined in accordance with Rider "SOR"	
6. Fuel Adjustment Charge	As determined in accordance with Rider "FAC"	

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other <u>Months</u>
1. Customer Charge	\$10.00 per Month	\$10 per month	\$10 per month
2. System Charge	see “APPLICATION OF SYSTEM CHARGE”		
3. Plant/Distribution Charge	34.50¢ per kWh	17.10¢ per kWh	10.70¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider “TMC”		
6. Standard Offer Rate	As determined in accordance with Rider “SOR”		
7. Fuel Adjustment Charge	As determined in accordance with Rider “FAC”		

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____
Sheet No. 2
Canceling R.I. PUC No. ~~3900~~
4690
Effective: ~~May 1, 2017~~

APPLICATION OF SYSTEM CHARGE

The System Charge of \$25.00 will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in a summer billing month exceeds two (2) times the customer’s Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October – May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this ~~Company~~ District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the ~~Company~~ District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this ~~Company~~ District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" – FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provision of the Fuel Adjustment Charge – Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

Canceling R.I. PUC No. ~~3900~~
4690

Effective: ~~May 1, 2017~~

~~DEMAND-METERED~~ GENERAL SERVICE

RATE "~~DGS~~"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels where Customer electric devices (or groups of electric devices which start together) have a starting load ~~in excess~~ of 15 KVA ~~or greater~~.

Available for auxiliary or emergency service.

~~Not a~~ Available to ~~any~~ customers whose monthly metered demands ~~fails to~~ exceed ~~4~~ 8.0 kW, or whose energy usage exceeds 20,000 kWh for any month within a ~~twenty-four (24)~~ twelve (12) month period.

MONTHLY RATE

~~The Monthly rate for service will be the sum of the following four (4) charges for each month:~~

	For Service During	For Service During
	the months of	the months of
	June September	October May
1. Customer Charge	\$18.57 per month	\$18.57 per month
2. Demand Charge	\$19.58 per kW	\$6.53 per kW
3. Plant/Distribution		
Charge	21.85¢ per kWh	10.90¢ per kWh
4. Transmission Charge	As determined in accordance with Rider "TMC"	
5. Standard Offer Rate	As determined in accordance with Rider "SOR"	
6. Fuel Adjustment		
Charge	As determined in accordance with Rider "FAC"	

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other <u>Months</u>
Customer Charge	\$32.00 per month	\$32.00 per month	\$32.00 per month
2. Demand Charge	\$9.25 per kW	\$9.25 per kW	\$9.25 per kW
3. Plant/Distribution Charge	25.00¢ per kWh	12.00¢ per kWh	8.00¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider “TMC”		
6. Standard Offer Rate	As determined in accordance with Rider “SOR”		
7. Fuel Adjustment Charge	As determined in accordance with Rider “FAC”		

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____
Sheet No. 2
Canceling R.I. PUC No. ~~3900~~
4690
Effective: ~~May 1, 2017~~

APPLICATION OF DEMAND CHARGE

The demand charge for this rate shall be computed as the applicable demand charge times the customer’s highest metered kWh demand in the months of July and August and shall be billed at that amount for each month until recalibrated, higher or lower, during the next succeeding July and August.

For any customer whose prior July and August kW readings are yet available, that customer shall be billed at the rate of \$4.00 per metered kW until a July or August reading is available.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this ~~Company~~ District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the ~~Company~~ District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this ~~Company~~ District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge – Rider “FAC”, combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District 's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

This Tariff is **DISCONTINUED**

Canceling R.I. PUC No. ~~3900~~
4690

Effective: ~~May 1, 2017~~

PUBLIC AUTHORITY SERVICE (DISCONTINUED)

~~RATE "P"~~

~~AVAILABILITY~~

~~Available for uses of electric service by a Public Authority Customer at secondary voltage levels except where Customer electric devices (or groups of electric devices which start together) have a starting load in excess of 15 KVA.~~

~~Available only if Customer takes his entire electric energy requirements from the Company.~~

~~Available only for metered service.~~

~~Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.~~

~~Not available for temporary, auxiliary or emergency service.~~

~~MONTHLY RATE~~

~~_____ The Monthly rate for service will be the sum of the following five (5) charges for each month:~~

	For Service During	For Service During
	the months of	the months of
	June September	October May

~~1. _____ Customer Charge~~

a. Non Demand	\$12.38 per month	\$12.38 per month
b. Demand Metered	\$18.57 per month	\$18.57 per month

2. Demand Charges	\$18.57 per kW	\$6.19 per kW
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~~3. _____ Plant/Distribution Charge~~

a. Non Demand	24.25¢ per kWh	12.13¢ per kWh
b. Demand Metered	19.57¢ per kWh	9.78¢ per kWh

4. System Charge	\$42.20 per month	None
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5. Transmission Charge	As determined in accordance with Rider "TMC"	
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BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____
Sheet No. 2

This Tariff is **DISCONTINUED**
Canceling R.I. PUC No. ~~3900~~
~~4690~~
Effective: ~~May 1, 2017~~

MONTHLY RATE (Continued)

- _____ 6. _____ Standard Offer Rate _____ As determined in accordance with Rider "SOR"
_____ 7. _____ Fuel Adjustment Charge _____ As determined in accordance with Rider "FAC"

APPLICATION OF SYSTEM CHARGE

~~The System Charge will be applied in each summer billing month (June through September) to each Non-Demand customer whose kilowatt hour (kWh) use in the billing month exceeds two (2) times the customer's Average Kilowatt Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October—May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period. The System Charge is not applicable to Demand Metered customers.~~

APPLICATION OF DEMAND CHARGE

~~The Demand Charge will be applied to each customer having demand metering installed by, or for, the Company, for whom at least one metered demand in excess of eight (8.0) kW has been recorded within the most recent 24 months. Demand metering equipment will be installed for any customer whose energy use for a consecutive twelve month period in excess of 20,000 kWh. Customers for whom usage in excess of (8.0) kW during any 15-minute interval exceeds eight kW (8.0) or for whom metered annual kWh use exceeds 20,000 kWh will be transferred to demand billing status.~~

RIDER "TMC"—TRANSMISSION COST

~~There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt hours consumed on this rate.~~

RIDER "SOR"—STANDARD OFFER RATE

~~For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt hours consumed on this rate.~~

RIDER "FAC"—FUEL ADJUSTMENT CHARGE

~~Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.~~

~~GENERAL TERMS AND CONDITIONS~~

~~This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.~~

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4579~~ _____

Sheet No. 1

Canceling R.I. PUC No. ~~3900~~ 4579

Effective: ~~October 15, 2015~~

STREET LIGHTING SERVICE

RATE "S"

AVAILABILITY

Available for all street lighting and pole-mounted flood lighting purposes on the ~~Company District~~'s existing distribution lines suitable for supplying the service requested. The ~~Company District~~ will furnish, maintain, and operate mercury vapor lamps of 6000 mean lumens and light emitting diode ("LED") lamps of at least 6000 mean lumens.

Available for the supply of lighting from dusk to dawn using suitable control apparatus furnished, maintained, and operated by the ~~Company District~~.

Available only for installations which use transformers and circuits energized for Residential, Commercial, Public Authority, or other non-lighting purposes.

Not available for a newly installed street lighting fixture on an existing ~~Company District~~-owned pole supplied from an existing secondary circuit where no street lighting fixture(s) is currently installed.

MONTHLY RATE

Where street lighting fixtures are mounted on wood poles and supplied by overhead type construction of circuits:

<u>Lamps</u>	<u>Monthly Charge</u>
Mercury Vapor 6000 mean lumen	\$17.39
73W LED/6800 lumens	\$7.37
125 W LED/11800 lumens	\$12.61

BILLING

Charges for use will be billed monthly based on the number of lamps installed.

TERMS OF CONTRACT

Two years and thereafter until canceled by one year's written notice.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company District~~'s "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4849~~ _____

Sheet No. 1

Canceling R.I. PUC No. _____ 4849

Effective: ~~August 15, 2018~~

WAIVER OF CREDIT CARD/DEBIT CARD/E-CHECK PAYMENT PROVISION

Availability:

Customers of Block Island ~~Power Company~~ Utility District (~~BIPCo~~ BIUD) have the option of paying their electric bills issued by ~~BIPCo~~ BIUD through the use of a credit or debit card or e-check. Residential and Non-Residential customers, as determined by the ~~BIPCo~~ BIUD rate schedule designations, have the option to make these payments by the use of such cards or e-check. Payments are accepted both on line at ~~BIPCo~~ BIUD's website, through the SmartHub application or by Veri-Phone.

Payment Types:

The following payment methods shall be accepted under this provision:

1. Visa and MasterCard;
2. Debit Cards issued by a financial institution which include the card association symbol of MasterCard or Visa;
3. E-checks.

Fees:

Customers choosing to make payment under this option will not be charged a fee. This applies to both Residential and Non-Residential customers.

~~BIPCo~~ BIUD's customer must initiate each payment transaction. Initiating one payment transaction does not establish future payment transactions for a customer.

Payment Amount

Customers who chose to make payments under this provision shall have the ability to make partial payments.

Additionally, ~~BIPCo~~ BIUD shall not deny a customer's use of these payment options because the customer's account is past due.

Terms and Conditions

~~BIPCo~~ BIUD's Terms and Conditions, as may be amended from time to time, and where consistent with the specific provisions hereof, are a part of this provision.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. 4690
Sheet No. 1
Effective: May 1, 2019

STANDARD OFFER & TRANSMISSION COST RATES

Standard Offer Rate 9.72¢ per kWh
See Rider “SOR” for additional Details

Transmission Cost Rate 7.00¢ per kWh
See Rider “TMC” for additional Details

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ ____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: ~~May 1, 2018~~

STANDARD OFFER RATE RIDER

RATE "SOR"

STANDARD OFFER RATE

The Standard Offer is defined as the total costs of purchased power less Transmission Costs. The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

STANDARD OFFER RATE CALCULATION:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost, or Standard Offer in accordance with the definitions of those elements of purchased power. ~~These costs will then be divided by .96 to reflect the cost of gross receipt tax (GRT);~~
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated ~~Company~~ District's sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the ~~Company~~ District will service at the Standard Offer during the upcoming six - month period.

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: ~~May 1, 2018~~

TRANSMISSION COST RIDER

RATE “TMC”

TRANSMISSION COST RATE

Transmission Costs are defined by the local service agreement between the parties of New England Power Company (d/b/a National Grid), Block Island Power Company (~~and any successor thereto~~), and ISO New England Inc under ISO New England Inc. FERC Electric Tariff No.3 (first revised service agreement No. TSA-NEP-83). The Transmission Costs include any and all other applicable charges in accordance with the rates, terms and conditions of Schedule 21-NEP of the Tariff, including, without limitation, Monthly demand charges with PTF and non-PTF components

- Transformer surcharge
- Rolled-In Distribution Surcharge
- Direct Assignment Facilities Charge for interconnection facilities
- Meter Surcharge
- Network load dispatch surcharge
- Block Island Transmission System Surcharge

The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

TRANSMISSION RATE CALCULATION:

The per-unit rate of the Transmission cost along with the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost or Standard Offer in accordance with the definitions of those elements of purchased power. ~~These costs will then be divided by .96 to reflect the cost of gross receipt tax (GRT);~~
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated ~~Company~~ District’s sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the ~~Company~~ District will service at the Standard Offer during the upcoming six-month period.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 2

Canceling R.I.PUC No.4690

Effective: ~~May 1, 2018~~

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ~~4690~~ _____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: ~~May 1, 2017~~

FUEL ADJUSTMENT CLAUSE RIDER

RATE "FAC"

FUEL ADJUSTMENT CHARGE

The fuel adjustment charge will be calculated each month to cover the cost of financing fuel and urea inventories, transportation costs, as well as to cover the cost of fuel and urea usage in the following manner.

FUEL AND UREA FINANCING COST:

The beginning inventory value (fuel and urea) of the month being calculated will be multiplied times the prime rate (beginning of the month) plus 0.5% then divided by 12 (months) to arrive at the appropriate financing cost. ~~This financing cost will then be divided by .96 to reflect the cost of gross receipt tax (GRT).~~

FUEL AND UREA USAGE EXPENSE:

The total number of gallons used of fuel for the month being calculated will be multiplied times the "weighted" cost of the fuel used and the related transportation cost (i.e. ferry, truck, driver, etc.) required for delivering the fuel to the Island. ~~This calculated fuel cost will then be divided by .96 to provide for GRT.~~

The same calculation will be completed for the urea usage costs. The total number of gallons used of urea for the month being calculated will be multiplied times the "weighted" cost of the urea used and the related transportation cost required for delivering the urea to the Island. ~~This calculated urea cost will then be divided by .96 to provide for GRT.~~

ENGINE RENTAL EXPENSE:

The total cost for the month to rent auxiliary engines (including any required components such as wiring and transformers) and the related installation and transportation costs (i.e. ferry, truck, driver, etc.) required for transportation of the rental equipment. ~~This calculated engine rental cost will then be divided by .96 to provide for GRT.~~

DSI FUND:

There is a surcharge of 1.00¢ per kWh for Distribution System Improvements (DSI), which shall be placed in a restricted account. These funds shall be used for professional fees specifically related to distribution system improvements. In addition, funds not needed for such fees shall be used to make improvements to the distribution system. The funds shall be collected on kWh consumption in June, July, August and September of each year through the fuel surcharge (FAC). ~~This calculated DSI fund will then be divided by .96 to provide for GRT.~~

BLOCK ISLAND ~~POWER COMPANY~~ UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ~~4690~~____
Sheet No. 2
Canceling R.I.PUC No.4690
Effective: ~~May 1, 2017~~

FAC FACTOR:

The combined financing cost and usage costs for fuel and urea along with the engine rental costs and DSI funding will then be divided by the kWh sales for the same month to arrive at a FAC factor to be applied to all kWh sales for that month.

APPROVAL:

The FAC factor will be submitted to the Division of Public Utilities and Carriers for review and approval before billing to the customers.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the ~~Company~~ District's "Terms and Conditions" for furnishing electric service.

Clean copy of the proposed tariffs

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. _____

Sheet No. 1

Canceling R.I. PUC No. 4690

Effective: _____

RESIDENTIAL SERVICE**RATE “R”****AVAILABILITY**

Available only for low voltage service where the use is predominately for residential purposes.

Available in individual residences and in individually metered dwelling units in multifamily dwellings.

Available in churches and adjacent buildings operated in connection therewith.

Available only if Customer takes his entire electric energy requirements from the District.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the District.

Not available for residential premises in which three (3) or more rooms are available for hire.

Not available for temporary, auxiliary or emergency service.

MONTHLY RATE

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other Months_____
1. Customer Charge	\$10.00 per month	\$10.00 per month	\$10.00 per month
2. System Charge	see “APPLICATION OF SYSTEM CHARGE”		
3. Plant/Distribution Charge	28.50¢ per kWh	14.25¢ per kWh	8.95¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider “TMC”		
6. Standard Offer Rate	As determined in accordance with Rider “SOR”		
7. Fuel Adjustment Charge	As determined in accordance with Rider “FAC”		

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 2

Canceling R.I. PUC No. 4690

Effective: _____

APPLICATION OF SYSTEM CHARGE

The System Charge of \$25.00 will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in a summer billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October - May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I. PUC No. 4690

Effective: _____

COMMERCIAL SERVICE

RATE "C"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels where Customer electric devices (or groups of electric devices which start together) have a starting load in less than 15 KVA.

Available only if Customer takes his entire electric energy requirements from the District.

Not available if customer makes use of auxiliary generating equipment in lieu of service available from the District.

Not available for temporary, auxiliary or emergency service.

Available to customers having metered demands of less than eight (8.0) kW in all months and energy use below 20,000 kWh for a twelve-month period. Customers for whom usage in excess of these limits will be served under the District's General Service rate schedule, Rate "GS".

MONTHLY RATE

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other Months_____
1. Customer Charge	\$10.00 per Month	\$10 per month	\$10 per month
2. System Charge	see "APPLICATION OF SYSTEM CHARGE"		
3. Plant/Distribution Charge	34.50¢ per kWh	17.10¢ per kWh	10.70¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider "TMC"		
6. Standard Offer Rate	As determined in accordance with Rider "SOR"		
7. Fuel Adjustment Charge	As determined in accordance with Rider "FAC"		

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. _____

Sheet No. 2

Canceling R.I. PUC No. 4690

Effective: _____

APPLICATION OF SYSTEM CHARGE

The System Charge of \$25.00 will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in a summer billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October – May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" – FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provision of the Fuel Adjustment Charge – Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I. PUC No. 4690

Effective: _____

GENERAL SERVICE

RATE "GS"

AVAILABILITY

Available for all uses of electric service at secondary voltage levels where Customer electric devices (or groups of electric devices which start together) have a starting load of 15 KVA or greater.

Available for auxiliary or emergency service.

Available to customers whose monthly metered demands exceed 8.0 kW, or whose energy usage exceeds 20,000 kWh for any month within a twelve (12) month period.

MONTHLY RATE

The Monthly rate for service will be the sum of the following charges for each month:

	For Service During the months of <u>July – August</u>	For Service During the months of <u>May; June; September and October</u>	For Service During all other Months_____
Customer Charge	\$32.00 per month	\$32.00 per month	\$32.00 per month
2. Demand Charge	\$9.25 per kW	\$9.25 per kW	\$9.25 per kW
3. Plant/Distribution Charge	25.00¢ per kWh	12.00¢ per kWh	8.00¢ per kWh
4. Efficiency Charge	1.00¢ per kWh	0.395¢ per kWh	no Charge
5. Transmission Charge	As determined in accordance with Rider “TMC”		
6. Standard Offer Rate	As determined in accordance with Rider “SOR”		
7. Fuel Adjustment Charge	As determined in accordance with Rider “FAC”		

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 2

Canceling R.I. PUC No. 4960

Effective: _____

APPLICATION OF DEMAND CHARGE

The demand charge for this rate shall be computed as the applicable demand charge times the customer's highest metered kWh demand in the months of July and August and shall be billed at that amount for each month until recalibrated, higher or lower, during the next succeeding July and August.

For any customer whose prior July and August kW readings are yet available, that customer shall be billed at the rate of \$4.00 per metered kW until a July or August reading is available.

RIDER "TMC" - TRANSMISSION COST

There shall be included a surcharge representative of the transmission cost to this District. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt-hours consumed on this rate.

RIDER "SOR" - STANDARD OFFER RATE

For customers that have the District provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this District. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

RIDER "FAC" - FUEL ADJUSTMENT CHARGE

Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge – Rider “FAC”, combined with the other charges under the provisions of this schedule constitute the total charge for service.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT
Block Island, Rhode Island

R.I. PUC No. ____
Sheet No. 1
This Tariff is **DISCONTINUED**
Canceling R.I. PUC 4690
Effective: _____

PUBLIC AUTHORITY SERVICE (DISCONTINUED)

RATE "P"

AVAILABILITY

~~Available for uses of electric service by a Public Authority Customer at secondary voltage levels except where Customer electric devices (or groups of electric devices which start together) have a starting load in excess of 15 KVA.~~

~~Available only if Customer takes his entire electric energy requirements from the Company.~~

~~Available only for metered service.~~

~~Not available if customer makes use of auxiliary generating equipment in lieu of service available from the Company.~~

~~Not available for temporary, auxiliary or emergency service.~~

MONTHLY RATE

_____ The Monthly rate for service will be the sum of the following five (5) charges for each month:

	For Service During the months of <u>June September</u>	For Service During the months of <u>October May</u>
1. _____ Customer Charge		
_____ a. Non Demand	\$12.38 per month	\$12.38 per month
_____ b. Demand Metered	\$18.57 per month	\$18.57 per month
_____ 2. _____ Demand Charges	\$18.57 per kW	\$6.19 per kW
3. _____ Plant/Distribution _____ Charge		
_____ a. Non Demand	24.25¢ per kWh	12.13¢ per kWh
_____ b. Demand Metered	19.57¢ per kWh	9.78¢ per kWh
_____ 4. _____ System Charge	\$42.20 per month	None
_____ 5. _____ Transmission Charge	As determined in accordance with Rider "TMC"	

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 2

This Tariff is DISCONTINUED

Canceling R.I. PUC 4690

Effective: _____

MONTHLY RATE (Continued)

_____ 6. _____ Standard Offer Rate _____ As determined in accordance with Rider "SOR"

_____ 7. _____ Fuel Adjustment Charge _____ As determined in accordance with Rider "FAC"

APPLICATION OF SYSTEM CHARGE

~~The System Charge will be applied in each summer billing month (June through September) to each Non-Demand customer whose kilowatt hour (kWh) use in the billing month exceeds two (2) times the customer's Average Kilowatt Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October—May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period. The System Charge is not applicable to Demand Metered customers.~~

APPLICATION OF DEMAND CHARGE

~~The Demand Charge will be applied to each customer having demand metering installed by, or for, the Company, for whom at least one metered demand in excess of eight (8.0) kW has been recorded within the most recent 24 months. Demand metering equipment will be installed for any customer whose energy use for a consecutive twelve month period in excess of 20,000 kWh. Customers for whom usage in excess of (8.0) kW during any 15 minute interval exceeds eight kW (8.0) or for whom metered annual kWh use exceeds 20,000 kWh will be transferred to demand billing status.~~

RIDER "TMC"—TRANSMISSION COST

~~There shall be included a surcharge representative of the transmission cost to this Company. The terms of this surcharge are provided in the transmission cost rider and shall apply to all kilowatt hours consumed on this rate.~~

RIDER "SOR"—STANDARD OFFER RATE

~~For customers that have the Company provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate to this Company. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt hours consumed on this rate.~~

RIDER "FAC"—FUEL ADJUSTMENT CHARGE

~~Charges for fuel costs computed in accordance with the provisions of the Fuel Adjustment Charge Rider "FAC", combined with the other charges under the provisions of this schedule constitute the total charge for service.~~

~~GENERAL TERMS AND CONDITIONS~~

~~This schedule is subject in all respects to the Company's "Terms and Conditions" for furnishing electric service.~~

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. _____

Sheet No. 1

Canceling R.I. PUC No. 4579

Effective: _____

STREET LIGHTING SERVICE

RATE "S"

AVAILABILITY

Available for all street lighting and pole-mounted flood lighting purposes on the District's existing distribution lines suitable for supplying the service requested. The District will furnish, maintain, and operate mercury vapor lamps of 6000 mean lumens and light emitting diode ("LED") lamps of at least 6000 mean lumens.

Available for the supply of lighting from dusk to dawn using suitable control apparatus furnished, maintained, and operated by the District.

Available only for installations which use transformers and circuits energized for Residential, Commercial, Public Authority, or other non-lighting purposes.

Not available for a newly installed street lighting fixture on an existing District -owned pole supplied from an existing secondary circuit where no street lighting fixture(s) is currently installed.

MONTHLY RATE

Where street lighting fixtures are mounted on wood poles and supplied by overhead type construction of circuits:

<u>Lamps</u>	<u>Monthly Charge</u>
Mercury Vapor 6000 mean lumen	\$17.39
73W LED/6800 lumens	\$7.37
125 W LED/11800 lumens	\$12.61

BILLING

Charges for use will be billed monthly based on the number of lamps installed.

TERMS OF CONTRACT

Two years and thereafter until canceled by one year's written notice.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's "Terms and Conditions" for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I. PUC No. 4849

Effective: _____

WAIVER OF CREDIT CARD/DEBIT CARD/E-CHECK PAYMENT PROVISION

Availability:

Customers of Block Island Utility District (BIUD) have the option of paying their electric bills issued by BIUD through the use of a credit or debit card or e-check. Residential and Non-Residential customers, as determined by the BIUD rate schedule designations, have the option to make these payments by the use of such cards or e-check. Payments are accepted both on line at BIUD's website, through the SmartHub application or by Veri-Phone.

Payment Types:

The following payment methods shall be accepted under this provision:

1. Visa and MasterCard;
2. Debit Cards issued by a financial institution which include the card association symbol of MasterCard or Visa;
3. E-checks.

Fees:

Customers choosing to make payment under this option will not be charged a fee. This applies to both Residential and Non-Residential customers.

BIUD's customer must initiate each payment transaction. Initiating one payment transaction does not establish future payment transactions for a customer.

Payment Amount

Customers who chose to make payments under this provision shall have the ability to make partial payments.

Additionally, BIUD shall not deny a customer's use of these payment options because the customer's account is past due.

Terms and Conditions

BIUD's Terms and Conditions, as may be amended from time to time, and where consistent with the specific provisions hereof, are a part of this provision.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. 4690

Sheet No. 1

Effective: May 1, 2019

STANDARD OFFER & TRANSMISSION COST RATES

Standard Offer Rate 9.72¢ per kWh
See Rider "SOR" for additional Details

Transmission Cost Rate 7.00¢ per kWh
See Rider "TMC" for additional Details

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: _____

STANDARD OFFER RATE RIDER

RATE “SOR”

STANDARD OFFER RATE

The Standard Offer is defined as the total costs of purchased power less Transmission Costs. The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

STANDARD OFFER RATE CALCULATION:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost, or Standard Offer in accordance with the definitions of those elements of purchased power;
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated District's sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the District will service at the Standard Offer during the upcoming six - month period.

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: _____

TRANSMISSION COST RIDER

RATE “TMC”

TRANSMISSION COST RATE

Transmission Costs are defined by the local service agreement between the parties of New England Power Company (d/b/a National Grid), Block Island Power Company (and any successor thereto), and ISO New England Inc under ISO New England Inc. FERC Electric Tariff No.3 (first revised service agreement No. TSA-NEP-83). The Transmission Costs include any and all other applicable charges in accordance with the rates, terms and conditions of Schedule 21-NEP of the Tariff, including, without limitation, Monthly demand charges with PTF and non-PTF components

- Transformer surcharge
- Rolled-In Distribution Surcharge
- Direct Assignment Facilities Charge for interconnection facilities
- Meter Surcharge
- Network load dispatch surcharge
- Block Island Transmission System Surcharge

The demand and energy cost of the purchased power is to be recovered in the Standard Offer.

TRANSMISSION RATE CALCULATION:

The per-unit rate of the Transmission cost along with the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The calculation of the per-unit rate is as follows:

1. Estimate the total costs of each component of purchased power expense for the upcoming twelve-month period;
2. Allocate the estimated costs to either the Transmission Cost or Standard Offer in accordance with the definitions of those elements of purchased power;
3. Add or deduct any over-collection or under-collection from previously approved rates to ensure the reconciliation of costs; and
4. Divide the allocated costs by the sum of the estimated District’s sales made to the residential, commercial, and industrial classes. The sales to be used are the estimated sales that the District will service at the Standard Offer during the upcoming six-month period.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 2

Canceling R.I.PUC No.4690

Effective: _____

APPROVAL:

The per-unit rate of the Standard Offer shall be calculated every twelve (12) months and submitted to the Rhode Island Public Utilities Commission (Commission) for approval. The rate approved by the Commission shall remain in effect until the Commission approves a new rate.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District 's “Terms and Conditions” for furnishing electric service.

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 1

Canceling R.I.PUC No.4690

Effective: _____

FUEL ADJUSTMENT CLAUSE RIDER

RATE “FAC”

FUEL ADJUSTMENT CHARGE

The fuel adjustment charge will be calculated each month to cover the cost of financing fuel and urea inventories, transportation costs, as well as to cover the cost of fuel and urea usage in the following manner.

FUEL AND UREA FINANCING COST:

The beginning inventory value (fuel and urea) of the month being calculated will be multiplied times the prime rate (beginning of the month) plus 0.5% then divided by 12 (months) to arrive at the appropriate financing cost.

FUEL AND UREA USAGE EXPENSE:

The total number of gallons used of fuel for the month being calculated will be multiplied times the “weighted” cost of the fuel used and the related transportation cost (i.e. ferry, truck, driver, etc.) required for delivering the fuel to the Island.

The same calculation will be completed for the urea usage costs. The total number of gallons used of urea for the month being calculated will be multiplied times the “weighted” cost of the urea used and the related transportation cost required for delivering the urea to the Island.

ENGINE RENTAL EXPENSE:

The total cost for the month to rent auxiliary engines (including any required components such as wiring and transformers) and the related installation and transportation costs (i.e. ferry, truck, driver, etc.) required for transportation of the rental equipment.

DSI FUND:

There is a surcharge of 1.00¢ per kWh for Distribution System Improvements (DSI), which shall be placed in a restricted account. These funds shall be used for professional fees specifically related to distribution system improvements. In addition, funds not needed for such fees shall be used to make improvements to the distribution system. The funds shall be collected on kWh consumption in June, July, August and September of each year through the fuel surcharge (FAC).

BLOCK ISLAND UTILITY DISTRICT

Block Island, Rhode Island

R.I. PUC No. ____

Sheet No. 2

Canceling R.I.PUC No.4690

Effective: _____

FAC FACTOR:

The combined financing cost and usage costs for fuel and urea along with the engine rental costs and DSI funding will then be divided by the kWh sales for the same month to arrive at a FAC factor to be applied to all kWh sales for that month.

APPROVAL:

The FAC factor will be submitted to the Division of Public Utilities and Carriers for review and approval before billing to the customers.

GENERAL TERMS AND CONDITIONS

This schedule is subject in all respects to the District's "Terms and Conditions" for furnishing electric service.

Existing terms and conditions

BLOCK ISLAND POWER COMPANY

TERMS AND CONDITIONS

The Block Island Power Company shall furnish electric service under its rate schedules and these Terms and Conditions as approved from time to time by the Public Utilities Commission of the State of Rhode Island. These Terms and Conditions shall govern all electric service provided by the Block Island Power Company, except as specifically modified in rate schedules or written contracts. Copies of these Terms and Conditions and the Company's rate schedules are available at the Company's offices during normal business hours.

A. Definitions

When used in the Company's rate schedules and/or these Terms and Conditions, the following terms shall have the meanings as set forth below:

“Company” shall mean the Block Island Power Company.

“Commission” shall mean the Public Utilities Commission of the State of Rhode Island.

“Applicant” shall mean any person, partnership, association, corporation or other entity applying, on a prospective basis, for electric service from the Company or an electric service connection and to any present Customer who applies for a modification of existing electric service or facilities.

“Application for Service” shall mean the written form, provided by the Company and complete by a Customer or prospective Customer, requesting information relating to the Applicant's requirements for electric service, an electric service connection, and/or any modification in the electric service or facilities that the Company provides.

“Billing Month” shall mean the period between any two (2) regular readings of the Company's meters, at intervals of approximately thirty (30) days.

“Customer” shall mean any person, partnership, association, corporation or other entity lawfully receiving electric service from the Company or having a lawful electric service connection to the Company's electric distribution system. This definition shall apply separately to each metered facility and service connection.

“Customer Equipment” shall mean such wiring, equipment, apparatus, appurtenances, and electric energy consuming devices used or available for use on the Customer's premises.

“Delivery Point” shall mean the meter socket provided by the Company, which shall be installed by the Customer, or at the Customer's expense, at the location designated by the Company and shall be deemed to be the point at which electric service is provided to the Customer.

“Demand” shall mean the rate of use of electric energy as determined in accordance with the Customer's service classification or separate written contract and, as appropriate, measured by a fifteen-minute interval demand meter provided by the Company.

“General Service Customer” shall mean any Customer subject to billing under the terms of the Company's General Service Rate Schedules, either Rate “G” or Rate “D”, as applicable.

“kWh” or **“kilowatt-hour”** shall mean the unit of measurement of electric energy use equal to the use of one thousand (1,000) watts for one hour.

“KVA” or **“kilovolt-ampere”** shall mean a unit of measurement of the rate of use of electric energy which determines the electric system capacity required.

“Non-Residential Customer” shall mean any Customer subject to billing under the terms of any of the Company's electric service rate schedules, other than the Company's Residential Service Rate Schedule, Rate “R”.

“Public Authority Customer” shall mean a Customer subject to billing under the terms of the Company's Public Authority Service Rate Schedule, Rate “P”.

“Residential Customer” shall mean a Customer subject to billing under the terms of the Company's Residential Service Rate Schedule, Rate “R”.

“Streetlighting Service Customer” shall mean a Customer subject to billing under the terms of the Company's Streetlighting Service Rate Schedule, Rate “S”.

“Temporary Service Connection” shall include electric service connections used for construction purposes, regardless of duration, and any service connection the duration of which, in the judgment of the Company, is not of a permanent nature. Electric Service through a Temporary Service Connection will be billed under the Company's General Service Rate Schedules, either Rate “G” or Rate “D” as applicable.

Throughout these Terms and Conditions references to the male gender shall be equally applicable to the female gender, as appropriate.

B. Application for Service

1. Application for Service must:
 - a) be made in writing on the form provided by the Company for such Applications;
 - b) be made for all new electric services, new electric service connections, and modifications in existing electric service requirements or facilities;
 - c) be made by the owner of the premises or his duly authorized agent; and

- d) contain the information necessary to determine the type of electric service desired and the conditions under which the service will be provided.
- e) be delivered to the Company's business office, or mailed to:

Block Island Power Company
P. O. Box 518
Block Island, Rhode Island 02807

- 2. If the Applicant is not the owner of the premises, the Company may, in its discretion, require the Applicant to:
 - a) provide satisfactory written evidence that he has authority to occupy and/or use the premises, and
 - b) establish credit-worthiness satisfactory to the Company. Credit-worthiness may be established through the making and maintaining of an appropriate Customer Deposit as set forth in these Terms and Conditions.

C. Availability of Service

The Block Island Power Company provides alternating current at 60 cycles through a radial system throughout the Company's service territory. Voltage, phase characteristics, and method of serving depend upon load and location. Applicants, Customers, and their agents or contractors should consult with the Company prior to purchasing equipment, making power installations or making changes to existing power installations.

- 1. Within a reasonable period of time after receipt of an Application for Service, the Company will furnish the Applicant such information with respect to the electric service as to the Delivery Point and the characteristics of the service which is or will be available at the Delivery Point. Thereafter, the Company shall require reasonable time to determine the Applicant's compliance with these Terms and Conditions and to assemble and install the required service facilities.
- 2. Special terms and rates for furnishing electric service may be established, subject to Commission approval, when the conditions of use or other circumstances render it inequitable to the Company and/or its other Customers for the Company to provide such service under an established rate schedule. Such conditions include, but are not limited to, abnormal load factor, power factor, size and fluctuations in demands. In such circumstances, the Company will require a written contract with special guarantees from Applicants whose unusual load or service characteristics would require excessive investment in facilities or whose requirements for service are of a special nature.

D. Company's Right to Modify or Reject Applications for Service

- 1. The Company reserves the right to reject any Application for Service made by, or for the benefit of, a former Customer who is indebted to the Company for electric service previously furnished to him, or for his benefit.

2. The Company may (a) refuse electric service to any Applicant, b) modify the terms of any Application for Service, or (c) terminate service to any Customer, whose customer-owned equipment or electric load, or service characteristics will, in the sole judgment of the Company, injuriously affect the operation of the Company's electric system or its service to other Customers.

E. Service Connections

The Company will furnish a meter or meters for each Customer and will, subject to compliance with these Terms and Conditions and applicable codes and regulations, connect its distribution lines with the Customer's service connection equipment. All Customer service connection equipment, including all wiring, equipment, meter board, fuse box or disconnect panel, service switch, and appurtenances shall be furnished by the Customer, at his expense, and shall be installed in accordance with the most recent edition of the National Electrical Code and maintained in an approved location, readily accessible at all times to employees of the Company.

Where high voltage service is provided, the Customer, at his expense and in a manner satisfactory to the Company, shall furnish, install, and maintain on his premises such switches, transformers, regulators, and other Customer Equipment as the Company may deem necessary to complete the service connection.

An Applicant, or Customer, may obtain an underground service connection from overhead wires only by installing, maintaining, and relocating, as required, the underground service connections at his own expense. All underground systems installed henceforth shall be a direct burial system with conduit, messenger, pad mount vaults, and hand holds every two hundred (200) feet. All underground wires will be laid on a base of no less than three (3) inches of sand and covered by no less than three (3) inches of sand. All work must be completed in compliance with applicable sections of the Rhode Island general laws.

In the event that the Company is required by any public authority to replace existing overhead distribution wires, equipment and/or services underground or to relocate any poles or feeders by which a Customer is served, the Customer shall change, at his own expense, the Point of Delivery to a new point, as designated by the Company.

F. Temporary Service Connection

The Company will not install a Temporary Service Connection attached directly to any mobile equipment. If Temporary Service is provided, the Customer shall pay the Company a Contribution-In-Aid-of-Construction, in an amount equal to the estimated cost of furnishing and installing the Company-supplied temporary connection facilities and the cost of removing and/or abandoning those temporary facilities, less the estimated salvage value of the materials returned to the Company at the end of the temporary service. The Contribution-in-Aid-of-Construction and any Customer deposit shall be paid, in full, prior to the commencement of activities to make the Temporary Service Connection.

G. Condition of Customer Equipment

All Customer Equipment, including all wiring, equipment, apparatus and appurtenances supplied, installed, or furnished by a Customer shall conform to the Company's requirements under these Terms and Conditions and shall at all times conform to the requirements and regulations of applicable national, state, and

local codes. The Company may refuse to commence service or may terminate service if the condition of any Customer Equipment, on the premises to be served, or being served, are not installed and maintained in accordance with the standards required by any federal, state, or local governmental authority and these Terms and Conditions.

H. Company's Right to Inspect Customer Equipment

The Company reserves the right to inspect and approve the installation of all Customer Equipment on Customer premises served, or to be served, which uses or may use the Company's electric service. If wiring permits and/or inspection certificates are issued by local authorities, the Company will not supply service until such permits or certificates have been received by the Customer. The Company shall be under no obligation, however, to perform any inspection to ascertain compliance of any Customer Equipment with the national, state and local codes or these Terms and Conditions.

I. Company's Right to Enter Customer Premises

The Company, through its duly authorized and properly identified employees, has the right to enter the premises of a Customer at all reasonable hours for the following purposes:

1. Making such inspections of Customer Equipment as may be necessary for proper application of the Company's rates and these Terms and Conditions;
2. Installing, removing, testing, or replacing the Company's property, including meters, equipment, apparatus, and appurtenances as may be reasonably required to maintain the Company's property and the Customer's service;
3. Reading meter(s); and
4. In the event of a termination of service, removal of any and/or all Company property, including meters, equipment, apparatus and appurtenances.

J. Customer Deposits

1. **Residential Customers** - Customer Deposits from Residential Customers shall be assessed in accordance with the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers. Therefore, the Company hereby incorporates, by reference, the terms of the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers as part of these Terms and Conditions with respect to its Residential Customers.
2. **Non-Residential Customers** - The Company reserves the right to require a Customer to make cash Customer Deposit with the Company of an amount not to exceed an amount equivalent to the aggregate of the Customer's two greatest bills for electric service during the prior calendar year. In the case of an Applicant, the Company shall use its best estimate of an amount equivalent to the two greatest bills which the Applicant may incur as a Customer over the next

succeeding twelve calendar months, using the load and service characteristics anticipated in that period. Thereafter, the Company may increase the required amount of any Customer Deposit once each calendar year to an amount not to exceed the aggregate of the Customer's two greatest monthly bills rendered within the most recent twelve month period.

3. Customer Deposits are obtained by the Company to assure payment of bills for service provided by the Company. Customer deposits only represent security for amounts due to the Company for electric service and other claims against the Customer and do not represent payment for services or of claims by the Company. The Company, in its sole discretion, may return to the Customer any amount held by it as a part of a Customer Deposit where the Customer has established satisfactory credit.
4. All Non-Residential Customer Deposits shall be deposited in an interest bearing account and interest earned from the date of deposit until return to the Customer or, upon the Termination of Service, the date credited against any amounts due and payable to the Company.

K. Rates for Electric Service

On the Application for Service, the Applicant shall identify the rate schedule under which the Applicant seeks to receive the requested service. The Company will review the Applicant's request, and render an initial determination regarding whether the Applicant qualifies for service under the rate requested. If the Company determines that the Applicant does not qualify for service under the rate schedule designated by the Applicant, the Applicant must request service under another rate schedule. The Company does not guarantee that any Customer will be served under the most favorable rate schedule available to the Customer. Furthermore, the Company does not assume responsibility, either at the time of the initial service application or at any subsequent point in time, for identification of the most favorable rate schedule for the Customer. The Company will not refund any difference between the charges assessed to a Customer under the rate schedule under which the Customer is billed and the charges the Customer would have been assessed under another rate schedule for which the Customer qualifies.

Copies of the Company's currently applicable rate schedules are available for inspection upon request at the Company's office.

L. Billing

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical after determination of their amount and shall be due when presented or at such later date as may be indicated on the bill. Bills are payable at the Company's office or to any authorized collector or agency. Bills shall be deemed presented when 1) delivered to the Customer personally, 2) mailed to him at the premises where service is provided or the last known address of the customer, or 3) left at either of such places.

Bills, in general, will be based upon meter readings, but bills will be adjusted to compensate for errors in meter registration and meter reading and the application of rate schedules to intervals of greater or less than a month. In the event of a stoppage or failure of a meter to register, the Customer will be billed for such period on

estimated consumption and demand, where applicable, based upon his use of electric energy and demand, where applicable, in a similar period of like use or on the basis of check meter readings, if available and accurate. Adjustments shall be limited to the Customer last served at that particular delivery point.

M. Late Payment Charge

Bills are due and payable on the date presented, or if a later due date is indicated on the bill, the date indicated on the bill. All payments received are applied first to the payment of late charges and then to payments for electric service. The date of payment is the date payment is received at the Company's offices or by any authorized collector or agency. If a bill is not paid within twenty (20) days after the billing date or the due date, as indicated on the bill, whichever is later, a late payment charge will be added to the bill. When the twenty (20) days for payment expire on a holiday, or on a Saturday or Sunday, the payment period is extended through the next business day.

The late charge is equal to one and one-half (1½) percent of the amount of the bill after the first non-payment period. If the amount due, including the late charge, is not paid within twenty days of the next billing date, an additional late charge equal to one and one-half (1½) percent of the original amount is charged after the second non-payment period. If the original amount remains unpaid twenty (20) days after the second billing date for the second succeeding month, an additional late charge of two (2) percent of the original bill will be assessed. This will result in imposition of the maximum aggregate late charges equal to five (5) percent of the original amount of the bill. Payments for electric service are applied first to the oldest outstanding charges.

N. Averaged Payment Plan

An Averaged Payment Plan is offered by the Company to assist residential customers in budgeting for, and payment of their monthly charges for electric utility service.

1. Upon the written request of a Residential Customer during the calendar months of October, November, or December of each year, an Averaged Payment Plan is available for budget billing of service provided under the Residential Rate Schedule, Rate "R". The Averaged Payment Plan is available only if all bills for past service have been paid at the time of the request.
2. The amount billed each month under the provisions of this optional payment plan, will be equal one-twelfth (1/12) of the total charges for service, as computed under the then applicable Residential Rate Schedule, for the twelve month period ended with the current billing month, rounded to the nearest dollar amount. The minimum monthly bill under this plan is fifty dollars (\$50.00).
3. In the case of a new Customer, a Customer who has taken service for less than twelve (12) months, or where a significant change in the Customer's consumption is indicated, the Company will estimate the Customer's annual usage.
4. At the end of each twelve (12) month period (ended October, November or December), the twelfth monthly bill will be adjusted to reflect actual use during the twelve month period then ended. During each twelve (12) month period of the Averaged Payment Plan year, the Company will provide, with each monthly billing, a statement showing the actual charges incurred during

the current Averaged Payment Plan year and the aggregate of the amounts billed through that month. In no instance shall any deviation from the amounts billed on the Average Payment Plan absolve the Customer from paying the actual charges incurred during the twelve month period then ended.

5. During the period in which the Customer is participating in the Averaged Payment Plan, late payment charges apply to the late payment of amounts billed and due under the Plan, and not to the cumulative difference between the amounts and due under the Plan and amounts which would have been due but for participation in the Plan.
6. Upon the failure of a Customer to make any payment in a timely manner or, at any time, upon the written request of the Customer, the Customer will be removed from the Average Payment Plan and the excess of any actual charges incurred over amounts paid under the Averaged Payment Plan are immediately due and payable. If the amounts paid to date during the Averaged Payment Plan year exceed the actual charges incurred, the excess payments will be credited:
 - a) First, against charges billed in the next month based upon actual amounts incurred during that month, and
 - b) Second, against any other amounts due and payable to the Company. Any remaining excess will be remitted to the Customer with that next monthly bill.

O. Demand Metering

The Company may require the installation of a demand meter for any customer that qualifies for service under the Demand Metered General Service Rate Schedule, Rate "D", or the Public Authority Service Rate Schedule, Rate "P". The Company shall have the right to test a customer's use of service, and if any 15-minute interval metered demand for such customer is found to exceed eight (8.0) kilowatts such customer shall be transferred to an applicable demand metered service schedule. A residential customer for whom a metered 15-minute interval demand in excess of eight (8.0) kilowatts is recorded will be transferred to the Demand Metered General Service Rate Schedule, Rate "D".

Any demand metered customer whose monthly metered demands fail to exceed four (4.0) kilowatts for any month within a twenty-four (24) month period may, at the sole discretion of the Company, be transferred to another applicable service schedule.

P. Termination of Service

The Company reserves the right to terminate service to any Customer for any, or all of the following causes:

1. A dangerous condition exists, or is reasonably thought to exist, on the Customer's premises in any Company property and/or any Customer Equipment, including all wiring and energy-consuming devices;

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2. Unauthorized or Fraudulent use of electric energy obtained from the Company;
3. Tampering with any Company equipment, including distribution lines, service lines, transformers, switches, protective devices, and meters;
4. The request of the Customer, upon not less than three (3) business days notice, except in the case of an emergency which includes a substantial threat to human life and/or of property damage, and subject to the terms of any existing agreement;
5. When Customer has previously been disconnected for non-payment and fails to pursue settlement of past service liabilities or fails to make payment of amounts due under a settlement of any past electric service liabilities;
6. Failure of an Applicant to make a Customer Deposit, or of a Customer to increase the amount of any Customer Deposit, to assure payment of bills for electric service, when properly requested by the Company;
7. Any violation of these Terms and Conditions, which the Customer refuses or fails to correct;
8. Non-payment of any bill from the Company for electric service; and/or
9. Failure of the Customer to permit Company personal access the Customer's premises for meter reading or for inspection of Company or Customer equipment or wiring as provided in Section H of these Terms and Conditions.

Q. Reconnection of Service

1. When electric service is terminated for any reason set forth in Section 9, there shall be a Reconnection Charge equal to the sum of:
 - a) \$25.00, if the Customer requests service be restored during the Company's normal working hours, or \$50.00, if the Customer requests that service be restored at a time other than the Company's normal working hours; and
 - b) the sum of the monthly Customer Charges for each month that service has been disconnected and no Customer Charge has been paid.
2. Further, the Company shall not be required to restore service terminated for any of the reasons set forth in Section O of these Terms and Conditions until:
 - a) Dangerous conditions are removed, or reasonably demonstrated not to exist, within Company property and/or Customer Equipment, including all wiring and electric energy-consuming devices on the Customer's premises;
 - b) All violations of these Terms and Conditions are corrected;

- c) An arrangement, satisfactory to the Company, is made for the payment of all bills for service;
- d) A Customer Deposit, in an amount satisfactory to the Company, is made to assure payment of bills for service; and
- e) The Reconnection Charge is paid.

R. Line Extensions and Other Facilities

1. Whenever a line extension along a public highway or other facilities are required to supply electric service to an Applicant and the estimated expenditures of such line extension and/or other facility shall be of such amount that the revenue to be derived from that service at the applicable rates will, in the reasonable judgment of the Company, be insufficient to warrant such cost, the Company will require that the Applicant make an advance payment of a Contribution-In-Aid-of-Construction to cover the cost of such expenditures. The Contribution-In-Aid-of-Construction will include any and all costs associated with the completion of the line extension and other facilities required to serve the Applicant.
2. Whenever it is necessary, in order to provide electric service to an Applicant, to locate a pole or poles on private property or to pass over, under or through private property in order to complete a service connection on the Applicant's premises, any and all costs incident to the completion of such a service connection shall be paid to the Company by the Applicant as a Contribution-In-Aid-of-Construction. The Contribution-In-Aid-of-Construction required by the Company shall include any and all costs for:
 - a) furnishing, erection, location, and/or modification of poles;
 - b) equipment installed or used to effect the installation;
 - c) the acquisition of right-of-way or easements; and
 - d) any and all other costs associated with the installation of facilities to serve the Customer or Applicant.
3. A customer whose meter is to be more than one hundred fifty (150) feet from a public road will be charged a minimum charge of sixty cents (\$.60) per foot for the distance from the meter location to the public road. The charge shall include the Customer's share of Contribution-in-Aid-of Construction for all customers served by the line. The distance of the line extension shall be measured under or over the line used.
4. All easements and right-of-ways must be satisfactory to the Company and, where obtained from the Customer or Customers to be served, the easement must run to the property line of the next abutting premises and be not less than twenty (20) feet in width.

S. Contributions-In-Aid-of-Construction

1. Amounts assessed as Contributions-In-Aid-of-Construction shall include the estimated income tax liabilities for the Company associated with the Company's receipt of the Contribution-In-Aid-of-Construction.
2. The Company will treat advance payments of construction costs as a Contributions-In-Aid-of-Construction for income tax and regulatory purposes and the Applicant or Customer shall have no additional rights or benefits as a result of such payments.
3. The entire amount of the Contribution-In-Aid-of-Construction shall be paid prior to the commencement of construction. Where more than one Customer is to be served by a line extension, the amount of the Contributions-in-Aid-of-Construction and any and all other costs of the line extension shall be apportioned ratably among the Customers to be served.

T. Customer Liabilities

All property of the Company installed in, or upon, Customer premises used or useful in supplying electric service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of, or damage to, such property and, ordinary wear and tear excepted, the Customer will be held liable for any such loss of property or damage thereto and shall pay the Company the cost of necessary repairs or replacements.

Customer will be held responsible for breaking seals, tampering or interfering with Company's meter(s) and/or other Company equipment installed on Customer premises, and no one, except duly authorized and properly identified employees of the Company, will be allowed to make repairs or adjustments to any meter(s) or other Company equipment.

U. Company Liabilities

The Company shall not be liable for damages resulting in any way from the supplying or use of electric energy or from the presence or operation of the Company's service, conductors, appliances, meters, apparatus, appurtenances or other equipment on the Customer's premises.

The Company will exercise reasonable diligence in furnishing and maintaining a uniform, continuous and uninterrupted supply of electric energy as practicable within the provisions of its rate schedules. Should the supply of electric energy be interrupted, become faulty, or fail for any reason, the Company shall not be liable. The Company may interrupt service for the purposes of making necessary alterations, installations and repairs, promoting public safety and preventing excessive damage to property in the event of fire; lightning; high winds; snow; sleet; ice; high water; unavailability of fuel, spare parts or personnel; sabotage; malicious mischief; and without limiting the generality thereof, by reason of any other cause whatsoever. The Customer assumes all risk of loss or damage to person and property resulting or arising out of any such interruption, fault, or failure. Except in case of emergencies, the Company shall endeavor to give reasonable notice to Customers of interruptions.

In case the Company is obligated to discontinue the supply of electric energy to the Customer's premises as a result of the canceling of temporary permits for the extension of lines, or for other cause, the Customer shall have no claim against the Company on account of such discontinuance.

Red-lined version of the proposed terms and conditions

BLOCK ISLAND UTILITY DISTRICT
dba BLOCK ISLAND POWER COMPANY

TERMS AND CONDITIONS

The Block Island Utility District dba Block Island Power Company shall furnish electric service under its rate schedules and these Terms and Conditions as approved from time to time by the Public Utilities Commission of the State of Rhode Island. These Terms and Conditions shall govern all electric service provided by the Block Island Power Company, except as specifically modified in rate schedules or written contracts. Copies of these Terms and Conditions and the Company's rate schedules are available at the Company's offices during normal business hours.

A. Definitions

When used in the Company's rate schedules and/or these Terms and Conditions, the following terms shall have the meanings as set forth below:

“**Company**” shall mean the Block Island Utility District dba Block Island Power Company.

“**Commission**” shall mean the Public Utilities Commission of the State of Rhode Island.

“**Applicant**” shall mean any person, partnership, association, corporation or other entity applying, on a prospective basis, for electric service from the Company or an electric service connection and to any present Customer who applies for a modification of existing electric service or facilities.

“**Application for Service**” shall mean the written form, provided by the Company and completed by a Customer or prospective Customer, requesting information relating to the Applicant's requirements for electric service, an electric service connection, and/or any modification in the electric service or facilities that the Company provides.

“**Billing Month**” shall mean the period between any two (2) regular readings of the Company's meters, at intervals of approximately thirty (30) days.

“**Customer**” shall mean any person, partnership, association, corporation or other entity lawfully receiving electric service from the Company or having a lawful electric service connection to the Company's electric distribution system. This definition shall apply separately to each metered facility and service connection.

“**Customer Equipment**” shall mean such wiring, equipment, apparatus, appurtenances, and electric energy consuming devices used or available for use on the Customer's premises.

“**Delivery Point**” shall mean the meter socket provided by the Company, which shall be installed by the Customer, or at the Customer's expense, at the location designated by the Company and shall be deemed to be the point at which electric service is provided to the Customer.

“**Demand**” shall mean the rate of use of electric energy as determined in accordance with the

Customer's service classification or separate written contract and, as appropriate, measured by a fifteen-minute interval demand meter provided by the Company.

~~“Demand” shall mean the rate of use of electric energy as determined in accordance with the Customer's service classification or separate written contract and, as appropriate, measured by a fifteen minute interval demand meter provided by the Company.~~

~~“CommercialGeneral Service Customer” shall mean any Customer subject to billing under the terms of the Company’s CommercialGeneral Service Rate Schedules, either Rate “C,G” or Rate “D”, as applicable.~~

“General Service Customer” shall mean any Customer subject to billing under the terms of the Company’s General Service Rate Schedule “GS”.

“kWh” or “kilowatt-hour” shall mean the unit of measurement of electric energy use equal to the use of one thousand (1,000) watts for one hour.

“KVA” or “kilovolt-ampere” shall mean a unit of measurement of the rate of use of electric energy which determines the electric system capacity required.

“Non-Residential Customer” shall mean any Customer subject to billing under the terms of any of the Company's electric service rate schedules, other than the Company's Residential Service Rate Schedule, Rate “R”.

~~“Public Authority Customer” shall mean a Customer subject to billing under the terms of the Company's Public Authority Service Rate Schedule, Rate “P”.~~

“Residential Customer” shall mean a Customer subject to billing under the terms of the Company's Residential Service Rate Schedule, Rate “R”.

“Streetlighting Service Customer” shall mean a Customer subject to billing under the terms of the Company's Streetlighting Service Rate Schedule, Rate “S”.

“Temporary Service Connection” shall include electric service connections used for construction purposes, regardless of duration, and any service connection the duration of which, in the judgment of the Company, is not of a permanent nature. Electric Service through a Temporary Service Connection will be billed under the Company's General Service Rate Schedules, either Rate “G” or Rate “D” as applicable.

Throughout these Terms and Conditions references to the male gender shall be equally applicable to the female gender, as appropriate.

B. Application for Service

1. Application for Service must:
 - a) be made in writing on the form provided by the Company for such Applications;
 - b) be made for all new electric services, new electric service connections, and modifications in existing electric service requirements or facilities;
 - c) be made by the owner of the premises or his duly authorized agent; and
 - d) contain the information necessary to determine the type of electric service desired and the conditions under which the service will be provided.
 - e) be delivered to the Company's business office, or mailed to:

Block Island Power Company
P. O. Box 518
Block Island, Rhode Island 02807

2. If the Applicant is not the owner of the premises, the Company may, in its discretion, require the Applicant to:
 - a) provide satisfactory written evidence that he has authority to occupy and/or use the premises, and
 - b) establish credit-worthiness satisfactory to the Company. Credit-worthiness may be established through the making and maintaining of an appropriate Customer Deposit as set forth in these Terms and Conditions.

C. Availability of Service

The Block Island Utility District dba Block Island Power Company provides alternating current at 60 cycles through a radial system throughout the Company's service territory. Voltage, phase characteristics, and method of serving depend upon load and location. Applicants, Customers, and their agents or contractors should consult with the Company prior to purchasing equipment, making power installations or making changes to existing power installations.

1. Within a reasonable period of time after receipt of an Application for Service, the Company will furnish the Applicant such information with respect to the electric service as to the Delivery Point and the characteristics of the service which is or will be available at the Delivery Point. Thereafter, the Company shall require reasonable time to determine the Applicant's compliance with these Terms and Conditions and to assemble and install the required service facilities.
2. Special terms and rates for furnishing electric service may be established, subject to Commission approval, when the conditions of use or other circumstances render it inequitable to the Company and/or its other Customers for the Company to provide such service under an

established rate schedule. Such conditions include, but are not limited to, abnormal load factor, power factor, size and fluctuations in demands. In such circumstances, the Company will require a written contract with special guarantees from Applicants whose unusual load or service characteristics would require excessive investment in facilities or whose requirements for service are of a special nature.

D. Company's Right to Modify or Reject Applications for Service

1. The Company reserves the right to reject any Application for Service made by, or for the benefit of, a former Customer who is indebted to the Company for electric service previously furnished to him, or for his benefit.
2. The Company may (a) refuse electric service to any Applicant, b) modify the terms of any Application for Service, or (c) terminate service to any Customer, whose customer-owned equipment or electric load, or service characteristics will, in the sole judgment of the Company, injuriously affect the operation of the Company's electric system or its service to other Customers.

E. Service Connections

The Company will furnish a meter or meters for each Customer and will, subject to compliance with these Terms and Conditions and applicable codes and regulations, connect its distribution lines with the Customer's service connection equipment. All Customer service connection equipment, including all wiring, equipment, meter board, fuse box or disconnect panel, service switch, and appurtenances shall be furnished by the Customer, at his expense, and shall be installed in accordance with the most recent edition of the National Electrical Code and maintained in an approved location, readily accessible at all times to employees of the Company.

Where high voltage service is provided, the Customer, at his expense and in a manner satisfactory to the Company, shall furnish, install, and maintain on his premises such switches, transformers, regulators, and other Customer Equipment as the Company may deem necessary to complete the service connection.

An Applicant, or Customer, may obtain an underground service connection from overhead wires only by installing, maintaining, and relocating, as required, the underground service connections at his own expense. All underground systems installed henceforth shall be a direct burial system with conduit, messenger, pad mount vaults, and hand holds every ~~five two~~ hundred (5200) feet. All underground wires will be laid on a base of no less than three (3) inches of sand and covered by no less than three (3) inches of sand. All work must be completed in compliance with applicable sections of the National Electric Safety Code (NESC) and Rhode Island general laws.

In the event that the Company is required by any public authority to replace existing overhead distribution wires, equipment and/or services underground or to relocate any poles or feeders by which a Customer is served, the Customer shall change, at his own expense, the Point of Delivery to a new point, as designated by the Company.

F. Temporary Service Connection

The Company will not install a Temporary Service Connection attached directly to any mobile

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equipment. If Temporary Service is provided, the Customer shall pay the Company a Contribution-In-Aid-of-Construction, in an amount equal to the estimated cost of furnishing and installing the Company-supplied temporary connection facilities and the cost of removing and/or abandoning those temporary facilities, less the estimated salvage value of the materials returned to the Company at the end of the temporary service. The Contribution-in-Aid-of-Construction and any Customer deposit shall be paid, in full, prior to the commencement of activities to make the Temporary Service Connection.

G. Condition of Customer Equipment

All Customer Equipment, including all wiring, equipment, apparatus and appurtenances supplied, installed, or furnished by a Customer shall conform to the Company's requirements under these Terms and Conditions and shall at all times conform to the requirements and regulations of applicable national, state, and local codes. The Company may refuse to commence service or may terminate service if the condition of any Customer Equipment, on the premises to be served, or being served, are not installed and maintained in accordance with the standards required by any federal, state, or local governmental authority and these Terms and Conditions.

H. Company's Right to Inspect Customer Equipment

The Company reserves the right to inspect and approve the installation of all Customer Equipment on Customer premises served, or to be served, which uses or may use the Company's electric service. If wiring permits and/or inspection certificates are issued by local authorities, the Company will not supply service until such permits or certificates have been received by the Customer. The Company shall be under no obligation, however, to perform any inspection to ascertain compliance of any Customer Equipment with the national, state and local codes or these Terms and Conditions.

I. Company's Right to Enter Customer Premises

The Company, through its duly authorized and properly identified employees, has the right to enter the premises of a Customer at all reasonable hours for the following purposes:

1. Making such inspections of Customer Equipment as may be necessary for proper application of the Company's rates and these Terms and Conditions;
2. Installing, removing, testing, or replacing the Company's property, including meters, equipment, apparatus, and appurtenances as may be reasonably required to maintain the Company's property and the Customer's service;
3. Reading ~~meter~~-meter(s); and
4. In the event of a termination of service, removal of any and/or all Company property, including meters, equipment, apparatus and appurtenances.

J. Customer Deposits

1. **Residential Customers** - Customer Deposits from Residential Customers shall be assessed in accordance with the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers. Therefore, the Company hereby incorporates, by reference, the terms of the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers as part of these Terms and Conditions with respect to its Residential Customers.
2. **Non-Residential Customers** - The Company reserves the right to require a Customer to make cash Customer Deposit with the Company of an amount not to exceed an amount equivalent to the aggregate of the Customer's two greatest bills for electric service during the prior calendar year. In the case of an Applicant, the Company shall use its best estimate of an amount equivalent to the two greatest bills which the Applicant may incur as a Customer over the next succeeding twelve calendar months, using the load and service characteristics anticipated in that period. Thereafter, the Company may increase the required amount of any Customer Deposit once each calendar year to an amount not to exceed the aggregate of the Customer's two greatest monthly bills rendered within the most recent twelve month period.
3. Customer Deposits are obtained by the Company to assure payment of bills for service provided by the Company. Customer deposits only represent security for amounts due to the Company for electric service and other claims against the Customer and do not represent payment for services or of claims by the Company. The Company, in its sole discretion, may return to the Customer any amount held by it as a part of a Customer Deposit where the Customer has established satisfactory credit.
4. All Non-Residential Customer Deposits shall be deposited in an interest bearing account and interest earned from the date of deposit until return to the Customer or, upon the Termination of Service, the date credited against any amounts due and payable to the Company.

K. Rates for Electric Service

On the Application for Service, the Applicant shall identify the rate schedule under which the Applicant seeks to receive the requested service. The Company will review the Applicant's request, and render an initial determination regarding whether the Applicant qualifies for service under the rate requested. If the Company determines that the Applicant does not qualify for service under the rate schedule designated by the Applicant, the Applicant must request service under another rate schedule. The Company does not guarantee that any Customer will be served under the most favorable rate schedule available to the Customer. Furthermore, the Company does not assume responsibility, either at the time of the initial service application or at any subsequent point in time, for identification of the most favorable rate schedule for the Customer. The Company will not refund any difference between the charges assessed to a Customer under the rate schedule under which the Customer is billed and the charges the Customer would have been assessed under another rate schedule for which the Customer qualifies.

Copies of the Company's currently applicable rate schedules are available for inspection upon request at the Company's office.

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L. Billing

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical after determination of their amount and shall be due when presented or at such later date as may be indicated on the bill. Bills are payable at the Company's office or to any authorized collector or agency. Bills shall be deemed presented when 1) delivered to the Customer personally, 2) mailed to him at the premises where service is provided or the last known address of the customer, or 3) left at either of such places.

Bills, in general, will be based upon meter readings, but bills will be adjusted to compensate for errors in meter registration and meter reading and the application of rate schedules to intervals of greater or less than a month. In the event of a stoppage or failure of a meter to register, the Customer will be billed for such period on estimated consumption and demand, where applicable, based upon his use of electric energy and demand, where applicable, in a similar period of like use or on the basis of check meter readings, if available and accurate. Adjustments shall be limited to the Customer last served at that particular delivery point.

M. Late Payment Charge

Bills are due and payable on the date presented, or if a later due date is indicated on the bill, the date indicated on the bill. All payments received are applied first to the payment of late charges and then to payments for electric service. The date of payment is the date payment is received at the Company's offices or by any authorized collector or agency. If a bill is not paid within twenty (20) days after the billing date or the due date, as indicated on the bill, whichever is later, a late payment charge will be added to the bill. When the twenty (20) days for payment expire on a holiday, or on a Saturday or Sunday, the payment period is extended through the next business day.

The late charge is equal to one and one-half (1½) percent of the amount of the bill after the first non-payment period. If the amount due, including the late charge, is not paid within twenty days of the next billing date, an additional late charge equal to one and one-half (1½) percent of the original amount is charged after the second non-payment period. If the original amount remains unpaid twenty (20) days after the second billing date for the second succeeding month, an additional late charge of two (2) percent of the original bill will be assessed. This will result in imposition of the maximum aggregate late charges equal to five (5) percent of the original amount of the bill. Payments for electric service are applied first to the oldest outstanding charges.

N. Averaged Payment Plan

An Averaged Payment Plan is offered by the Company to assist residential customers in budgeting for, and payment of their monthly charges for electric utility service.

1. Upon the written request of a Residential Customer during the calendar months of October, November, or December of each year, an Averaged Payment Plan is available for budget billing of service provided under the Residential Rate Schedule, Rate "R". The Averaged Payment Plan is available only if all bills for past service have been paid at the time of the request.

2. The amount billed each month under the provisions of this optional payment plan, will be equal one-twelfth (1/12) of the total charges for service, as computed under the then applicable Residential Rate Schedule, for the twelve month period ended with the current billing month, rounded to the nearest dollar amount. The minimum monthly bill under this plan is fifty dollars (\$50.00).
3. In the case of a new Customer, a Customer who has taken service for less than twelve (12) months, or where a significant change in the Customer's consumption is indicated, the Company will estimate the Customer's annual usage.
4. At the end of each twelve (12) month period (ended October, November or December), the twelfth monthly bill will be adjusted to reflect actual use during the twelve month period then ended. During each twelve (12) month period of the Averaged Payment Plan year, the Company will provide, with each monthly billing, a statement showing the actual charges incurred during the current Averaged Payment Plan year and the aggregate of the amounts billed through that month. In no instance shall any deviation from the amounts billed on the Average Payment Plan absolve the Customer from paying the actual charges incurred during the twelve month period then ended.
5. During the period in which the Customer is participating in the Averaged Payment Plan, late payment charges apply to the late payment of amounts billed and due under the Plan, and not to the cumulative difference between the amounts and due under the Plan and amounts which would have been due but for participation in the Plan.
6. Upon the failure of a Customer to make any payment in a timely manner or, at any time, upon the written request of the Customer, the Customer will be removed from the Average Payment Plan and the excess of any actual charges incurred over amounts paid under the Averaged Payment Plan are immediately due and payable. If the amounts paid to date during the Averaged Payment Plan year exceed the actual charges incurred, the excess payments will be credited:
 - a) First, against charges billed in the next month based upon actual amounts incurred during that month, and
 - b) Second, against any other amounts due and payable to the Company. Any remaining excess will be remitted to the Customer with that next monthly bill.

O. Demand Metering

The Company—~~s smart meters measure kilo-watt demand in five (5) minute intervals. Commercial customers for whom a fifteen (15) minute interval is in excess of 8 kilowatts will be transferred to the General Service (GS) Rate. may require the installation of a demand meter for any customer that qualifies for service under the Demand Metered General Service Rate Schedule, Rate “D”, or the Public Authority Service Rate Schedule, Rate “P”. The Company shall have the right to test a customer's use of service, and if any 15-minute interval metered demand for such customer is found to exceed eight (8.0) kilowatts such customer shall be transferred to an applicable demand metered service schedule. A residential customer for whom a metered 15-minute interval demand in excess of eight (8.0) kilowatts is recorded will be transferred to the Demand Metered~~

~~General Service Rate Schedule, Rate "D".~~

~~Any demand metered customer whose monthly metered demands fail to exceed four (4.0) kilowatts for any month within a twenty-four (24) month period may, at the sole discretion of the Company, be transferred to another applicable service schedule.~~

P. Termination of Service

The Company reserves the right to terminate service to any Customer for any, or all of the following causes:

1. A dangerous condition exists, or is reasonably thought to exist, on the Customer's premises in any Company property and/or any Customer Equipment, including all wiring and energy-consuming devices;
2. Unauthorized or Fraudulent use of electric energy obtained from the Company;
3. Tampering with any Company equipment, including distribution lines, service lines, transformers, switches, protective devices, and meters;
4. The request of the Customer, upon not less than three (3) business days notice, except in the case of an emergency which includes a substantial threat to human life and/or of property damage, and subject to the terms of any existing agreement;
5. When Customer has previously been disconnected for non-payment and fails to pursue settlement of past service liabilities or fails to make payment of amounts due under a settlement of any past electric service liabilities;
6. Failure of an Applicant to make a Customer Deposit, or of a Customer to increase the amount of any Customer Deposit, to assure payment of bills for electric service, when properly requested by the Company;
7. Any violation of these Terms and Conditions, which the Customer refuses or fails to correct;
8. Non-payment of any bill from the Company for electric service; and/or
9. Failure of the Customer to permit Company personal access the Customer's premises for meter reading or for inspection of Company or Customer equipment or wiring as provided in Section H of these Terms and Conditions.

Q. Reconnection of Service

1. When electric service is terminated for any reason set forth in Section P9, there shall be a Reconnection Charge equal to the sum of:
 - a) ~~\$25.00~~40.00, if the Customer requests service be restored during the Company's normal

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working hours, or ~~\$7550.00~~, if the Customer requests that service be restored at a time other than the Company's normal working hours; and

- b) the sum of the monthly Customer Charges for each month that service has been disconnected and no Customer Charge has been paid.

2. Further, the Company shall not be required to restore service terminated for any of the reasons set forth in Section ~~P~~Θ of these Terms and Conditions until:

- a) Dangerous conditions are removed, or reasonably demonstrated not to exist, within Company property and/or Customer Equipment, including all wiring and electric energy-consuming devices on the Customer's premises;

~~b) _____~~ ~~b) _____~~ All violations of these Terms and Conditions are corrected;
÷

~~c) _____~~ An arrangement, satisfactory to the Company, is made for the payment of all bills for service;

~~d) _____~~ A Customer Deposit, in an amount satisfactory to the Company, is made to assure payment of bills for service; and

~~e) _____~~ The Reconnection Charge is paid.

~~c) _____~~ ~~An arrangement, satisfactory to the Company, is made for the payment of all bills for service;~~

~~d) _____~~ ~~A Customer Deposit, in an amount satisfactory to the Company, is made to assure payment of bills for service; and~~

~~e) _____~~ ~~The Reconnection Charge is paid.~~

R. Line Extensions [Over head COH) & Underground CUG)]

~~Line Extensions and Other Facilities~~

- 1) The Company shall construct or install overhead or underground distribution facilities or other equipment determined by the Company to be appropriate as specified in the National Electric Safety Code (NESC) and RUS Construction Standards. Whenever it is necessary to provide service and a Customer requests the Company to extend or install poles, distribution lines or other service equipment to the Customer's home, premises or facility in order to supply service, the Company will furnish the necessary poles, wires, or equipment in accordance with the National Electric Safety Code (NESC) and RUS Construction Standards. All such equipment, poles, and wires shall remain the property of and maintained by the Company any individual or organization who requests an attachment to distribution facilities, utility poles, or span between such poles, shall comply with the

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Company's specifications and policies governing the type of construction, metering, attachment fees, easements, permissions and electrical inspections required.

- 2) The Company shall make, or cause to be made, application for any necessary street permits, and shall not be required to supply service until a reasonable time after such permits are granted. The Customer shall obtain or cause to be obtained all permits or certificates, except street permits, necessary to give the Company or its agents' access to the Customer's equipment and to enable its conductors to be connected with the Customer's equipment.
- 3) The Customer shall furnish and install upon its premises such service conductors, service equipment, including circuit breaker if used, and meter mounting device as shall conform with specifications issued from time to time by the Company, and the Company will seal such service equipment and meter mounting device, and adjust, set and seal such circuit breaker, and such seals shall not be broken and such adjustments or settings shall not be changed or in any way interfered with by the Customer.
- 4) The Customer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, and foundations for all equipment that is installed on its premises in order to supply the Customer with local distribution service, whether such equipment is furnished by the Customer or the Company. Such space, housing, fencing, and foundations shall be in conformity with the Company's specifications and subject to its approval.
- 5) Meters of either the indoor or outdoor type shall be installed by the Company at locations to be designated by the Company. The Company may at any time change any meter installed by it. The Company may also change the location of any meter or change from an indoor type to an outdoor type, provided that the cost of the change shall be borne by the Company. Upon the reading of the Company's meter all bills shall be computed. If more than one meter is installed, unless it is installed at the Company's option, the monthly charge for local distribution service delivered through each meter shall be computed separately under the applicable rates. If a meter fails to register properly, electricity used during the period of such failure will be determined from any pertinent information known by the Company, such as by estimation determined on the basis of previous or subsequent use, at the option of the Company.
- ~~1. Whenever a line extension along a public highway or other facilities are required to supply electric service to an Applicant and the estimated expenditures of such line extension and/or other facility shall be of such amount that the revenue to be derived from that service at the applicable rates will, in the reasonable judgment of the Company, be insufficient to warrant such cost, the Company will require that the Applicant make an advance payment of a Contribution In Aid of Construction to cover the cost of such expenditures. The Contribution In Aid of Construction will include any and all costs associated with the completion of the line~~

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~~extension and other facilities required to serve the Applicant.~~

- ~~2. Whenever it is necessary, in order to provide electric service to an Applicant, to locate a pole or poles on private property or to pass over, under or through private property in order to complete a service connection on the Applicant's premises, any and all costs incident to the completion of such a service connection shall be paid to the Company by the Applicant as a Contribution In Aid of Construction. The Contribution In Aid of Construction required by the Company shall include any and all costs for:~~
 - ~~a) furnishing, erection, location, and/or modification of poles;~~
 - ~~b) equipment installed or used to effect the installation;~~
 - ~~c) the acquisition of right of way or easements; and~~
 - ~~d) any and all other costs associated with the installation of facilities to serve the Customer or Applicant.~~
- ~~3. A customer whose meter is to be more than one hundred fifty (150) feet from a public road will be charged a minimum charge of sixty cents (\$.60) per foot for the distance from the meter location to the public road. The charge shall include the Customer's share of Contribution in Aid of Construction for all customers served by the line. The distance of the line extension shall be measured under or over the line used.~~
- ~~6) 4. All easements and right-of-ways must be satisfactory to the Company and, where obtained from the Customer or Customers to be served, the easement must run to the property line of the next abutting premises and be not less than twenty (20) feet in width.~~

S. Contributions-In-Aid-of-Construction

1. Amounts assessed as Contributions-In-Aid-of-Construction shall include the ~~estimated income tax liabilities for the Company associated with the Company's receipt of the Contribution In Aid of Construction.~~
- ~~2. The Company will treat advance payments of construction costs as a Contributions In Aid of Construction for income tax and regulatory purposes and the Applicant or Customer shall have no additional rights or benefits as a result of such payments.~~
- ~~3. The entire amount of the Contribution In Aid of Construction shall be paid prior to the commencement of construction. Where more than one Customer is to be served by a line extension, the amount of the Contributions in Aid of Construction and any and all other costs of the line extension shall be apportioned ratably among the Customers to be served. Company's actual labor, materials and overheads expenses to complete the construction.~~

T. Customer Liabilities

All property of the Company installed in, or upon, Customer premises used or useful in supplying electric service is placed there under Customer's protection. All reasonable care shall be exercised to prevent

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loss of, or damage to, such property and, ordinary wear and tear excepted, the Customer will be held liable for any such loss of property or damage thereto and shall pay the Company the cost of necessary repairs or replacements.

Customer will be held responsible for breaking seals, tampering or interfering with Company's meter(s) and/or other Company equipment installed on Customer premises, and no one, except duly authorized and properly identified employees of the Company, will be allowed to make repairs or adjustments to any meter(s) or other Company equipment.

U. Company Liabilities

The Company shall not be liable for damages resulting in any way from the supplying or use of electric energy or from the presence or operation of the Company's service, conductors, appliances, meters, apparatus, appurtenances or other equipment on the Customer's premises.

The Company will exercise reasonable diligence in furnishing and maintaining a uniform, continuous and uninterrupted supply of electric energy as practicable within the provisions of its rate schedules. Should the supply of electric energy be interrupted, become faulty, or fail for any reason, the Company shall not be liable. The Company may interrupt service for the purposes of making necessary alterations, installations and repairs, promoting public safety and preventing excessive damage to property in the event of fire; lightning; high winds; snow; sleet; ice; high water; unavailability of fuel, spare parts or personnel; sabotage; malicious mischief; and without limiting the generality thereof, by reason of any other cause whatsoever. The Customer assumes all risk of loss or damage to person and property resulting or arising out of any such interruption, fault, or failure. Except in case of emergencies, the Company shall endeavor to give reasonable notice to Customers of interruptions.

In case the Company is obligated to discontinue the supply of electric energy to the Customer's premises as a result of the canceling of temporary permits for the extension of lines, or for other cause, the Customer shall have no claim against the Company on account of such discontinuance.

Clean copy of the proposed terms and conditions

**BLOCK ISLAND UTILITY DISTRICT
dba BLOCK ISLAND POWER COMPANY**

TERMS AND CONDITIONS

The Block Island Utility District dba Block Island Power Company shall furnish electric service under its rate schedules and these Terms and Conditions as approved from time to time by the Public Utilities Commission of the State of Rhode Island. These Terms and Conditions shall govern all electric service provided by the Block Island Power Company, except as specifically modified in rate schedules or written contracts. Copies of these Terms and Conditions and the Company's rate schedules are available at the Company's offices during normal business hours.

A. Definitions

When used in the Company's rate schedules and/or these Terms and Conditions, the following terms shall have the meanings as set forth below:

“Company” shall mean the Block Island Utility District dba Block Island Power Company.

“Commission” shall mean the Public Utilities Commission of the State of Rhode Island.

“Applicant” shall mean any person, partnership, association, corporation or other entity applying, on a prospective basis, for electric service from the Company or an electric service connection and to any present Customer who applies for a modification of existing electric service or facilities.

“Application for Service” shall mean the written form, provided by the Company and completed by a Customer or prospective Customer, requesting information relating to the Applicant's requirements for electric service, an electric service connection, and/or any modification in the electric service or facilities that the Company provides.

“Billing Month” shall mean the period between any two (2) regular readings of the Company's meters, at intervals of approximately thirty (30) days.

“Customer” shall mean any person, partnership, association, corporation or other entity lawfully receiving electric service from the Company or having a lawful electric service connection to the Company's electric distribution system. This definition shall apply separately to each metered facility and service connection.

“Customer Equipment” shall mean such wiring, equipment, apparatus, appurtenances, and electric energy consuming devices used or available for use on the Customer's premises.

“Delivery Point” shall mean the meter socket provided by the Company, which shall be installed by the Customer, or at the Customer's expense, at the location designated by the Company and shall be deemed to be the point at which electric service is provided to the Customer.

“Demand” shall mean the rate of use of electric energy as determined in accordance with the Customer's service classification or separate written contract and, as appropriate, measured by a fifteen-minute interval demand meter provided by the Company.

“Commercial Customer” shall mean any Customer subject to billing under the terms of the Company's Commercial Service Rate Schedule Rate “C”.

“General Service Customer” shall mean any Customer subject to billing under the terms of the Company's General Service Rate Schedule “GS”.

“kWh” or **“kilowatt-hour”** shall mean the unit of measurement of electric energy use equal to the use of one thousand (1,000) watts for one hour.

“KVA” or **“kilovolt-ampere”** shall mean a unit of measurement of the rate of use of electric energy which determines the electric system capacity required.

“Non-Residential Customer” shall mean any Customer subject to billing under the terms of any of the Company's electric service rate schedules, other than the Company's Residential Service Rate Schedule, Rate “R”.

“Residential Customer” shall mean a Customer subject to billing under the terms of the Company's Residential Service Rate Schedule, Rate “R”.

“Streetlighting Service Customer” shall mean a Customer subject to billing under the terms of the Company's Streetlighting Service Rate Schedule, Rate “S”.

“Temporary Service Connection” shall include electric service connections used for construction purposes, regardless of duration, and any service connection the duration of which, in the judgment of the Company, is not of a permanent nature. Electric Service through a Temporary Service Connection will be billed under the Company's General Service Rate Schedules, either Rate “G” or Rate “D” as applicable.

Throughout these Terms and Conditions references to the male gender shall be equally applicable to the female gender, as appropriate.

B. Application for Service

1. Application for Service must:

- a) be made in writing on the form provided by the Company for such Applications;
- b) be made for all new electric services, new electric service connections, and modifications in existing electric service requirements or facilities;
- c) be made by the owner of the premises or his duly authorized agent; and

- d) contain the information necessary to determine the type of electric service desired and the conditions under which the service will be provided.
- e) be delivered to the Company's business office, or mailed to:

Block Island Power Company
P. O. Box 518
Block Island, Rhode Island 02807

- 2. If the Applicant is not the owner of the premises, the Company may, in its discretion, require the Applicant to:
 - a) provide satisfactory written evidence that he has authority to occupy and/or use the premises, and
 - b) establish credit-worthiness satisfactory to the Company. Credit-worthiness may be established through the making and maintaining of an appropriate Customer Deposit as set forth in these Terms and Conditions.

C. Availability of Service

The Block Island Utility District dba Block Island Power Company provides alternating current at 60 cycles through a radial system throughout the Company's service territory. Voltage, phase characteristics, and method of serving depend upon load and location. Applicants, Customers, and their agents or contractors should consult with the Company prior to purchasing equipment, making power installations or making changes to existing power installations.

- 1. Within a reasonable period of time after receipt of an Application for Service, the Company will furnish the Applicant such information with respect to the electric service as to the Delivery Point and the characteristics of the service which is or will be available at the Delivery Point. Thereafter, the Company shall require reasonable time to determine the Applicant's compliance with these Terms and Conditions and to assemble and install the required service facilities.
- 2. Special terms and rates for furnishing electric service may be established, subject to Commission approval, when the conditions of use or other circumstances render it inequitable to the Company and/or its other Customers for the Company to provide such service under an established rate schedule. Such conditions include, but are not limited to, abnormal load factor, power factor, size and fluctuations in demands. In such circumstances, the Company will require a written contract with special guarantees from Applicants whose unusual load or service characteristics would require excessive investment in facilities or whose requirements for service are of a special nature.

D. Company's Right to Modify or Reject Applications for Service

- 1. The Company reserves the right to reject any Application for Service made by, or for the benefit of, a former Customer who is indebted to the Company for electric service previously furnished

to him, or for his benefit.

2. The Company may (a) refuse electric service to any Applicant, b) modify the terms of any Application for Service, or (c) terminate service to any Customer, whose customer-owned equipment or electric load, or service characteristics will, in the sole judgment of the Company, injuriously affect the operation of the Company's electric system or its service to other Customers.

E. Service Connections

The Company will furnish a meter or meters for each Customer and will, subject to compliance with these Terms and Conditions and applicable codes and regulations, connect its distribution lines with the Customer's service connection equipment. All Customer service connection equipment, including all wiring, equipment, meter board, fuse box or disconnect panel, service switch, and appurtenances shall be furnished by the Customer, at his expense, and shall be installed in accordance with the most recent edition of the National Electrical Code and maintained in an approved location, readily accessible at all times to employees of the Company.

Where high voltage service is provided, the Customer, at his expense and in a manner satisfactory to the Company, shall furnish, install, and maintain on his premises such switches, transformers, regulators, and other Customer Equipment as the Company may deem necessary to complete the service connection.

An Applicant, or Customer, may obtain an underground service connection from overhead wires only by installing, maintaining, and relocating, as required, the underground service connections at his own expense. All underground systems installed henceforth shall be a direct burial system with conduit, messenger, pad mount vaults, and hand holds every five hundred (500) feet. All underground wires will be laid on a base of no less than three (3) inches of sand and covered by no less than three (3) inches of sand. All work must be completed in compliance with applicable sections of the National Electric Safety Code (NESC) and Rhode Island general laws.

In the event that the Company is required by any public authority to replace existing overhead distribution wires, equipment and/or services underground or to relocate any poles or feeders by which a Customer is served, the Customer shall change, at his own expense, the Point of Delivery to a new point, as designated by the Company.

F. Temporary Service Connection

The Company will not install a Temporary Service Connection attached directly to any mobile equipment. If Temporary Service is provided, the Customer shall pay the Company a Contribution-In-Aid-of-Construction, in an amount equal to the estimated cost of furnishing and installing the Company-supplied temporary connection facilities and the cost of removing and/or abandoning those temporary facilities, less the estimated salvage value of the materials returned to the Company at the end of the temporary service. The Contribution-in-Aid-of-Construction and any Customer deposit shall be paid, in full, prior to the commencement of activities to make the Temporary Service Connection.

G. Condition of Customer Equipment

All Customer Equipment, including all wiring, equipment, apparatus and appurtenances supplied, installed, or furnished by a Customer shall conform to the Company's requirements under these Terms and Conditions and shall at all times conform to the requirements and regulations of applicable national, state, and local codes. The Company may refuse to commence service or may terminate service if the condition of any Customer Equipment, on the premises to be served, or being served, are not installed and maintained in accordance with the standards required by any federal, state, or local governmental authority and these Terms and Conditions.

H. Company's Right to Inspect Customer Equipment

The Company reserves the right to inspect and approve the installation of all Customer Equipment on Customer premises served, or to be served, which uses or may use the Company's electric service. If wiring permits and/or inspection certificates are issued by local authorities, the Company will not supply service until such permits or certificates have been received by the Customer. The Company shall be under no obligation, however, to perform any inspection to ascertain compliance of any Customer Equipment with the national, state and local codes or these Terms and Conditions.

I. Company's Right to Enter Customer Premises

The Company, through its duly authorized and properly identified employees, has the right to enter the premises of a Customer at all reasonable hours for the following purposes:

1. Making such inspections of Customer Equipment as may be necessary for proper application of the Company's rates and these Terms and Conditions;
2. Installing, removing, testing, or replacing the Company's property, including meters, equipment, apparatus, and appurtenances as may be reasonably required to maintain the Company's property and the Customer's service;
3. Reading meter(s); and
4. In the event of a termination of service, removal of any and/or all Company property, including meters, equipment, apparatus and appurtenances.

J. Customer Deposits

1. **Residential Customers** - Customer Deposits from Residential Customers shall be assessed in accordance with the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers. Therefore, the Company hereby incorporates, by reference, the terms of the rules prescribing standards for electric utilities promulgated by the Rhode Island Division of Public Utilities and Carriers as part of these Terms and Conditions with respect to its Residential Customers.
2. **Non-Residential Customers** - The Company reserves the right to require a Customer to make cash Customer Deposit with the Company of an amount not to exceed an amount equivalent to

the aggregate of the Customer's two greatest bills for electric service during the prior calendar year. In the case of an Applicant, the Company shall use its best estimate of an amount equivalent to the two greatest bills which the Applicant may incur as a Customer over the next succeeding twelve calendar months, using the load and service characteristics anticipated in that period. Thereafter, the Company may increase the required amount of any Customer Deposit once each calendar year to an amount not to exceed the aggregate of the Customer's two greatest monthly bills rendered within the most recent twelve month period.

3. Customer Deposits are obtained by the Company to assure payment of bills for service provided by the Company. Customer deposits only represent security for amounts due to the Company for electric service and other claims against the Customer and do not represent payment for services or of claims by the Company. The Company, in its sole discretion, may return to the Customer any amount held by it as a part of a Customer Deposit where the Customer has established satisfactory credit.
4. All Non-Residential Customer Deposits shall be deposited in an interest bearing account and interest earned from the date of deposit until return to the Customer or, upon the Termination of Service, the date credited against any amounts due and payable to the Company.

K. Rates for Electric Service

On the Application for Service, the Applicant shall identify the rate schedule under which the Applicant seeks to receive the requested service. The Company will review the Applicant's request, and render an initial determination regarding whether the Applicant qualifies for service under the rate requested. If the Company determines that the Applicant does not qualify for service under the rate schedule designated by the Applicant, the Applicant must request service under another rate schedule. The Company does not guarantee that any Customer will be served under the most favorable rate schedule available to the Customer. Furthermore, the Company does not assume responsibility, either at the time of the initial service application or at any subsequent point in time, for identification of the most favorable rate schedule for the Customer. The Company will not refund any difference between the charges assessed to a Customer under the rate schedule under which the Customer is billed and the charges the Customer would have been assessed under another rate schedule for which the Customer qualifies.

Copies of the Company's currently applicable rate schedules are available for inspection upon request at the Company's office.

L. Billing

Each Customer's meter will be read at regular intervals and bills will be rendered on a monthly basis or periodically in accordance with the terms of the applicable rate schedule. Bills will be rendered as soon as practical after determination of their amount and shall be due when presented or at such later date as may be indicated on the bill. Bills are payable at the Company's office or to any authorized collector or agency. Bills shall be deemed presented when 1) delivered to the Customer personally, 2) mailed to him at the premises where service is provided or the last known address of the customer, or 3) left at either of such places.

Bills, in general, will be based upon meter readings, but bills will be adjusted to compensate for errors in meter registration and meter reading and the application of rate schedules to intervals of greater or less than a month. In the event of a stoppage or failure of a meter to register, the Customer will be billed for such period on estimated consumption and demand, where applicable, based upon his use of electric energy and demand, where applicable, in a similar period of like use or on the basis of check meter readings, if available and accurate. Adjustments shall be limited to the Customer last served at that particular delivery point.

M. Late Payment Charge

Bills are due and payable on the date presented, or if a later due date is indicated on the bill, the date indicated on the bill. All payments received are applied first to the payment of late charges and then to payments for electric service. The date of payment is the date payment is received at the Company's offices or by any authorized collector or agency. If a bill is not paid within twenty (20) days after the billing date or the due date, as indicated on the bill, whichever is later, a late payment charge will be added to the bill. When the twenty (20) days for payment expire on a holiday, or on a Saturday or Sunday, the payment period is extended through the next business day.

The late charge is equal to one and one-half (1½) percent of the amount of the bill after the first non-payment period. If the amount due, including the late charge, is not paid within twenty days of the next billing date, an additional late charge equal to one and one-half (1½) percent of the original amount is charged after the second non-payment period. If the original amount remains unpaid twenty (20) days after the second billing date for the second succeeding month, an additional late charge of two (2) percent of the original bill will be assessed. This will result in imposition of the maximum aggregate late charges equal to five (5) percent of the original amount of the bill. Payments for electric service are applied first to the oldest outstanding charges.

N. Averaged Payment Plan

An Averaged Payment Plan is offered by the Company to assist residential customers in budgeting for, and payment of their monthly charges for electric utility service.

1. Upon the written request of a Residential Customer during the calendar months of October, November, or December of each year, an Averaged Payment Plan is available for budget billing of service provided under the Residential Rate Schedule, Rate "R". The Averaged Payment Plan is available only if all bills for past service have been paid at the time of the request.
2. The amount billed each month under the provisions of this optional payment plan, will be equal one-twelfth (1/12) of the total charges for service, as computed under the then applicable Residential Rate Schedule, for the twelve month period ended with the current billing month, rounded to the nearest dollar amount. The minimum monthly bill under this plan is fifty dollars (\$50.00).
3. In the case of a new Customer, a Customer who has taken service for less than twelve (12) months, or where a significant change in the Customer's consumption is indicated, the Company will estimate the Customer's annual usage.
4. At the end of each twelve (12) month period (ended October, November or December), the

twelfth monthly bill will be adjusted to reflect actual use during the twelve month period then ended. During each twelve (12) month period of the Averaged Payment Plan year, the Company will provide, with each monthly billing, a statement showing the actual charges incurred during the current Averaged Payment Plan year and the aggregate of the amounts billed through that month. In no instance shall any deviation from the amounts billed on the Average Payment Plan absolve the Customer from paying the actual charges incurred during the twelve month period then ended.

5. During the period in which the Customer is participating in the Averaged Payment Plan, late payment charges apply to the late payment of amounts billed and due under the Plan, and not to the cumulative difference between the amounts and due under the Plan and amounts which would have been due but for participation in the Plan.
6. Upon the failure of a Customer to make any payment in a timely manner or, at any time, upon the written request of the Customer, the Customer will be removed from the Average Payment Plan and the excess of any actual charges incurred over amounts paid under the Averaged Payment Plan are immediately due and payable. If the amounts paid to date during the Averaged Payment Plan year exceed the actual charges incurred, the excess payments will be credited:
 - a) First, against charges billed in the next month based upon actual amounts incurred during that month, and
 - b) Second, against any other amounts due and payable to the Company. Any remaining excess will be remitted to the Customer with that next monthly bill.

O. Demand Metering

The Company's smart meters measure kilo-watt demand in five (5) minute intervals. Commercial customers for whom a fifteen (15) minute interval is in excess of 8 kilowatts will be transferred to the General Service (GS) Rate.

P. Termination of Service

The Company reserves the right to terminate service to any Customer for any, or all of the following causes:

1. A dangerous condition exists, or is reasonably thought to exist, on the Customer's premises in any Company property and/or any Customer Equipment, including all wiring and energy-consuming devices;
2. Unauthorized or Fraudulent use of electric energy obtained from the Company;
3. Tampering with any Company equipment, including distribution lines, service lines, transformers, switches, protective devices, and meters;

4. The request of the Customer, upon not less than three (3) business days notice, except in the case of an emergency which includes a substantial threat to human life and/or of property damage, and subject to the terms of any existing agreement;
5. When Customer has previously been disconnected for non-payment and fails to pursue settlement of past service liabilities or fails to make payment of amounts due under a settlement of any past electric service liabilities;
6. Failure of an Applicant to make a Customer Deposit, or of a Customer to increase the amount of any Customer Deposit, to assure payment of bills for electric service, when properly requested by the Company;
7. Any violation of these Terms and Conditions, which the Customer refuses or fails to correct;
8. Non-payment of any bill from the Company for electric service; and/or
9. Failure of the Customer to permit Company personal access the Customer's premises for meter reading or for inspection of Company or Customer equipment or wiring as provided in Section H of these Terms and Conditions.

Q. Reconnection of Service

1. When electric service is terminated for any reason set forth in Section P, there shall be a Reconnection Charge equal to the sum of:
 - a) \$40.00, if the Customer requests service be restored during the Company's normal working hours, or \$75.00, if the Customer requests that service be restored at a time other than the Company's normal working hours; and
 - b) the sum of the monthly Customer Charges for each month that service has been disconnected and no Customer Charge has been paid.
2. Further, the Company shall not be required to restore service terminated for any of the reasons set forth in Section P of these Terms and Conditions until:
 - a) Dangerous conditions are removed, or reasonably demonstrated not to exist, within Company property and/or Customer Equipment, including all wiring and electric energy-consuming devices on the Customer's premises;
 - b) All violations of these Terms and Conditions are corrected;
 - c) An arrangement, satisfactory to the Company, is made for the payment of all bills for service;
 - d) A Customer Deposit, in an amount satisfactory to the Company, is made to assure payment of bills for service; and
 - e) The Reconnection Charge is paid.

R. Line Extensions [Over head COH) & Underground CUG)]

- 1) The Company shall construct or install overhead or underground distribution facilities or other equipment determined by the Company to be appropriate as specified in the National Electric Safety Code (NESC) and RUS Construction Standards. Whenever it is necessary to provide service and a Customer requests the Company to extend or install poles, distribution lines or other service equipment to the Customer's home, premises or facility in order to supply service, the Company will furnish the necessary poles, wires, or equipment in accordance with the National Electric Safety Code (NESC) and RUS Construction Standards. All such equipment, poles, and wires shall remain the property of and maintained by the Company any individual or organization who requests an attachment to distribution facilities, utility poles, or span between such poles, shall comply with the Company's specifications and policies governing the type of construction, metering, attachment fees, easements, permissions and electrical inspections required.
- 2) The Company shall make, or cause to be made, application for any necessary street permits, and shall not be required to supply service until a reasonable time after such permits are granted. The Customer shall obtain or cause to be obtained all permits or certificates, except street permits, necessary to give the Company or its agents' access to the Customer's equipment and to enable its conductors to be connected with the Customer's equipment.
- 3) The Customer shall furnish and install upon its premises such service conductors, service equipment, including circuit breaker if used, and meter mounting device as shall conform with specifications issued from time to time by the Company, and the Company will seal such service equipment and meter mounting device, and adjust, set and seal such circuit breaker, and such seals shall not be broken and such adjustments or settings shall not be changed or in any way interfered with by the Customer.
- 4) The Customer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, and foundations for all equipment that is installed on its premises in order to supply the Customer with local distribution service, whether such equipment is furnished by the Customer or the Company. Such space, housing, fencing, and foundations shall be in conformity with the Company's specifications and subject to its approval.
- 5) Meters of either the indoor or outdoor type shall be installed by the Company at locations to be designated by the Company. The Company may at any time change any meter installed by it. The Company may also change the location of any meter or change from an indoor type to an outdoor type, provided that the cost of the change shall be borne by the Company. Upon the reading of the Company's meter all bills shall be computed. If more than one meter is installed, unless it is installed at the Company's option, the monthly charge for local distribution service delivered through each meter

shall be computed separately under the applicable rates. If a meter fails to register properly, electricity used during the period of such failure will be determined from any pertinent information known by the Company, such as by estimation determined on the basis of previous or subsequent use, at the option of the Company.

- 6) All easements and right-of-ways must be satisfactory to the Company and, where obtained from the Customer or Customers to be served, the easement must run to the property line of the next abutting premises and be not less than twenty (20) feet in width.

S. Contributions-In-Aid-of-Construction

1. Amounts assessed as Contributions-In-Aid-of-Construction shall include the Company's actual labor, materials and overheads expenses to complete the construction.

T. Customer Liabilities

All property of the Company installed in, or upon, Customer premises used or useful in supplying electric service is placed there under Customer's protection. All reasonable care shall be exercised to prevent loss of, or damage to, such property and, ordinary wear and tear excepted, the Customer will be held liable for any such loss of property or damage thereto and shall pay the Company the cost of necessary repairs or replacements.

Customer will be held responsible for breaking seals, tampering or interfering with Company's meter(s) and/or other Company equipment installed on Customer premises, and no one, except duly authorized and properly identified employees of the Company, will be allowed to make repairs or adjustments to any meter(s) or other Company equipment.

U. Company Liabilities

The Company shall not be liable for damages resulting in any way from the supplying or use of electric energy or from the presence or operation of the Company's service, conductors, appliances, meters, apparatus, appurtenances or other equipment on the Customer's premises.

The Company will exercise reasonable diligence in furnishing and maintaining a uniform, continuous and uninterrupted supply of electric energy as practicable within the provisions of its rate schedules. Should the supply of electric energy be interrupted, become faulty, or fail for any reason, the Company shall not be liable. The Company may interrupt service for the purposes of making necessary alterations, installations and repairs, promoting public safety and preventing excessive damage to property in the event of fire; lightning; high winds; snow; sleet; ice; high water; unavailability of fuel, spare parts or personnel; sabotage; malicious mischief; and without limiting the generality thereof, by reason of any other cause whatsoever. The Customer assumes all risk of loss or damage to person and property resulting or arising out of any such interruption, fault, or failure. Except in case of emergencies, the Company shall endeavor to give reasonable notice to Customers of interruptions.

In case the Company is obligated to discontinue the supply of electric energy to the Customer's premises as a result of the canceling of temporary permits for the extension of lines, or for other cause, the Customer shall have no claim against the Company on account of such discontinuance.

Direct testimony of David G. Bebyn, CPA, and Exhibits

**Pre-Filed Direct Testimony
of
David G. Bebyn CPA**

**Block Island Utility District
d/b/a Block Island Power Company
Docket No. ____**

September 30, 2019

1 **INTRODUCTION**

2

3 **Q. Please state your name and business address for the record.**

4 A. My name is David G. Bebyn CPA and my business address is 21 Dryden Lane,
5 Providence, Rhode Island 02904.

6

7 **Q. By whom are you employed and in what capacity?**

8 A. I am the President of B&E Consulting LLC (B&E). B&E is a CPA firm that
9 specializes in utility regulation, expert rate and accounting testimony, tax and accounting
10 services.

11

12 **Q. Mr. Bebyn, have you testified as an expert accounting witness prior to this**
13 **docket?**

14 A. Yes. I have provided testimony on rate related matters before utility commissions in
15 Rhode Island and Connecticut. Regarding the Rhode Island Public Utilities Commission
16 (Commission), I have prepared testimony and testified in the Block Island Power
17 Company's (BIPCo) last rate filings in Docket #4690 in support of the Power
18 Procurement Plan and Standard Offer and Transmission Tariffs. In addition to BIPCo's
19 Standard Offer and Transmission filings, I provided testimony in support of a review of
20 BIPCo's Revenue Requirement under R.I.G.L. Section 39-3-11 in light of the Tax Cuts
21 and Jobs Act in Docket #4793 and I filed testimony in support of BIPCo's Petition for
22 Expedited/Emergency Rate Relief for Recovery of Engine Rental Costs in Docket #4635.
23 I also prepared testimony in A&R Marine's general rate filing Docket #4586 and on
24 behalf of the Pascoag Utility District in Docket #4341 in support of the adjusted test year,
25 rate year and rate design.

26

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

28 A. I received my Bachelor of Science Degree in Accounting (BSA) from Rhode Island
29 College. I became a Certified Public Accountant in 2000 after passing the CPA exam.

1 **Q. What is the purpose of your testimony?**

2 A. B&E was engaged by Block Island Utility District (BIUD) to provide testimony in
3 support of its rate request. My testimony includes a presentation of the normalized test
4 year (December 31, 2017), the rate year expenses that I have developed and the proposed
5 rate year revenues. Mr. Richard LaCapra addresses in his testimony the cost of service
6 study he performed that allocates the functional costs to various cost components, and
7 then distributes those costs to customer classes and types of service. In addition, Mr.
8 LaCapra has presented the development of proposed new rates and charges for the BIUD.
9 Finally, I have included a revenue proof to tie the revenue requirement at rate year
10 consumption to the rates Mr. LaCapra calculated in his testimony.

11
12 **PRIOR COMMISSION DOCKETS**
13

14 **Q. Before starting with the normalization of the test year, would you please give**
15 **the Division of Public Utilities and Carriers (Division) and Commission an update as**
16 **to the status of the last docket proceedings on rate issues?**

17 A. Certainly. BIPCo filed its last general rate application with the Commission on
18 November 9, 2007, in Docket #3900. The BIUD currently uses BIPCo's general rates
19 from that docket. The outcome of Docket #3900 was that the Commission issued Order
20 No. 19504 approving new rates and authorizing BIPCo to collect additional revenues of
21 \$263,856 for a total cost of service of \$2,607,548, effective June 1, 2008. In addition to
22 the general filing, BIPCo filed and received Commission approval of (1) a request for a
23 \$0.01 per kWh Summer Only Surcharge as a Fully Reconciling Rate Adjustment
24 Pursuant to RIGL 39-26.1-7 in Docket #4135 (filed 12/7/09), and (2) Tariff Advice to
25 amend Street Lighting Service in Docket #4579 (filed 10/1/15). Along with these filings,
26 there have been several filings which have impacted BIPCo with regards to the
27 implementation of the Utility Restructuring Act.

1 **Q. Can you provide a summary of the issues involving the Utility Restructuring**
2 **Act?**

3 Prior to Docket #3900, the Commission, in Order No. 15461 in Docket No. 2490,
4 ordered that “the Block Island Power Company is hereby authorized to delay
5 implementation of the Utility Restructuring Act’s mandates until six months following
6 the installation and operation of the undersea cable connecting the island to the mainland
7 electric grid.” Subsequent to Docket #3900 on May 1, 2017, the National
8 Grid/Deepwater Wind project became operational and the Town of New Shoreham
9 (Town) and BIPCo were at that time connected by an undersea electric cable to the
10 mainland. Because on May 1, 2017, the National Grid/Deepwater Wind project became
11 operational and the Town and the BIPCo were at that time connected by an undersea
12 electric cable to the mainland, BIPCo’s current exemption would have otherwise expired
13 on November 1, 2017.

14
15 On February 3, 2017, BIPCo filed a request seeking a continued exemption period from
16 the URA retail access provisions of R.I.G.L. § 39-1-27.3. At an Open Meeting on March
17 30, 2017, this Commission extended BIPCo’s URA retail access exemption until October
18 1, 2018, which was later extended by Commission Order 23066 until April 30, 2020. On
19 February 10, 2017, in Docket No. 4690, BIPCo filed a proposed procurement plan and
20 standard offer and transmission tariffs. On April 12, 2017, BIPCo submitted a
21 supplemental/amended filing. On April 14, 2017, after an evidentiary hearing, this
22 Commission held an Open Meeting and approved BIPCo’s procurement plan and
23 amended rate filing. The new rates went into effect on May 1, 2017 when the cable
24 connection went live. These standard offer and transmission tariffs have been changed
25 through subsequent reconciliation filings, and the most recent reconciliation approved
26 rates through April 30, 2020.

27
28 Also, by Order issued on October 7, 2016 in Docket No. 4606, this Commission,
29 pursuant to a March 7, 2016 Petition filed by BIPCo, exempted BIPCo from the URA
30 requirement in R.I.G.L. § 39-1-27(c) which would have required BIPCo to transfer its
31 generating assets to affiliates, and exempted BIPCo from the URA provisions of R.I.G.L.

1 § 39-1-27(d), which would have prohibited BIPCo from generating and selling electricity
2 within BIPCo's service territory. These exemptions serve the purpose of allowing BIPCo
3 to maintain its diesel generation as a backup power supply.

4
5 In addition, there were additional provisions requiring BIPCo to file a full rate filing
6 together with a fully allocated cost of service study, by November 1, 2017. BIPCo's
7 request that BIPCo be granted a continued exemption until August 1, 2018 to file its new
8 rate case and cost of service study was granted in Order No. 23065. The main reasons for
9 this extension request were a restoration of assets due to the 2016 engine fire, a mandated
10 tank replacement project, and there had been a major change in BIPCo's ownership.
11 BIPCo received an additional extension that will continue until the resolution of litigation
12 brought by BIPCo's minority stockholder.

13
14 **TRANSITION FROM BIPCO TO BIUD**

15
16 **Q. Mr. Bebyn, can you provide some background of transition from the old**
17 **investor owner BIPCo to the new non-profit BIUD?**

18 A. Certainly. Prior to November 2016, all the shares of BIPCo were held by three
19 individual owners who each held one third of the outstanding shares of BIPCo. On
20 November 7, 2016, the Town of New Shoreham purchased all the BIPCo shares from two
21 of the owners. This provided the Town with a 2/3 majority ownership in BIPCo and
22 resulted in a change in the BIPCo's Board of Directors. The new BIPCo Board moved
23 towards transferring BIPCo into a utility district. On July 26, 2017, Senate Bill No. 729
24 Substitute A became effective without the Governor's signature. This new law (R.I.G.L.
25 § 45-67-1 et seq.) created the BIUD. Under the Act, once the assets of BIPCo transferred
26 to BIUD, BIPCo ceased functioning as an electric utility. That transfer took place on
27 March 25, 2019 when BIUD purchased all BIPCo's assets with an unsecured \$5.8 million
28 short-term loan from National Rural Utilities Cooperative Finance Corporation (CFC).
29 This short-term loan from CFC was made permanent with a long-term note from CFC
30 which was approved by the Division Docket #D-19-11.

1 **Q. What is the status the resolution of litigation from the remaining minor owner?**

2 This litigation is ongoing, but BIUD is no longer a party. Mr. Jeffery Wright's testimony
3 goes into greater detail on this issue.

4
5 **SUMMARY OF THIS FILING**
6

7 **Q. If BIUD is not required to file yet under its current exemption, what is the**
8 **major reason for this rate filing?**

9 A. BIUD is submitting this rate case before the minority shareholder litigation is ended
10 because we wish to have new rates go into effect on or before June 1, 2020. Part of this
11 desire is to address some rate design issues that have occurred under current rates which I
12 will address in my rate year revenue discussions. Furthermore, Mr. LaCapra will expand
13 on this issue and provide his proposed rate design.

14
15 **Q. Is BIUD requesting a revenue requirement increase in this docket?**

16 A. No. BIUD is not requesting any overall increase for this filing. This is a revenue
17 neutral filing with total rate year revenues in the amount of \$3,291,336. This represents
18 a revenue requirement increase of 0.00%.

19
20 **Q. How is the BIUD able to maintain a revenue neutral position considering**
21 **BIUD's purchase of BIPCo's assets with the new CFC \$5,800,000 loan?**

22 A. There are some immediate savings that BIUD has realized since becoming a not-
23 for-profit. Those savings include the following (using BIPCo's 2018 audited financials
24 (June 1, 2017 – May 31, 2018) as a comparison):

25	Gross Receipts Taxes	\$269,973
26	Depreciation	\$269,124
27	Income Taxes	\$179,557
28	Dividends	\$15,000
29	Sales Tax	<u>\$15,000</u>
30	Total	\$748,654

1 In, addition to these saving, the transition from BIPCo to BIUD results in a change from a
2 for-profit investor owned company to a non-profit public company. These are regulated
3 on different ratemaking principles which are detailed in the remainder of my testimony
4 and schedules.

5
6 **TEST YEAR (DECEMBER 31, 2018)**
7

8 **Q. What test year did you use?**

9 A. I used the test year January 1, 2018 to December 31, 2018.
10

11 **Q. Please provide the Commission with the detailed steps you took to develop the**
12 **test year.**

13 A. I obtained the detailed trial balances and subtracted the year to date balances at
14 December 2017 from the final account balances at May 2018 to determine the January
15 2018 through May 2018 activity (DGB-TY-3). The resulting balances were added to the
16 year to date December 2018 trial balances to determine the twelve-month test year
17 balances ending December 2018.
18

19 **Q. What adjustments did you make to convert the December 31, 2018 financial**
20 **statements prepared on a Generally Accepted Accounting Principles (GAAP) basis**
21 **to a normalized “rate making basis” test year?**

22 A. I made thirteen adjustments to the test year prepared on a GAAP basis in order to
23 present the test year on a normalized “rate making basis” as follows:
24

- 25 1. Adjusted Plant/Distribution Charge to normalize kWh sales for a full year for each
26 customer class due to the transfers from residential and commercial classes to
27 demand and due to the transfer of public to public demand. In addition, the kWh
28 sales were adjusted for the projection of usage for new accounts so those new
29 accounts would reflect a full year of service. (See DGB-TY-1a1 & 1a2).

2. Adjusted Customer Charge to normalize counts for a full year for each customer class due to the transfers from residential and commercial classes to demand and due to the transfer of public to public demand. In addition, the counts were adjusted for the counts at December 2018 to reflect a full year of counts for new accounts to reflect a full year of service. (See DGB-TY-1b1 & 1b2)
3. Adjusted Demand Charge to normalize for KW demand sales for a full year for each customer class due to the transfers from residential and commercial to demand and public to public demand. In addition, the KW demand sales were adjusted for the projection of usage for new and transferred accounts so those accounts would reflect a full year of service. (See DGB-TY-1c1 & 1c2).
4. Adjusted System Charge was normalized to reflect a full year of service. (See DGB-TY-1d1 & 1d2).
5. Averaged various expense accounts for a four-year period. The four-year average uses FY 15, FY 16, FY 17 and FY 18. (See DGB-TY-1e).
6. Removed non reoccurring expenses on various accounts to reflect a normalized year. Notable in this section was one-time revenues (Forgiveness on CAT Debt & Gain on Insurance Proceeds) and one-time expenses (O/S-Legal-General & Fire Damage Repairs) regarding cost and cost recovery of items relating to the engine fire in the summer of 2016. (See DGB-TY-1 pages 1 through 5).
7. Made adjustment for there not being full 12 months of expense in FYE 12/31/18 balance. (See DGB-TY-1f).
8. Averaged various expense accounts for a four-year period. The four-year average uses FY 15, FY 16, FY 17 and FYE 12/31/18. (See DGB-TY-1e).
9. Removed legal and accounting expenses associated to general rate case expenses since total rate case will be amortized during rate year. (See DGB-TY-1_page 3).
10. Averaged various expense accounts for a three-year average of FY 16, FY 17 and FYE 12/31/18. Three year average was used as opposed to a four year to reflect the increased frequency of damaging storms coupled with the small service area where BIUD has missed some storms by a small margin. BIUD believes that this three-year average is the best way to fund a Storm Contingency fund. (See DGB-TY-1e).

1 11. Removed all depreciation expense from the test year, because BIUD as a non-
2 profit is regulated on a cash basis. (See DGB-TY-1_page 5).

3 12. Increased for principal payments to the test year, once again because BIUD is a
4 non-profit is regulated on a cash basis. (See DGB-TY-1_page 5).

5 13. Increased for capitalized expenditures to the test year, once again because BIUD is
6 a non-profit is regulated on a cash basis. (See DGB-TY-1_page 5).

7
8 **Q. Mr. Bebyn, in your professional opinion, does your adjusted test year**
9 **present a proper normalized test year?**

10 A. Yes. I believe that the adjusted test year that I have prepared for this filing
11 (DGB-TY-1) fairly presents the operations of BIUD in a normal year on a ratemaking
12 basis with currently approved rates.

13
14 **Q. Did you complete any other reviews to prepare your test year adjustments?**

15 A. Yes, I did. I prepared a four-year analysis of the actual (audited) revenue and
16 expenses for the fiscal years 2015, 2016, 2017, 2018 & FYE 12/31/18 (unaudited).
17 Major variances were investigated to determine if an adjustment was needed.

18
19 **Q. Did you include a schedule of the four-year comparison with this testimony?**

20 A. Yes, see Schedule DGB-TY-2.

21
22 **Q. Did you prepare any other schedules in support of the test year?**

23 A. Yes, I did. I prepared Schedules DGB-TY-1a1 through DGB-TY-1d1 to detail the
24 test year revenues by source, tariff and rate class. I also prepared Schedules DGB-TY-
25 1a2 through DBG-TY1d2 which support the test year sales volumes and customer counts
26 by rate class for the test year. The calculations to detail the adjusted test year revenues by
27 source use the rates approved in Docket #3900.

28
29 **Q. Did you prepare any other schedules?**

30 A. Yes, I did. I prepared a test year balance sheet, income statement and a statement of
31 changes in retained earnings (Schedule DGB-TY-4, the unadjusted test year column of

Schedule DGB-TY-3, and Schedule DGB-TY-5 respectively). This information is required since the test year does not coincide with the latest fiscal year shown on the annual report.

Q. Does that conclude your testimony of the test year?

A. Yes.

Q. What would you like to discuss next?

A. I would like to review my schedules for the rate year.

RATE YEAR REVENUES (FYE DECEMBER 31, 2020)

Q. Mr. Bebyn, in what order would you like to review your rate year adjustments for revenue requirement?

A. I prefer to start with the revenue accounts (see Schedule DGB-RY-2). After reviewing revenues and making the appropriate adjustments, I will review the expense accounts and explain any rate year adjustments that are needed (see Schedule DGB-RY-3).

Q. Please explain how you calculated your rate year revenue levels.

A. BIUD received revenue in the test year from thirty sources (including twelve pass through revenue accounts). For this presentation in my testimony I have combined these revenue accounts into seven related classifications:

Pass Through Revenues	\$2,155,550	39.28%
Distribution charges	2,217,971	40.41%
Demand Charges	408,898	7.45%
Customer charges	312,867	5.70%
System charges	82,867	1.51%
Street Lighting	6,985	0.13%
Other revenue	303,204	5.52%
<hr/>		
TOTAL TEST YEAR REVENUE	\$5,488,343	100.0 %
<hr/>		

1 The second largest revenue classification is pass-through revenue (39.28% of total
2 revenue) which for this rate filing has, along with the related pass through (purchase
3 power) expense, been eliminated from the rate year revenue requirement. See the section
4 on pass through revenue later in this testimony.

5
6 The largest revenue source is the service charge for distribution of electricity that
7 represents 40.41% of the total revenue in the test year. The third largest revenue source
8 is the service charge for demand of electricity that represents 7.45% of the total revenue
9 in the test year. The other three sources of revenue account for less than 13% of the total
10 adjusted test year revenue.

11
12 **Q. Mr. Bebyn, Pass Through revenue is BIUD's second largest revenue source.**
13 **Would you please explain how you analyzed Standard Offer, Transmission and**
14 **Transition revenue?**

15 A. Certainly. I eliminated this pass-through revenue from the rate year revenue
16 requirement. The rates for these revenue sources are set separately from the other tariff
17 rates as part of a year-end filing before the PUC. Purchased Power and related costs are
18 treated as a pass-through charge to the ratepayers. To recover these costs, the upcoming
19 period's costs are estimated. This estimate is adjusted by a true-up of the prior periods
20 when actual sales are compared to actual purchase costs.

21
22 Prior to this filing, BIUD filed its year-end report (Docket 4690) in March 2019 to set the
23 rates for the Standard Offer, Transmission and Transition revenues effective May 1,
24 2019. Since these rates for 2020 will be set by the filing BIUD will make in docket
25 #4606 in March of 2020, I simply eliminated both pass through revenues and pass
26 through costs from consideration of BIUD's base rate calculation.

27
28 Therefore, I eliminated the test year pass through revenue (\$2,155,550) and I will also
29 eliminate purchase power related expenses (cost) when I review the rate year expenses.

1 **Q. Would you please explain how you projected the rate year revenue level for**
2 **electric charges which accounts for 55.2% of the revenue source?**

3 A. Yes. Electric charge revenue includes kWh usage charges for Plant/Distribution
4 Charges; Demand KW charges; Customer Service from counts; street lighting from
5 counts; and system charges from counts. Rates have seen some growth for past two
6 years (FY 2017 and FY 2018). For both years, power has been provided by the mainland
7 cable instead of generators. It was due to this growth that the most recent approved
8 standard offer filing set projected consumption at the base year rather than averaging
9 rates. This is the same approach that is applied to the rate year. The rate year does not
10 include any growth factors.

11
12 **Q. Would this approach be appropriate given the growth in revenues between FY**
13 **2017 and FY 2018?**

14
15 A. Yes. In order to evaluate the Rate year usage, I prepared the following chart which
16 shows the actual electric charge kWh for the rate year and the current actual interim year
17 to date.

18
19

Date	Rate Year Total kWh	Interim Year Total kWh	Percentage Increase (Decrease)
January	792,555	802,335	
February	635,957	706,711	
March	685,791	706,929	
April	708,632	658,434	
May	1,019,298	917,814	
June	1,345,351	1,239,142	
July	1,952,445	2,139,756	
August	2,220,143	2,087,158	
Total	9,360,173	9,258,279	(1.09) %

20
21 From the above table it is evident that BIPCo/BIUD has had no further growth in the sale
22 of electricity since the same period in the interim year. In fact, there has been slight

1 decrease of 1.09%. From this most recent data available, it appears reasonable that the
2 current rate year projections, which were slightly modified from the test year, seem to be
3 in line with the interim year.

4
5 **Q. Mr. Bebyn if you did not make any changes to total rate year kWh, KW and**
6 **counts, what modification did you make?**

7 A. As I indicated in my introduction, some issues have arisen with BIUD's current rate
8 structure. These issues occurred as part of BIUD's implementation of its new billing
9 software system. There has been a large shift in the classification of customer accounts
10 from residential to demand. To fix this issue, all demand accounts were reviewed to
11 identify residential accounts and move them back to residential from the demand account.
12 This impacts the kWh and counts transferred and includes the elimination of KW usage
13 that no longer will be assessed to these accounts.

14
15 **Q. What caused this large shift in the classification of customer accounts?**

16 A. The new billing system captures the data automatically. This used to be done by
17 manual review. As a result, many accounts which were just above the line in
18 classification were automatically transferred to the demand rate which is at a much higher
19 rate. This one issue alone is the main customer complaint that BIUD receives from its
20 customers. A marginal residential account with 500 kWh summer usage with 7 KW could
21 actually see its summer bill double from the standard residential rate to the demand rate.
22 To solve this problem, BIUD is recommending the elimination of these demand rates for
23 residential customers.

24
25 **Q. Mr. Bebyn, was there any other modification made to the rate year?**

26 A. Yes, in addition to the reclassification of residential accounts that had been included
27 for the test year in the demand account, Mr. LaCapra has recommended additional
28 reclassifications to have BIUD's customer classifications better mirror industry standards.
29 As a result, the Public demand accounts have been reclassified to demand accounts and
30 Public non-demand accounts have been reclassified to general "C" rate accounts. This

1 impacts the kWh, KW and counts which are transferred. Please see Mr. LaCapra's
2 testimony for a more detailed explanation of these new classifications.

3
4 **Q. Have you prepared any schedules which support your rate year calculation?**

5 A. Yes. I have prepared schedules DGB-RY-2a1 through DGB- RY-2d.

6
7 **Q. Can you please explain your schedules?**

8 A. Yes. Plant/Distribution Charge which is calculated by kWh sales is supported by
9 Schedules DGB-RY-2a1 & 2a2. Schedule DGB-RY-2a2 transfers the residential kWh out
10 of demand. The schedule also transfers public kWh to the general rate and public demand
11 to the demand account. Customer Charge, which is calculated by customer counts, is
12 supported by Schedules DGB-RY-2b1 & 2b2. Schedule DGB-RY-2b2 transfers
13 residential counts out of demand. The schedule also transfers public counts to the general
14 rate and public demand counts to the demand account. Demand Charge, which is
15 calculated by KW sales, is supported by Schedules DGB-RY-2c1 & 2c2. Schedule DGB-
16 RY-2c2 removes the residential KW out of demand. The schedule also transfers public
17 demand KW to the demand account. Lastly, the System Charge, which is calculated by
18 counts, is supported by Schedule DGB-RY-2d. Schedule DGB-RY-2d also adds all
19 residential counts which were classified as demand accounts to the residential system
20 charge.

21
22 **Q. The next largest classification of revenue is other revenues. How have you**
23 **projected these revenues?**

24 A. All of these accounts were left at test year levels, except for the addition of a new
25 account which provides a revenue grant from the state to cover half of the costs from the
26 new energy efficiency program. Rental revenues (the largest of the other revenues) was
27 already adjusted in the test year in this docket. The test year adjustment reflects a full
28 year of rental income for each of the BIUD rental customers. There will be no change in
29 tenants or the rent charged from the Test Year to the Rate Year.

1 **Q. What is your projected Rate Year Revenue at current rates?**

2 A. I have projected \$3,291,336 as shown on Schedule DGB-RY-2. Revenue from the
3 Standard Offer & FAC has been eliminated from this base rate calculation because they
4 are pass-throughs.

5
6 **Q. Does that include your revenue analysis?**

7 A. Yes, it does. Next, I would like to discuss my expense adjustments (Schedule DGB-
8 RY-3).

9
10 **RATE YEAR EXPENSES (FYE DECEMBER 31, 2020)**

11
12 **Overview**

13 **Q. How would you like to proceed with your review of expenses?**

14 A. I would like to first address the accounts that I left at test year levels. Many expense
15 account changes were insignificant or were already adjusted during the test year analysis.
16 Therefore, I have left these accounts at test year levels as the most reasonable amount for
17 the projected rate year and listed them on Schedule DGB-RY-4.

18
19 The first page of that schedule lists the accounts which were either left at a zero balance
20 or were reduced to zero for the test year. The second page lists the accounts which were
21 already adjusted to either a 4- or 3-year balance as explained in the test year section of
22 my testimony. The third page lists account which I normalized during the test year and
23 are also most reasonable amounts for the projected rate year. Finally, the last group are
24 those accounts which best represent the projected rate year since they represent the most
25 current data available. It should be noted that the sum of this last group of accounts is
26 less than the sum of the average of the prior four years.

27
28 The remaining accounts and groups of accounts that were not left at the test year level
29 will be reviewed in the order listed on Schedule DGB-RY-3 Expense Summary-Rate
30 Year (whenever possible). The first group of accounts, after the accounts left at test year
31 levels, is the purchase power (pass through) expense accounts.

Pass Through Accounts

Q. Mr. Bebyn, would you please explain how you calculate expense balances?

A. Yes. First, I eliminated the purchase power (pass through) related expense accounts as follows:

ACCOUNT #	ACCOUNT	TY BALANCE
<u>Pass Through Related:</u>		
408-062	Gross Receipts Tax-Fuel Portion	\$83,898
547-101	Fuel	0
547-102	Purch.Power-SO-Energy	559,940
547-103	Purch.Power-SO-ISO	342,938
547-104	Purch.Power-SO-ENE	68,109
547-105	Purch.Power-SO-BIPCo Other	57,247
547-106	Purch.Power-TC-ISO	257,463
547-107	Purch.Power-TC-NGrid	533,828
547-109	Urea Expense	0
548-102	Fuel Procurement	1,085
548-104	Fuel Procurement-Assoc Comp	0
	Deferred Revenue	182,197
550-101	Engine rental & Assoc. (FAC)	0
553-225	DSI Surcharge funding	68,846
	Total	<u>\$ 2,155,197</u>

Purchase Power, Power Supply and Transmission expenses are all pass through related expenses. As I did with the pass-through revenue, I have eliminated the purchase power related expenses. The Deferred Revenue account represents timing of revenue collections vs payment of expenses and minor difference in the amount of pass through revenue compared to pass through related expense due to estimating differences and as described in the section on revenues. The final year end difference is used in the year end filing to determine the subsequent year's Standard Offer, Transmission and Transition pass through rates.

Payroll Expense

Q. What expense accounts did you review next?

A. The next area that I looked at was payroll. Payroll costs are allocated to various payroll expense accounts based upon where the employees work during the day. I

1 summarized the payroll accounts from the test year as shown on my Schedule DGB-RY-
2 5 and reconciled the total charged to the payroll accounts on Schedule DGB-RY-5 to the
3 actual payroll paid to BIUD's employees per Schedule DGB-RY-5a.
4

5 **Q. How did you calculate the rate year level for the payroll accounts?**

6 A. Using the test year information per employee as a base (see Schedule DGB-RY-5a), I
7 reviewed the list of employees to determine if any adjustment was needed to adequately
8 reflect the employees and their annual salaries (eliminate vacancies or annualize new
9 hires). I then presented the known and measurable salary given to the employees in FYE
10 2019 (the interim year). Next, I increased the interim year salary levels by 2.5% & 3%
11 (consistent with the approach used by the Division in the last docket) for the anticipated
12 rate year salary levels. I further reviewed the list of employees to determine the amount
13 of overtime charges to be separated to adequately reflect the employees and their annual
14 salaries.
15

16 The total salary level for the rate year for all employees is shown on Schedule DGB-RY-
17 5a. The total salaries were then applied to each of the summary payroll accounts on
18 Schedule DGB-RY-5 and the resulting rate year levels were posted to the summary
19 expense Schedule DGB-RY-3.
20

21 **Q. How did you allocate the rate year level from DGB-RY-5a for the summary**
22 **payroll accounts on Schedule DGB-RY-5?**

23 A. The total salaries for two utility workers were allocated 52.6% to Inside Maintenance
24 and 47.4% Maintenance of Station Equipment. The total salaries for the three line
25 workers were allocated 60.2% to Overhead Lines Operations, 1.9% to Meter Operations
26 and 37.9% to Overhead Lines Maintenance. The total salary for Billing/Office Staff was
27 allocated 78.8% to Records & Collection and 21.2% Office Salaries. Lastly, all of the
28 President/CEO's salary was allocated to Administration and Management. All of these
29 allocations were based on the test year hours of the costs centers the employees worked
30 at.
31

1 **Lubrication for Power Production**

2 **Q. What account would you like to discuss next?**

3 A. The next account that is listed on Schedule DGB-RY-3 Expense Summary-Rate Year
4 is lubrication. While lubrication for the standby engines was normalized for the test year,
5 this level does not reflect the current condition of the operations of the engines. The
6 current engines are primarily used for standby purposes due to interruption of power
7 provided by the mainland cable. In the past, 2 to 3 shipments of lubrication, which cost
8 around \$10,000 each, were needed for yearly operations. Due to the reduced hours of
9 operations only one shipment will be required for the rate year to meet the minimum
10 maintenance schedule. For this reason, the Rate Year balance was reduced to \$10,000.

11
12 **Lease – Motor Vehicle**

13 **Q. How have you calculated Lease – Motor Vehicle expense?**

14 A. I have added to the test year balance an additional \$6,000 to cover the annual lease
15 cost for a new Clark forklift which was added during the interim year. The test year
16 included payments to Ford Motor for a F-150 in the amount of \$569.85 per month, Ford
17 Motor for a F-250 in the amount of \$675.61 per month, and Altec for a bucket truck in
18 the amount of \$1,663.06 per month. These leases will continue through the rate year.
19 For this reason, the Rate Year balance was increased by \$6,000.

20
21 **Legal General Matters**

22 **Q. Please describe the activities of the Legal General Matters account.**

23 A. This account represents different activities each year. Primarily, this account is used
24 for non-regulatory matters and do not include general rate filings or minor Division and
25 Commission representation. The general rate filings are recovered through rate case
26 expense and minor Division and Commission representation is charged to the General
27 Regulatory Legal expense account.

28
29 The activities of this account concern corporate governance, contract negotiation,
30 liability representation and other general matters. For the past two years, this account has
31 grown far above fiscal years 2015 and 2016. During the summer of 2016, which is part of

1 fiscal 2017, BIPCo suffered a major fire. Engine #22 was destroyed and engines #23 and
2 #26 and their attendant switchgear suffered serious damage. In addition, 3 bucket trucks
3 suffered heat damage to various control mechanisms. The generation building was
4 substantially damaged. The other major area which caused this account to grow was the
5 sale of BIPCo's stock from two of three shareholders and the litigation from the third
6 shareholder.

7
8 As I explained in my introduction, the historical costs presented represent those of BIPCo
9 and do not necessarily represent continued operations for the BIUD. Part of these legal
10 fees represent BIPCo's defense of the suit from its minority shareholder. These costs
11 were already removed as part of test year adjustments. However, there have been
12 additional legal costs regarding the fire and the transition from BIPCo to the BIUD that
13 are inflating this account in the adjusted test year figure. Upon further review, this
14 account was reduced by half to the funding level of \$35,500 which is more in line with
15 fiscal 2016 before these other issues arose.

16 17 **Accounting-Taxes**

18 **Q. Mr. Bebyn why was this account removed during the test year?**

19 A. This account was needed in the past for BIPCo since it was a for profit company that
20 was subject to federal income taxes and state gross receipts taxes. This expense account
21 was needed in the past to cover the costs regarding the filing of these tax reports. Since
22 the BIUD is a non-profit and not subject to these taxes, these preparation fees are saved
23 and not required to be funded for the Rate Year.

24 25 **Board Clerk**

26 **Q. It appears there is a new account for Board Clerk. How was that adjustment**
27 **calculated?**

28 A. The \$7,200 represents the annual cost for the \$600 monthly salary that the Board
29 appointed clerk is paid. The board members are unpaid positions and as a result have
30 appointed a Clerk to handle taking minutes, noticing meetings, and other clerical duties
31 required by the Board.

1 The total current docket rate case expense of \$150,000 was amortized over three years
2 (\$50,000 per year). BIPCo will update these estimates at the end of the hearings so that
3 the Commission can use actual costs rather than the above estimates.
4

5 **Q. Has BIUD deferred the cost of other regulatory filings at the DPUC or PUC into**
6 **the rate case expense account?**

7 A. No. Although BIPCo/BIUD has incurred significant regulatory expense since the last
8 docket relating to the emergency filing due to fire, retail exemption, power purchase,
9 financing filings (CFC), Standard offer/fuel adjustment filings, and other miscellaneous
10 DPUC and PUC dockets, all of these regulatory costs were charged to current operations
11 to the O/S-General Regulatory Accounting and O/S-General Regulatory Legal as
12 incurred and not deferred.
13

14 **Employer 401k contribution**

15 **Q. The next account worthy of detail review is the Defined Benefit Plan (DBP)**
16 **Contribution. Would you please explain how you estimated the DBP contribution**
17 **in the rate year?**

18 A. Certainly. BIUD contributes towards an employee's DBP based upon 3% of their
19 salary. In order to calculate the rate year amount, I used the rate year payroll and salary
20 figures from Schedule DGB-RY-5a to which I applied the 3% contribution rate. I
21 prepared Schedule DGB-RY-7 which shows the rate year calculations for the DBP
22 contribution. These calculations result in rate year expense of \$23,220.
23

24 **Software & Billing Service**

25 **Q. It appears there is a new account for Software & Billing Service. How was that**
26 **adjustment calculated?**

27 A. This account is new and is result of the implementation of the accounting and billing
28 software that was purchased from National Information Solutions Cooperative (NISC).
29 The billing portion of the program went live as of June 2018, however the accounting
30 portion was deferred until the transfer of operations from BIPCo to BIUD. Each entity
31 needed to maintain its own records for tax and other reporting purposes. Also, not all

1 accounts were transferred to BIUD. For example, taxes payable and deferred taxes stayed
2 on BIPCo books.

3
4 The main cost of the program and its startup/ training costs were capitalized. The \$57,820
5 of annual cost represents \$42,354 in NISC Monthly ASP hosting and NISC Licensing
6 Fees on its program modules (CIS, ABS, OMS, Smart Hub, MDM, and Mapping). Also
7 included is \$11,466 of IT Services, iCloud Back-Up fees, Workstation Virus Software,
8 Firewall and Office 365 fees, paid to Secure Future Tech Solutions and \$4,000 paid to
9 Milsoft for Licensing Fees on its Distribution System Modeling Software.

10 11 **Tank Testing & Fuel Maintenance**

12 **Q. It also appears there is a new account for Tank Testing & Fuel Maintenance.**
13 **How was that adjustment calculated?**

14 A. This account is new and as a result of the replacement of BIUD fuel storage tanks.
15 As part of their permitting, these tanks must be periodically tested to verify that the tanks
16 are not leaking. Furthermore, since the fuel is for backup purposes to help generate power
17 due to service interruptions on the mainland power cable, this fuel has the potential to go
18 stale since it will be sitting with a long period of no use. To prevent the fuel losses from
19 this potential provision, BIUD has contracted with a company perform periodic servicing
20 to the tanks with additives. The annual cost for both the Tank Testing & Fuel
21 Maintenance is \$25,000.

22 23 **Engine Maintenance**

24 **Q. Would you explain your adjustments to the rate year engine maintenance**
25 **accounts?**

26 A. Yes. An annual SCR/Engine maintenance reserve account was approved by the
27 Commission in the last docket. The funding was set at an annual rate of \$230,000. At
28 that time BIPCo was exclusively generating all its power for sales. This level of funding
29 was adequate at the time and pretty much covered all costs through the end of fiscal year
30 2017. However, since the engines are now only serving the purpose of back up
31 generation, this level of funding is no longer required.

1 Mr. Wright in his testimony details that maintenance will only be required going forward
2 every other year at a cost of \$180,000 for each engine. Since the servicing will be done
3 every other year, only \$90,000 per year will be needed for engine maintenance. The rate
4 year has been adjusted to reflect this new funding level of \$90,000.

Tree Trimming

7 **Q. Would you explain your adjustments to the Tree Trimming accounts?**

8 A. Yes. Mr. Wright provides detail for the work that has already be performed as well
9 as what still needs to be done. His testimony details that annual costs required going
10 forward for the next three years is \$120,000. The rate year has been adjusted to reflect
11 this new funding level of \$120,000.

Efficiency Program

14 **Q. It also appears there is a new account for Efficiency Program. How was that
15 adjustment calculated?**

16 A. Yes. As Mr. Wright details in his testimony, BIUD is working with the RI-OER to
17 develop the program. In the rate year, we have earmarked funding for the program in this
18 rate case. Approval of the efficiency plan will be in a separate docket. It is the desire of
19 the BIUD that the portion to be funded out of rates be covered in the rate case so that this
20 item could also be covered as part of this revenue neutral filing. As a result, the general
21 rates will actually receive a minor decrease. This will provide room for this new rate,
22 while remaining overall revenue neutral. The impact of this can be seen on Schedule
23 DGB-RP-1.

Principal and Interest

26 **Q. Would you explain your adjustments to the Principal and Interest accounts?**

27 A. The first adjustment I made was to remove the existing principal and interest from
28 the prior RUS BIPCo loan. As part of the purchase of assets which occurred during the
29 interim year, the RUS was paid off by BIPCo. Furthermore, as explained in my
30 introduction, the short-term CFC loan was replaced by a long-term note. The rate year
31 Principal and Interest reflect the loan payments due for the rate year. The amortization

1 table for this loan has been included in the filing. (Supporting Schedule Item 2.9(f) Debt
2 Service Schedule attached to the Compliance index)

3
4 **Taxes not assessable to the BIUD**

5 **Q. Would you explain your adjustments for Property, Sales, Gross Earnings and**
6 **Income taxes?**

7 A. Yes. As I previously explained in my introduction, some of the historical costs
8 presented on DGB-TY-2 represent only for BIPCo and do not necessarily represent
9 continued operations for the BIUD. Another cost group which is no longer a cost for the
10 BIUD are certain taxes. Actually, the only tax BIUD is still subject to would be payroll
11 taxes. Federal taxes are no longer assessable since BIUD is a non-profit. In addition, the
12 BIUD is exempt from state sales taxes, gross receipts taxes and local property taxes as
13 part of the Act that created the Block Island Utility District. As a result, the taxes for
14 Property, Sales, Gross Earnings and Income have been removed from the rate year.

15
16 **Payroll Taxes**

17 **Q. It appears that you made a small adjustment to payroll taxes. How was that**
18 **adjustment calculated?**

19 A. See my Schedule DGB-RY-8 for the detail calculation.
20

21 **O&M reserve**

22 **Q. Mr. Bebyn did you calculate an allowance for O&M reserve?**

23 A. Yes, I calculated the allowance to be \$95,864. The reserve was calculated by
24 multiplying the total expense times 3.0%. This is a new account for the BIUD as BIPCo
25 use to receive a return on equity to cover fluctuations in costs. Since BIUD is a non-profit
26 it is more appropriate to fund an O&M reserve like other municipal and quasi-municipal
27 regulated utilities.

1 **Voltage Conversion Capital Fund**

2 **Q. It appears there is a new account for Voltage Conversion Capital Fund. How**
3 **was that adjustment calculated?**

4 A. This item is another line item which is explained in greater detail in Mr. Wright's
5 testimony. Essentially, the BIUD is seeking to establish a reserve to help cover future
6 costs for voltage conversion of the distribution system. The funding level as explained by
7 Mr. Wright was set so BIUD would remain in a revenue neutral position in this rate case.
8 The goal is to initially fund a full engineering study for the exact needs and cost of this
9 future voltage conversion. In addition, the accumulated funds could pay for the program
10 and the annual funding could be reapplied to minimize increases needed for future debt
11 service to cover this project.

12
13 **Capital Improvement Accounts**

14 **Q. Would you explain your adjustments to the rate year future capital**
15 **improvement accounts?**

16 A. Yes. First, as I indicated in my introduction above, BIUD is regulated on a non-
17 profit basis which allows for the cost recovery of capital expenditures. BIUD is seeking
18 to establish a capital reserve and requests a funding level \$400,000 annual requirement.
19 Mr. Wright's testimony elaborates on the capital needs of the BIUD over the next four
20 years. Mr. Wright also calculated the rate year capital improvement expenditure of
21 \$400,000, which is the total of the \$93,000 Capital Fund-Inventory Purchased & Used
22 and \$307,000 Capital Fund-Capitalized Expenditures as presented on DGB-RY-3.

23
24 **Q. Does that conclude your rate year analysis?**

25 A. Yes.

26
27 **Q. What would you like to discuss next?**

28 A. I would like to review my schedules for the revenue proof.
29
30
31

REVENUE PROOF (FYE DECEMBER 31, 2020)

Q. What schedules have you prepared as part of your revenue proof?

A. I have prepared schedules DGB-RP-1 through DGB-RP-5.

Q. Can you please explain your schedules?

A. Yes. Schedules DGB-RP-2 through DGB-RP-5 are the supporting schedules which utilize the same format and rate year consumption and counts from my supporting rate year revenue support Schedules DGB-RY-2a1 through DGB-RY-2d. These schedules use the proposed rates in Mr. LaCapra's testimony which are summarized on DGB-RP-1. Schedule DGB-RP-1 shows the recalculation of rate year revenues at the proposed rates, adds it to the rate year other revenues, and the result is compared to the total revenue requirement per DGB-RY-1.

Q. Was there any modification for the rate year usage of counts as presented on DGB-RY-2a1 through DGB-RY-2d?

A. Only one. The calculations for demand on DGB-RP-4 for KW sales did not follow the monthly balances as presented in the rate year revenue support Schedules DGB-RY-2a1 through DGB-RY-2d. Instead, each month was set at the peak month, which occurs in August. This modification is due to Mr. LaCapra's setting of the demand rate with a uniform monthly charge as part of a demand ratchet. Please refer to Mr. LaCapra's testimony for further details regarding this calculation.

Q. Based upon your calculation as part of your revenue proof, do the proposed rates proof out to the total revenue requirement?

A. Yes. While there is a minor variance due to rounding, the proposed rates proof out to the total revenue requirement.

Q. Does that conclude your testimony?

A. Yes.

**ADJUSTED TEST YEAR
BLOCK ISLAND UTILITY DISTRICT**

**Schedule DGB-TY-1
Page 1 of 5**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
REVENUE				
<i>Operating Revenue---Rate Revenue</i>				
440-001	Residential-Plant/Distribution Charge	\$ 676,864	1 (18,840)	\$ 658,024
442-101	Commercial-Plant/Distribution Charge	263,555	1 (7,749)	255,806
442-201	Demand Customers-Plant/Distribution Charge	1,119,137	1 37,998	1,157,135
444-001	Public Authority-Plant/Distribution Charge	147,551	1 (545)	147,006
445-000	Street Lighting	6,985		6,985
456-001	Customer Charge- All Rate Classes	306,244	2 6,623	312,867
456-002	Demand - All Rate Classes	383,539	3 25,359	408,898
456-004	System Charge- All Rate Classes	82,867	4 0	82,867
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,986,742	42,846	3,029,588
<i>Operating Revenue---Pass Through</i>				
440-002	Residential Fuel Adjustment	19,796	*	19,796
440-003	Residential Standard Offer	380,154	*	380,154
440-004	Residential Transmission Chrg	286,144	*	286,144
442-102	Commercial Fuel	6,328	*	6,328
442-103	Commercial Standard Offer	130,496	*	130,496
442-104	Commercial Transmission Chrg	96,737	*	96,737
442-202	Demand Fuel	38,219	*	38,219
442-203	Demand Standard Offer	600,385	*	600,385
442-204	Demand Transmission Chrg	430,364	*	430,364
444-002	Public Authority Fuel	4,503	*	4,503
444-003	Public Authority Standard Off	92,405	*	92,405
444-004	Public Auth. Transmission Chrg	70,020	*	70,020
<i>Total Operating Revenue---Pass Through</i>		2,155,550	0	2,155,550
<i>Other Revenue</i>				
419-000	Interest Income	2,912	5 (1,992)	920
421-002	Miscellaneous Income	1,718	7 (300)	1,418
421-004	Pole Accidents	2,569	5 (2,005)	564
421-007	Biller Penalty	17,239	5 4,139	21,378
421-012	Forgiveness on CAT Debt	107,200	6 (107,200)	(0)
421-013	(Gain) on Sale of Asset	69,569	6 (69,569)	(0)
421-014	Gain on Insurance Proceeds	120,223	6 (120,223)	0
451-002	Connection Charge	0	7 925	925
456-006	Rent - Lease	284,654	7 (24,654)	260,000
456-007	Rent -Office Apartment	18,000		18,000
<i>Total Other Revenue</i>		624,083	(320,879)	303,204
TOTAL REVENUE		\$ 5,766,376	\$ (278,033)	\$ 5,488,343

**ADJUSTED TEST YEAR
BLOCK ISLAND UTILITY DISTRICT**

**Schedule DGB-TY-1
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ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
EXPENSES				
<i>Power Production/Purchase-Pass thru Expenses</i>				
408-062	Gross Receipts Tax-Fuel Portion	\$ 83,898	*	\$ 83,898
547-101	Fuel	0	*	0
547-102	Purch.Power-SO-Energy	559,940	*	559,940
547-103	Purch.Power-SO-ISO	342,938	*	342,938
547-104	Purch.Power-SO-ENE	68,109	*	68,109
547-105	Purch.Power-SO-BIPCo Other	57,247	*	57,247
547-106	Purch.Power-TC-ISO	257,463	*	257,463
547-107	Purch.Power-TC-NGrid	533,828	*	533,828
547-109	Urea Expense	0	*	0
548-102	Fuel Procurement	1,085	*	1,085
548-104	Fuel Procurement-Assoc Comp	0	*	0
	Deferred Revenue	182,197	*	182,197
550-101	Engine rental & Assoc. (FAC)	0	*	0
553-225	DSI Surcharge funding	68,846	*	68,846
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,155,552	0	2,155,552
<i>Operating Expense---Power Production</i>				
546-100	Supervision P/R Only	0		0
548-101	Fuel Procurement P/R Only	0		0
549-101	Watchman P/R Only	0		0
549-103	Inside Maint. P/R Only	74,860		74,860
549-108	Maint Station Equip. P/R Only	67,355		67,355
549-102	Freight	2,588	5 602	3,190
548-103	Lubrication	0	7 21,274	21,274
549-109	Miscellaneous	406		406
549-111	Uniforms	11,269	5 (5,195)	6,074
555-100	Purchased Power	0		0
<i>Total Operating Expense---Power Production</i>		156,479	16,681	173,160
<i>Operating Expense---Distribution</i>				
580-100	Supervision - P/R Only	0		0
583-101	Overhead Lines - P/R Only	148,996		148,996
583-102	Overhead Lines	6,646	5 4,769	11,415
584-102	Underground Lines	0		0
586-101	Meters - P/R Only	4,695		4,695
586-102	Meters-Maintenance	14,750	8 (6,540)	8,210
586-103	Meters-Data Services	23,312	7 1,346	24,658
587-100	Customers Install P/R Only	0		0
588-101	St Lights & Sign P/R Only	0		0
588-102	Misc. Distrib. P/R Only	0		0
588-103	Misc. Distrib. Expense	43,365	10 (305)	43,060
589-100	Lease - Motor Vehicle	35,426		35,426
<i>Total Operating Expense---Distribution</i>		277,190	(730)	276,459

**ADJUSTED TEST YEAR
BLOCK ISLAND UTILITY DISTRICT**

**Schedule DGB-TY-1
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ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
<i>Operating Expense---Customer Service</i>				
902-000	Meter Reading - P/R Only	643		643
903-000	Rec & Collection - P/R Only	49,023		49,023
916-001	Education and Training	12,101		12,101
<i>Total Operating Expense---Customer Service</i>		61,767	0	61,767
<i>Operating Expense---Administrative</i>				
920-001	Office Salaries - P/R Only	13,166		13,166
920-003	Accrued Vacation	17,563	5 (11,953)	5,610
920-004	Vacation Pay - P/R Only	34,814		34,814
920-005	Holiday Pay - P/R only	12,032		12,032
920-006	Holiday Not Worked - P/R Only	4,790		4,790
920-007	Sick Leave Pay - P/R Only	8,405		8,405
920-008	Personal Pay - P/R Only	4,357		4,357
920-009	President's Compensation	0		0
920-010	CFO Compensation	0		0
920-011	COO Compensation	0		0
920-012	Admin & Management - PR Only	152,481		152,481
926-004	Bonus - P/R Only	10,027		10,027
921-001	Office supplies and Expense	48,137	8 (11,688)	36,449
921-002	Directors Meetings	0		0
921-004	Trash Removal	5,785		5,785
921-005	Plant Expense	0	5 12,771	12,771
921-006	Utilities Expense	11,434	8 1,574	13,008
921-007	Telephone Expense	30,240		30,240
923-000	O/S-Outside Services	65,059	6 (57,820)	7,239
923-005	O/S-Payroll Processing	4,583		4,583
923-006	O/S-General Regulatory Accounting	13,388	8 13,042	26,430
923-013	O/S-General Regulatory Legal	21,551	8 12,435	33,986
923-009	Legal & Accounting Rate Case	60,665	9 (60,665)	0
923-012	O/S-Legal-General	118,393	6 (47,393)	71,000
923-019	Accounting	51,577	5 (14,550)	37,027
923-020	Accounting-Audit	31,863	5 (1,283)	30,580
923-022	Accounting-Bookkeeping	30,281		30,281
923-024	Accounting-Taxes	5,213		5,213
924-000	General Liability Ins	167,820	7 17,180	185,000
926-001	Employee Pension	91,500		91,500
926-002	Travel And Misc. Expense	5,046	5 299	5,345
926-003	Employee Benefits	83,196		83,196
926-005	Wellness Program	0		0
926-006	Benefits-coshare	(11,845)		(11,845)
926-007	Health Ins-Deductible Payable	3,872	10 41	3,913
928-001	Reg Comm Exp	2,719	7 27,235	29,954
928-002	Rate Case Expense	0		0
930-020	Profit Sharing Expense	21,708		21,708
930-021	Bad Debt	(18,657)	6 18,657	(0)
930-023	Management Fee Bonus	0		0
930-025	Environmental	27,850	8 25,974	53,824
930-029	Web Design	2,403	6 (2,403)	0

**ADJUSTED TEST YEAR
BLOCK ISLAND UTILITY DISTRICT**

**Schedule DGB-TY-1
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ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
	<i>(Operating Expense---Administrative Continued)</i>			
931-000	Software & Billing Service	16,323		16,323
	<i>Total Operating Expense---Administrative</i>	1,147,735	(78,547)	1,069,188
	<i>Maintenance Expense---Power Production</i>			
551-201	Supervision - P/R Only	3,252		3,252
553-203	Maintenance Of Struct P/R Only	6,528		6,528
551-202	Maint. Of Gen & Elect Plt	7,200	7 1,368	8,568
553-201	Small Tools	0	5 6,383	6,383
553-202	Tank Testing	0		0
553-204	Maint. Of Structures	4,718		4,718
553-206	Maint General Plant	26,402	5 (16,640)	9,762
553-207	Tank Replacement	26,943	6 (26,943)	0
553-209	General Maintenance	14,552	5 (8,088)	6,464
549-113	SCR Maint	0		0
549-114	SCR & Engine Maint Res.Exp.	390,990	6 (160,990)	230,000
553-200	Major Engine Maintenance	2,405		2,405
553-213	General Engine Maintenance	5,856		5,856
553-219	Engine Testing	0		0
553-220	Engine Rental (Non FAC)	0		0
553-221	Haz. Waste Store/Remove/Hd	36,211	6 (31,001)	5,210
553-222	Cellular Tower Maint & Expense	0	5 9,328	9,328
554-203	Misc.	0	5 1,006	1,006
	<i>nance Expense---Power Production</i>	525,057	(225,577)	299,480
	<i>Maintenance Expense---Distribution System</i>			
590-200	Supervision - P/R Only	0		0
593-202	Overhead Lines - P/R Only	93,641		93,641
593-205	Fire Damage Repairs-PR	2,661		2,661
593-207	Storm Damage Repairs-PR	0		0
595-202	Underground - P/R Only	0		0
598-201	Meters - P/R Only	0		0
592-200	Station Equip	0		0
549-104	Truck Repair	28,697	5 (2,151)	26,546
549-105	Supplies	19,993	5 670	20,663
593-203	Tree Trimming	76,494		76,494
593-204	Fire Damage Repairs	111,409	6 (111,409)	(0)
593-206	Storm Damage Repairs	65,629	10 (9,651)	55,978
595-201	Transformer Expense	0		0
596-202	Maint Of Street Lights	0		0
596-203	Misc.	0		0
554-201	Gasoline	10,125		10,125
598-202	Backhoe/Tractor Repair	0		0
	<i>Total Maintenance Expense---Distribution System</i>	408,649	(122,541)	286,108
	<i>Taxes</i>			
408-010	Property Taxes	16,136		16,136
408-030	Payroll Taxes	63,809		63,809
408-050	RI Sales Tax	9,740		9,740

**ADJUSTED TEST YEAR
BLOCK ISLAND UTILITY DISTRICT**

**Schedule DGB-TY-1
Page 5 of 5**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
	<i>(Taxes Continued)</i>			
408-061	RI Gross Earnings Tax	135,138		135,138
408-071	Registrations	841		841
409-010	Federal Income Tax	171,707		171,707
410-010	Net Change In Deferred Tx	0		0
<i>Total Taxes</i>		397,370	0	397,370
<i>Depreciation</i>				
	Depreciation net of AIC amortization	269,124	11 (269,124)	0
<i>Total Depreciation</i>				
<i>Other Deductions</i>				
426-052	Advertising	274		274
426-054	Misc. other expenses	112		112
426-056	Bank Service Fees	2,142		2,142
426-057	Finance Charges	147		147
	Efficiency Program	0		0
<i>Total Other Deductions</i>		2,676	0	2,676
<i>Debt Service and Capital Expenditures</i>				
427-001	Interest on RUS Loan	106,222		106,222
427-002	Interest on Engine 26 Loan	0		0
427-003	Interest - Other	14,476		14,476
427-004	AIC Interest portion of AIC amortization	(8,579)	11 8,579	0
	Principal Paid	0	12 202,425	202,425
	Capitalized Labor	0	13 158,540	158,540
	Inventory Used	0	13 93,000	93,000
	Capitalized Expenditures (from rates)	0	13 20,000	20,000
<i>Total Debt Service and Capital Expenditures</i>		112,119	482,544	594,662
TOTAL EXPENSES		5,513,718	(197,295)	5,316,423
NET INCOME		\$ 252,658	\$ (80,738)	\$ 171,920

(1) = Plant/Distribution Charge normalized for KWH sales at full year at customer class due to transfers (See DGB-TY-1a1 & 1a2)

(2) = Customer Charge Normalized for counts at full year at customer class due to transfers (See DGB-TY-1b1 & 1b2)

(3) = Demand Charge Normalized for KW sales at full year at customer class due to transfers (See DGB-TY-1c1 & 1c2)

(4) = System Charge Normalized for counts at full year at customer class due to transfers (See DGB-TY-1d)

(5) = 4 year average of FY 15, FY 16, FY 17 and FY 18

(6) = Remove non-reoccurring item

(7) = Adjustment for there not being full 12 months of expense in FYE 12/31/18 balance

(8) = 4 year average of FY 15, FY 16, FY 17 and FYE 12/31/18

(9) = Remove rate case expenses since total rate case will be amortized during rate year.

(10) = 3 year average of FY 16, FY 17 and FYE 12/31/18

(11) = Remove Depreciation & Amortization of AIC

(12) = Increased for Capitalized expenditures

(13) = Adjusted for the Debt Service principal paymts

* These pass thru items will be addressed in the Rate Year

TEST YEAR - Detail of Revenues by Source,
Tariff & Rate Class
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1a1
 Page 1 of 2

	DBG-TY-1a2 Count or Usage		Current	Test Year Revenue
<i>Plant & Distribution Charge</i>				
<i>Residential (Rate "R")</i>				
January	304,482	\$	0.0910	\$ 27,708
February	227,038	\$	0.0910	\$ 20,660
March	246,433	\$	0.0910	\$ 22,425
April	251,481	\$	0.0910	\$ 22,885
May	270,003	\$	0.0910	\$ 24,570
June	358,613	\$	0.2399	\$ 86,031
July	545,622	\$	0.2399	\$ 130,895
August	643,610	\$	0.2399	\$ 154,402
September	392,747	\$	0.2399	\$ 94,220
October	290,438	\$	0.0910	\$ 26,430
November	260,923	\$	0.0910	\$ 23,744
December	264,323	\$	0.0910	\$ 24,053
	<u>4,055,714</u>			<u>\$ 658,024</u>
<i>Commercial General Srv. (Rate "G")</i>				
January	85,423	\$	0.1205	\$ 10,293
February	79,566	\$	0.1205	\$ 9,588
March	77,880	\$	0.1205	\$ 9,385
April	74,929	\$	0.1205	\$ 9,029
May	166,750	\$	0.1205	\$ 20,093
June	109,300	\$	0.2652	\$ 28,986
July	194,297	\$	0.2652	\$ 51,528
August	189,329	\$	0.2652	\$ 50,210
September	122,940	\$	0.2652	\$ 32,604
October	91,230	\$	0.1205	\$ 10,993
November	91,532	\$	0.1205	\$ 11,030
December	100,147	\$	0.1205	\$ 12,068
	<u>1,383,323</u>			<u>\$ 255,806</u>
<i>Commercial Demand Srv. (Rate "D")</i>				
January	322,970	\$	0.1090	\$ 35,204
February	260,000	\$	0.1090	\$ 28,340
March	292,472	\$	0.1090	\$ 31,879
April	316,757	\$	0.1090	\$ 34,527
May	509,637	\$	0.1090	\$ 55,550
June	782,769	\$	0.2185	\$ 171,035
July	1,092,600	\$	0.2185	\$ 238,733
August	1,249,094	\$	0.2185	\$ 272,927
September	777,580	\$	0.2185	\$ 169,901
October	439,371	\$	0.1090	\$ 47,891
November	327,944	\$	0.1090	\$ 35,746
December	324,783	\$	0.1090	\$ 35,401
	<u>6,695,976</u>			<u>\$ 1,157,135</u>

TEST YEAR - Detail of Revenues by Source,
Tariff & Rate Class
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1a1
 Page 2 of 2

	DBG-TY-1a2 Count or Usage		Current	Test Year Revenue
<i>Plant & Distribution Charge (Continued)</i>				
<i>Public Demand Srv. (Rate "P")</i>				
January	71,479	\$	0.0978	\$ 6,991
February	60,341	\$	0.0978	\$ 5,901
March	59,944	\$	0.0978	\$ 5,863
April	58,956	\$	0.0978	\$ 5,766
May	65,387	\$	0.0978	\$ 6,395
June	87,150	\$	0.1957	\$ 17,055
July	110,207	\$	0.1957	\$ 21,568
August	125,141	\$	0.1957	\$ 24,490
September	88,704	\$	0.1957	\$ 17,359
October	67,336	\$	0.0978	\$ 6,585
November	63,668	\$	0.0978	\$ 6,227
December	66,224	\$	0.0978	\$ 6,477
	<u>924,536</u>			<u>\$ 130,676</u>
<i>Public Srv. (Rate "P")</i>				
January	8,202	\$	0.1213	\$ 995
February	9,011	\$	0.1213	\$ 1,093
March	9,062	\$	0.1213	\$ 1,099
April	6,509	\$	0.1213	\$ 790
May	7,521	\$	0.1213	\$ 912
June	7,519	\$	0.2425	\$ 1,823
July	9,719	\$	0.2425	\$ 2,357
August	12,969	\$	0.2425	\$ 3,145
September	7,962	\$	0.2425	\$ 1,931
October	6,092	\$	0.1213	\$ 739
November	5,691	\$	0.1213	\$ 690
December	6,222	\$	0.1213	\$ 755
	<u>96,480</u>			<u>\$ 16,329</u>
<i>Total (Rate "P")</i>				<u><u>\$ 147,006</u></u>

Test Year KWH Usage
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1a2

	FYE Dec 31, 2018	KWH Included prior to accounts Transfer	New Accounts	Adjusted Test Year
<i>Residential (Rate "R")</i>				
January	327,039	(28,022)	5,465	304,482
February	246,218	(22,384)	3,204	227,038
March	267,383	(24,097)	3,147	246,433
April	270,707	(22,253)	3,027	251,481
May	291,519	(28,253)	6,737	270,003
June	375,647	(21,450)	4,416	358,613
July	562,126	(19,121)	2,617	545,622
August	648,592	(9,444)	4,462	643,610
September	393,201	(3,754)	3,300	392,747
October	289,747	(2,995)	3,686	290,438
November	259,388	(1,855)	3,390	260,923
December	264,323	-	-	264,323
	<u>4,195,890</u>	<u>(183,628)</u>	<u>43,452</u>	<u>4,055,714</u>

<i>Commercial General Svc. (Rate "G")</i>				
January	89,162	(4,890)	1,150	85,423
February	83,838	(4,539)	267	79,566
March	82,076	(4,458)	262	77,880
April	78,966	(4,289)	252	74,929
May	175,733	(9,545)	561	166,750
June	112,980	(4,048)	368	109,300
July	200,185	(6,542)	654	194,297
August	193,791	(5,100)	637	189,329
September	125,828	(3,300)	413	122,940
October	92,151	(922)	-	91,230
November	92,456	(925)	-	91,532
December	100,147	-	-	100,147
	<u>1,427,314</u>	<u>(48,556)</u>	<u>4,566</u>	<u>1,383,323</u>

<i>Commercial Demand Svc. (Rate "D")</i>				
January	285,744	32,912	4,314	322,970
February	228,271	26,923	4,806	260,000
March	259,197	28,555	4,720	292,472
April	285,674	26,542	4,541	316,757
May	462,856	37,798	8,983	509,637
June	756,535	25,498	736	782,769
July	1,063,666	25,663	3,271	1,092,600
August	1,233,275	14,544	1,275	1,249,094
September	768,463	7,054	2,063	777,580
October	434,533	3,917	922	439,371
November	324,856	2,780	308	327,944
December	324,783	-	-	324,783
	<u>6,427,853</u>	<u>232,184</u>	<u>35,939</u>	<u>6,695,976</u>

<i>Public Demand Svc. (Rate "P")</i>				
January	71,047	432	-	71,479
February	59,867	474	-	60,341
March	59,467	477	-	59,944
April	58,613	343	-	58,956
May	64,991	396	-	65,387
June	86,754	396	-	87,150
July	110,207	-	-	110,207
August	125,141	-	-	125,141
September	88,704	-	-	88,704
October	67,336	-	-	67,336
November	63,668	-	-	63,668
December	66,224	-	-	66,224
	<u>922,019</u>	<u>2,517</u>	<u>-</u>	<u>924,536</u>

<i>Public Non-demand Svc. (Rate "P")</i>				
January	9065	(432)	(432)	8,202
February	9960	(474)	(474)	9,011
March	10016	(477)	(477)	9,062
April	7194	(343)	(343)	6,509
May	8313	(396)	(396)	7,521
June	8311	(396)	(396)	7,519
July	10231	-	(512)	9,719
August	12969	-	-	12,969
September	7962	-	-	7,962
October	6092	-	-	6,092
November	5691	-	-	5,691
December	6222	-	-	6,222
	<u>102,026</u>	<u>(2,517)</u>	<u>(3,029)</u>	<u>96,480</u>

TEST YEAR -Detail of Revenues by Source,
Tariff & Rate Class

Schedule DGB-TY-1b1
Page 1 of 2

BLOCK ISLAND UTILITY DISTRICT

<i>Customer Charge</i>	DBG-TY-1b2 Count or Usage	Current	Test Year Revenue
Residential (Rate "R")			
January	1,298	\$ 12.38	\$ 16,069
February	1,298	\$ 12.38	\$ 16,069
March	1,298	\$ 12.38	\$ 16,069
April	1,298	\$ 12.38	\$ 16,069
May	1,298	\$ 12.38	\$ 16,069
June	1,298	\$ 12.38	\$ 16,069
July	1,298	\$ 12.38	\$ 16,069
August	1,298	\$ 12.38	\$ 16,069
September	1,298	\$ 12.38	\$ 16,069
October	1,298	\$ 12.38	\$ 16,069
November	1,298	\$ 12.38	\$ 16,069
December	1,298	\$ 12.38	\$ 16,069
	15,576		\$ 192,831
Commercial General Srv. (Rate "G")			
January	297	\$ 12.38	\$ 3,677
February	297	\$ 12.38	\$ 3,677
March	297	\$ 12.38	\$ 3,677
April	297	\$ 12.38	\$ 3,677
May	297	\$ 12.38	\$ 3,677
June	297	\$ 12.38	\$ 3,677
July	297	\$ 12.38	\$ 3,677
August	297	\$ 12.38	\$ 3,677
September	297	\$ 12.38	\$ 3,677
October	297	\$ 12.38	\$ 3,677
November	297	\$ 12.38	\$ 3,677
December	297	\$ 12.38	\$ 3,677
	3,564		\$ 44,122
Commercial Demand Srv. (Rate "D")			
January	317	\$ 18.57	\$ 5,887
February	317	\$ 18.57	\$ 5,887
March	317	\$ 18.57	\$ 5,887
April	317	\$ 18.57	\$ 5,887
May	317	\$ 18.57	\$ 5,887
June	317	\$ 18.57	\$ 5,887
July	317	\$ 18.57	\$ 5,887
August	317	\$ 18.57	\$ 5,887
September	317	\$ 18.57	\$ 5,887
October	317	\$ 18.57	\$ 5,887
November	317	\$ 18.57	\$ 5,887
December	317	\$ 18.57	\$ 5,887
	3,804		\$ 70,640

TEST YEAR -Detail of Revenues by Source,
Tariff & Rate Class
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1b1
 Page 2 of 2

	DBG-TY-1b2 Count or Usage	Current	Test Year Revenue
<i>Customer Charge (Continued)</i>			
<i>Public Demand Srv. (Rate "P")</i>			
January	11	\$ 18.57	\$ 204
February	11	\$ 18.57	\$ 204
March	11	\$ 18.57	\$ 204
April	11	\$ 18.57	\$ 204
May	11	\$ 18.57	\$ 204
June	11	\$ 18.57	\$ 204
July	11	\$ 18.57	\$ 204
August	11	\$ 18.57	\$ 204
September	11	\$ 18.57	\$ 204
October	11	\$ 18.57	\$ 204
November	11	\$ 18.57	\$ 204
December	11	\$ 18.57	\$ 204
	<u>132</u>		<u>\$ 2,451</u>
<i>Public Srv. (Rate "P")</i>			
January	19	\$ 12.38	\$ 235
February	19	\$ 12.38	\$ 235
March	19	\$ 12.38	\$ 235
April	19	\$ 12.38	\$ 235
May	19	\$ 12.38	\$ 235
June	19	\$ 12.38	\$ 235
July	19	\$ 12.38	\$ 235
August	19	\$ 12.38	\$ 235
September	19	\$ 12.38	\$ 235
October	19	\$ 12.38	\$ 235
November	19	\$ 12.38	\$ 235
December	19	\$ 12.38	\$ 235
	<u>228</u>		<u>\$ 2,823</u>
<i>Total (All Rate Classes)</i>			<u><u>\$ 312,867</u></u>

Test Year Customer Count
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1b2

	FYE	Counts Included prior to accounts		Adjusted Test
	Dec 31, 2018	Transfer	New Accounts	Year
<i>Residential (Rate "R")</i>				
January	1,334	(55)	19	1,298
February	1,341	(55)	12	1,298
March	1,341	(55)	12	1,298
April	1,341	(55)	12	1,298
May	1,341	(55)	12	1,298
June	1,328	(42)	12	1,298
July	1,324	(30)	4	1,298
August	1,305	(14)	7	1,298
September	1,301	(11)	8	1,298
October	1,294	(8)	12	1,298
November	1,289	(2)	11	1,298
December	1,298	-	-	1,298
	15,837	(382)	121	15,576

<i>Commercial General Svc. (Rate "G")</i>				
January	310	(17)	4	297
February	314	(17)	-	297
March	313	(17)	1	297
April	313	(17)	1	297
May	313	(17)	1	297
June	307	(11)	1	297
July	306	(10)	1	297
August	304	(8)	1	297
September	305	(8)	-	297
October	300	(3)	-	297
November	300	(3)	-	297
December	297	-	-	297
	3,682	(128)	10	3,564

<i>Commercial Demand Svc. (Rate "D")</i>				
January	230	72	15	317
February	227	72	18	317
March	227	72	18	317
April	227	72	18	317
May	229	72	16	317
June	262	53	2	317
July	272	40	5	317
August	293	22	2	317
September	293	19	5	317
October	303	11	3	317
November	311	5	1	317
December	317	-	-	317
	3,191	510	103	3,804

<i>Public Demand Svc. (Rate "P")</i>				
January	10	1	-	11
February	10	1	-	11
March	10	1	-	11
April	10	1	-	11
May	10	1	-	11
June	10	1	-	11
July	11	-	-	11
August	11	-	-	11
September	11	-	-	11
October	11	-	-	11
November	11	-	-	11
December	11	-	-	11
	126	6	-	132

<i>Public Non-demand Svc. (Rate "P")</i>				
January	21	(1)	(1)	19
February	21	(1)	(1)	19
March	21	(1)	(1)	19
April	21	(1)	(1)	19
May	21	(1)	(1)	19
June	21	(1)	(1)	19
July	20	-	(1)	19
August	19	-	-	19
September	19	-	-	19
October	19	-	-	19
November	19	-	-	19
December	19	-	-	19
	241	(6)	(7)	228

TEST YEAR -Detail of Revenues by Source,
Tariff & Rate Class
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1c1

	DBG-TY-1c2 Count or Usage	Current	Test Year Revenue
<u>Demand Charge</u>			
<i>Commercial Demand Srv. (Rate "D")</i>			
January	1,258	\$ 6.53	\$ 8,215
February	816	\$ 6.53	\$ 5,328
March	1,335	\$ 6.53	\$ 8,718
April	1,588	\$ 6.53	\$ 10,370
May	2,592	\$ 6.53	\$ 16,926
June	3,527	\$ 19.58	\$ 69,059
July	4,028	\$ 19.58	\$ 78,868
August	4,071	\$ 19.58	\$ 79,710
September	3,125	\$ 19.58	\$ 61,188
October	2,297	\$ 6.53	\$ 14,999
November	1,677	\$ 6.53	\$ 10,951
December	1,380	\$ 6.53	\$ 9,011
	<u>27,694</u>		<u>\$ 373,342</u>
<i>Public Demand Srv. (Rate "P")</i>			
January	237	\$ 6.19	\$ 1,467
February	161	\$ 6.19	\$ 997
March	210	\$ 6.19	\$ 1,300
April	229	\$ 6.19	\$ 1,418
May	246	\$ 6.19	\$ 1,523
June	352	\$ 18.57	\$ 6,537
July	344	\$ 18.57	\$ 6,388
August	364	\$ 18.57	\$ 6,759
September	278	\$ 18.57	\$ 5,162
October	233	\$ 6.19	\$ 1,442
November	218	\$ 6.19	\$ 1,349
December	196	\$ 6.19	\$ 1,213
	<u>3,068</u>		<u>\$ 35,555</u>
<i>Total (All Rate Classes)</i>			<u>\$ 408,898</u>

Test Year KW Usage
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1c2

	FYE Dec 31, 2018	KW Included prior to accounts Transfer	New Accounts	Adjusted Test Year
<i>Commercial Demand Svc. (Rate "D")</i>				
January	1,040	190	28	1,258
February	637	138	41	816
March	1,064	227	44	1,335
April	1,297	244	47	1,588
May	2,166	364	62	2,592
June	3,322	196	9	3,527
July	3,752	238	38	4,028
August	3,908	145	18	4,071
September	3,025	77	23	3,125
October	2,239	47	11	2,297
November	1,653	21	3	1,677
December	1,380	-	-	1,380
	25,483	1,887	324	27,694

<i>Public Demand Svc. (Rate "P")</i>				
January	215	22	-	237
February	146	15	-	161
March	191	19	-	210
April	208	21	-	229
May	224	22	-	246
June	320	32	-	352
July	344	-	-	344
August	364	-	-	364
September	278	-	-	278
October	233	-	-	233
November	218	-	-	218
December	196	-	-	196
	2,937	131	-	3,068

Detail of Revenues by Source,
Tariff & Rate Class
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1d

	(See below) Count or Usage	Current	Test Year Revenue
<i>System Charge</i>			
<i>Residential (Rate "R")</i>			
June	437	\$ 22.51	\$ 9,837
July	753	\$ 22.51	\$ 16,950
August	838	\$ 22.51	\$ 18,863
September	491	\$ 22.51	\$ 11,052
	<u>2,519</u>		<u>\$ 56,703</u>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	\$ 42.20	\$ 5,064
July	174	\$ 42.20	\$ 7,343
August	194	\$ 42.20	\$ 8,187
September	132	\$ 42.20	\$ 5,570
	<u>620</u>		<u>\$ 26,164</u>
<i>Public Srv. (Rate "P")</i>			
June	-	\$ 42.20	\$ -
July	-	\$ 42.20	\$ -
August	-	\$ 42.20	\$ -
September	-	\$ 42.20	\$ -
	<u>-</u>		<u>\$ -</u>
<i>Total (All Rate Classes)</i>			<u><u>\$ 82,867</u></u>

	FYE Dec 31, 2018	New Activity	Adjusted Test Year
<i>System Charge Count</i>			
<i>Residential (Rate "R")</i>			
June	437	-	437
July	753	-	753
August	838	-	838
September	491	-	491
	<u>2,519</u>	<u>-</u>	<u>2,519</u>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	-	120
July	174	-	174
August	194	-	194
September	132	-	132
	<u>620</u>	<u>-</u>	<u>620</u>
<i>Public Non-demand Srv. (Rate "P")</i>			
June	0	-	-
July	0	-	-
August	0	-	-
September	0	-	-
	<u>0</u>	<u>-</u>	<u>-</u>

TEST YEAR REVENUES & EXPENSES
ADJUSTED FOR THE AVERAGE
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-1e

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	4 Year Average
REVENUE						
<i>Other Revenue</i>						
419-000	Interest Income	630	616	837	1,597	920
421-004	Pole Accidents	-	1,255	-	1,000	564
421-007	Biller Penalty	23,371	21,300	23,656	17,186	21,378
EXPENSES						
<i>Operating Expense---Power Production</i>						
549-102	Freight	-	3,392	4,896	4,474	3,190
549-111	Uniforms	1,444	752	11,581	10,519	6,074
<i>Operating Expense---Distribution</i>						
583-102	Overhead Lines	65	1,964	42,827	806	11,415
<i>Operating Expense---Administrative</i>						
920-003	Accrued Vacation	3,491	8,650	(7,265)	17,563	5,610
921-005	Plant Expense	9,213	22,067	12,089	7,476	12,711
923-019	Accounting	41,739	36,406	32,380	37,581	37,027
923-020	Accounting-Audit	29,588	25,694	29,719	37,319	30,580
926-002	Travel And Misc. Expense	5,748	4,352	7,452	3,828	5,345
<i>Maintenance Expense---Power Production</i>						
553-201	Small Tools	9,969	3,786	6,464	5,312	6,383
553-206	Maint General Plant	4,850	1,748	4,158	28,292	9,762
553-209	General Maintenance	3,806	5,429	3,405	13,217	6,464
553-222	Cellular Tower Maint & Expense	7,885	16	16,824	12,588	9,328
554-203	Misc.	584	1,868	992	581	1,006
<i>Maintenance Expense---Distribution System</i>						
549-104	Truck Repair	5,805	21,612	41,510	37,256	26,546
549-105	Supplies	24,245	18,971	19,443	19,993	20,663

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FYE 12/31/18	4 Year Average
EXPENSES						
<i>Operating Expense---Distribution</i>						
586-102	Meters-Maintenance	2,325	9,743	6,020	14,750	8,210
<i>Operating Expense---Administrative</i>						
921-001	Office supplies and Expense	21,909	30,556	45,193	48,137	36,449
921-006	Utilities Expense	16,295	9,306	14,998	11,434	13,008
923-006	O/S-General Regulatory Accounting	13,238	28,078	51,019	13,388	26,430
923-013	O/S-General Regulatory Legal	48,811	29,739	35,843	21,551	33,986
930-025	Environmental	59,046	37,461	90,938	27,850	53,824

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	3 Year Average
EXPENSES					
<i>Operating Expense---Distribution</i>					
588-103	Misc. Distrib. Expense	2,451	59,740	66,989	43,060
<i>Operating Expense---Administrative</i>					
926-007	Health Ins-Deductible Payable	3,380	5,288	3,071	3,913
<i>Maintenance Expense---Distribution System</i>					
593-206	Storm Damage Repairs	102,130	175	65,629	55,978

**ADJUSTMENT TO REFLECT FULL YEAR
BLOCK ISLAND UTILITY DISTRICT**

Schedule DGB-TY-1f

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	TEST YEAR ADJUSTMENTS	ADJUSTED TEST YEAR
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REVENUE

Other Revenue

421-002	Miscellaneous Income	1,718	7	(300)	1,418
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Adjustment made to reclass connection charges misposted in Misc Income

451-002	Connection Charge	0	7	925	925
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Adjustment made to reclass connection charges mis posted to Misc Income and Rent

456-006	Rent - Lease	284,654	7	(24,654)	260,000
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Total Annual rent by tenant

WCRI **18,000**

3G **18,000**

ATT/Cingular **76,896**

T Mobile **34,800**

Verizon **46,092**

Sprint **36,492**

Hull Suburban Propane **10,800**

Verizon Pole Top Antennas **18,920**

260,000

EXPENSES

Operating Expense---Power Production

548-103	Lubrication	0	7	21,274	21,274
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Adjustment due to timing of payment

Operating Expense---Distribution

586-103	Meters-Data Services	23,312	7	1,346	24,658
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Monthly payment is \$2054.79 x 12 = \$24,658

Operating Expense---Administrative

924-000	General Liability Ins	167,820	7	17,180	185,000
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Total Annual by source

Commercial Policy **139,104**

Umbrella Policy **16,092**

Fidelity Bond (ERISA) **375**

Business Auto **14,484**

Directors & Officers **4,200**

New Employment Practices **1,600**

Workers Comp **8,719**

184,574

928-001	Reg Comm Exp	2,719	7	27,235	29,954
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Adjustment due to timing of payment did not receive bill until Jan 2019

Maintenance Expense---Power Production

551-202	Maint. Of Gen & Elect Plt	7,200	7	1,368	8,568
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Adjustment due to timing of payment did not receive bill until Jan 2019

FIVE YEAR COMPARISON OF REVENUES & EXPENSES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-2
Page 1 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18
REVENUE						
<i>Operating Revenue---Rate Revenue</i>						
440-001	Residential-Plant/Distribution Charge	\$ 687,299	\$ 669,092	\$ 658,132	\$ 671,993	\$ 676,864
442-101	Commercial-Plant/Distribution Charge	233,486	232,856	236,444	255,780	263,555
442-201	Demand Customers-Plant/Distribution Charge	789,087	931,521	992,386	978,590	1,119,137
444-001	Public Authority-Plant/Distribution Charge	107,733	117,920	116,747	144,034	147,551
445-000	Street Lighting	15,581	13,494	6,385	6,578	6,985
456-001	Customer Charge- All Rate Classes	289,091	294,289	297,045	301,509	306,244
456-002	Demand - All Rate Classes	249,454	302,073	341,991	322,107	383,539
456-004	System Charge- All Rate Classes	90,507	93,700	92,168	88,274	82,867
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,462,239	2,654,945	2,741,297	2,768,865	2,986,742
<i>Operating Revenue---Pass Through</i>						
440-002	Residential Fuel Adjustment	1,104,135	690,336	725,336	19,615	19,796
440-003	Residential Standard Offer	-	-	17,493	281,880	380,154
440-004	Residential Transmission Chrg	-	-	17,891	285,616	286,144
442-102	Commercial Fuel	316,608	200,971	220,821	6,208	6,328
442-103	Commercial Standard Offer	-	-	5,662	95,015	130,496
442-104	Commercial Transmission Chrg	-	-	5,791	93,254	96,737
442-202	Demand Fuel	1,208,793	930,179	1,036,620	32,933	38,219
442-203	Demand Standard Offer	-	-	26,660	377,880	600,385
442-204	Demand Transmission Chrg	-	-	27,267	377,294	430,364
444-002	Public Authority Fuel	199,357	137,652	149,167	4,287	4,503
444-003	Public Authority Standard Off	-	-	4,766	67,939	92,405
444-004	Public Auth. Transmission Chrg	-	-	4,874	68,857	70,020
<i>Total Operating Revenue---Pass Through</i>		2,828,892	1,959,138	2,242,349	1,710,776	2,155,550
<i>Other Revenue</i>						
419-000	Interest Income	630	616	837	1,597	2,912
421-002	Miscellaneous Income	520	53,406	17,381	1,943	1,718
421-004	Pole Accidents	-	1,255	-	1,000	2,569
421-007	Biller Penalty	23,371	21,300	23,656	17,186	17,239
421-012	Forgiveness on CAT Debt	-	-	-	107,200	107,200
421-013	(Gain) on Sale of Asset	-	486,808	-	48,569	69,569
421-014	Gain on Insurance Proceeds	-	-	518,320	547,774	120,223
451-002	Connection Charge	700	850	350	-	-
456-006	Rent - Lease	171,676	177,104	244,222	258,841	284,654
456-007	Rent - Non Utility Property	-	-	-	18,000	18,000
<i>Total Other Revenue</i>		196,897	741,338	804,766	1,002,110	624,083
TOTAL REVENUE		\$ 5,488,028	\$ 5,355,420	\$ 5,788,411	\$ 5,481,752	\$ 5,766,376

FIVE YEAR COMPARISON OF REVENUES & EXPENSES
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18
EXPENSES						
<i>Power Production/Purchase-Pass thru Expenses</i>						
408-062	Gross Receipts Tax-Fuel Portion	112,835	71,472	89,783	68,431	83,898
547-101	Fuel	2,423,789	1,576,946	1,463,993	0	-
547-102	Purch.Power-SO-Energy	-	-	37,292	517,971	559,940
547-103	Purch.Power-SO-ISO	-	-	3,292	54,315	342,938
547-104	Purch.Power-SO-ENE	-	-	3,500	70,566	68,109
547-105	Purch.Power-SO-BIPCo Other	-	-	6,649	99,052	57,247
547-106	Purch.Power-TC-ISO	-	-	13,538	232,606	257,463
547-107	Purch.Power-TC-NGrid	-	-	71,127	503,057	533,828
547-109	Urea Expense	97,318	113,404	103,707	-	-
548-102	Fuel Procurement	116,956	141,616	131,201	-	1,085
548-104	Fuel Procurement-Assoc Comp	29,925	19,950	19,950	-	-
	Deferred Revenue					182,197
550-101	Engine rental & Assoc. (FAC)	-	-	262,275	-	-
553-225	DSI Surcharge funding	55,977	62,079	62,858	63,042	68,846
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,836,799	1,985,467	2,269,165	1,609,041	2,155,552
<i>Operating Expense---Power Production</i>						
546-100	Supervision P/R Only	22,990	23,588	23,824	10,939	-
548-101	Fuel Procurement P/R Only	439	-	1,269	-	-
549-101	Watchman P/R Only	85,474	80,419	71,202	5,394	-
549-103	Inside Maint. P/R Only	130,825	159,070	157,394	153,928	74,860
549-108	Maint Station Equip. P/R Only	-	-	-	726	67,355
549-102	Freight	-	3,392	4,896	4,474	2,588
548-103	Lubrication	36,663	22,769	23,407	2,259	-
549-109	Miscellaneous	31	1,025	-	356	406
549-111	Uniforms	1,444	752	11,581	10,519	11,269
555-100	Purchased Power	1,468	1,312	-	-	-
<i>Total Operating Expense---Power Production</i>		279,334	292,327	293,572	188,595	156,479
<i>Operating Expense---Distribution</i>						
580-100	Supervision - P/R Only	22,551	26,720	23,867	10,939	-
583-101	Overhead Lines - P/R Only	73,053	79,817	128,776	187,569	148,996
583-102	Overhead Lines	65	1,964	42,827	806	6,646
584-102	Underground Lines	2,216	615	3,432	3,729	-
586-101	Meters - P/R Only	6,395	3,796	-	-	4,695
586-102	Meters-Maintenance	2,325	9,743	6,020	-	14,750
586-103	Meters-Data Services	-	16,978	28,229	20,976	23,312
587-100	Customers Install P/R Only	-	-	-	-	-
588-101	St Lights & Sign P/R Only	110	5,118	-	-	-
588-102	Misc. Distrib. P/R Only	7,764	8,860	1,014	-	-
588-103	Misc. Distrib. Expense	2,079	2,451	59,740	66,989	43,365
589-100	Lease - Motor Vehicle	19,760	20,890	18,895	25,117	35,426
<i>Total Operating Expense---Distribution</i>		136,319	176,952	312,800	316,124	277,190

FIVE YEAR COMPARISON OF REVENUES & EXPENSES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-2
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ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18
<i>Operating Expense---Customer Service</i>						
902-000	Meter Reading - P/R Only	14,010	3,901	-	643	643
903-000	Rec & Collection - P/R Only	25,794	51,232	41,834	30,857	49,023
916-001	Education and Training	-	-	12,478	8,116	12,101
<i>Total Operating Expense---Customer Service</i>		39,803	55,133	54,312	39,616	61,767
<i>Operating Expense---Administrative</i>						
920-001	Office Salaries - P/R Only	25,244	19,214	27,352	30,667	13,166
920-003	Accrued Vacation	3,491	8,650	(7,265)	17,563	17,563
920-004	Vacation Pay - P/R Only	17,527	13,993	19,753	24,941	34,814
920-005	Holiday Pay - P/R only	528	3,016	1,351	-	12,032
920-006	Holiday Not Worked - P/R Only	7,333	4,464	6,028	8,462	4,790
920-007	Sick Leave Pay - P/R Only	6,897	6,972	5,437	4,522	8,405
920-008	Personal Pay - P/R Only	632	2,932	1,525	2,630	4,357
920-009	President's Compensation	82,614	85,093	38,223	-	-
920-010	CFO Compensation	55,076	56,728	25,482	-	-
920-011	COO Compensation	55,056	56,728	25,482	-	-
920-012	Admin & Management - PR Only	-	-	104,678	209,762	152,481
926-004	Bonus - P/R Only	9,704	12,051	10,146	8,115	10,027
921-001	Office supplies and Expense	21,909	30,556	45,193	67,612	48,137
921-002	Directors Meetings	8,280	8,546	9,327	413	-
921-004	Trash Removal	7,085	6,516	10,685	6,434	5,785
921-005	Plant Expense	9,213	22,067	12,089	7,476	-
921-006	Utilities Expense	16,295	9,306	14,998	16,626	11,434
921-007	Telephone Expense	13,417	21,856	14,920	19,863	30,240
923-000	O/S-Outside Services	1,338	13,199	28,293	61,361	65,059
923-005	O/S-Payroll Processing	2,704	3,081	3,528	3,982	4,583
923-006	O/S-General Regulatory Accounting	13,238	28,078	51,019	33,469	13,388
923-013	O/S-General Regulatory Legal	48,811	29,739	35,843	29,227	21,551
923-009	Legal & Accounting Rate Case	-	-	-	38,475	60,665
923-012	O/S-Legal-General	17,605	27,098	127,511	74,533	118,393
923-019	Accounting	41,739	36,406	32,380	37,581	51,577
923-020	Accounting-Audit	29,588	25,694	29,719	37,319	31,863
923-022	Accounting-Bookkeeping	30,064	30,416	30,350	30,291	30,281
923-024	Accounting-Taxes	9,541	8,931	6,000	5,694	5,213
924-000	General Liability Ins	186,999	211,534	200,382	185,946	167,820
926-001	Employee Pension	55,500	58,500	78,500	91,500	91,500
926-002	Travel And Misc. Expense	5,748	4,352	7,452	3,828	5,046
926-003	Employee Benefits	136,651	122,651	92,203	91,547	83,196
926-005	Wellness Program	4,000	3,000	-	-	-
926-006	Benefits-coshare	(18,417)	(21,890)	(12,457)	(12,563)	(11,845)
926-007	Health Ins-Deductible Payable	8,000	3,380	5,288	3,071	3,872
928-001	Reg Comm Exp	23,991	23,378	26,272	29,954	2,719
928-002	Rate Case Expense	-	-	-	-	-
930-020	Profit Sharing Expense	13,786	16,255	15,760	23,189	21,708
930-021	Bad Debt	(3,444)	47,398	4,458	(2,462)	(18,657)
930-023	Management Fee Bonus	39,000	42,000	-	-	-
930-025	Environmental	59,046	37,461	90,938	48,838	27,850
930-029	Web Design	-	-	-	6,447	2,403

FIVE YEAR COMPARISON OF REVENUES & EXPENSES
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18
	<i>(Operating Expense---Administrative Continued)</i>					
931-000	NISC software	-	-	-	-	16,323
	<i>Total Operating Expense---Administrative</i>	1,045,787	1,119,347	1,218,844	1,246,312	1,147,735
	<i>Maintenance Expense---Power Production</i>					
551-201	Supervision - P/R Only	22,113	23,588	23,360	14,190	3,252
553-203	Maintenance Of Struct P/R Only	-	7,683	-	-	6,528
551-202	Maint. Of Gen & Elect Plt	1,388	1,018	2,480	585	7,200
553-201	Small Tools	9,969	3,786	6,464	5,312	-
553-202	Tank Testing	-	-	2,625	-	-
553-204	Maint. Of Structures	35,488	4,461	3,313	7,060	4,718
553-206	Maint General Plant	4,850	1,748	4,158	28,292	26,402
553-207	Tank Replacement	-	-	10,350	34,222	26,943
553-209	General Maintenance	3,806	5,429	3,405	13,217	14,552
549-113	SCR Maint	18,007	3,175	6,098	-	-
549-114	SCR & Engine Maint Res.Exp.	-	-	-	-	390,990
553-200	Major Engine Maintenance	146,517	274,869	48,922	383	2,405
553-213	General Engine Maintenance	25,001	18,556	11,626	6,940	5,856
553-219	Engine Testing	-	-	-	-	-
553-220	Engine Rental (Non FAC)	-	-	-	73,984	-
553-221	Haz. Waste Store/Remove/Hd	7,846	2,575	45,647	48,347	36,211
553-222	Cellular Tower Maint & Expense	7,885	16	16,824	12,588	-
554-203	Misc.	584	1,868	992	581	-
	<i>Total Maintenance Expense---Power Production</i>	283,453	348,771	186,266	245,702	525,057
	<i>Maintenance Expense---Distribution System</i>					
590-200	Supervision - P/R Only	22,551	23,588	24,287	10,464	-
593-202	Overhead Lines - P/R Only	7,260	11,894	13,076	20,680	93,641
593-205	Fire Damage Repairs-PR	-	-	4,291	28,812	2,661
593-207	Storm Damage Repairs-PR	-	-	3,958	-	-
595-202	Underground - P/R Only	275	-	-	-	-
598-201	Meters - P/R Only	2,588	5,108	-	-	-
592-200	Station Equip	517	-	-	-	-
549-104	Truck Repair	5,805	21,612	41,510	37,256	28,697
549-105	Supplies	24,245	18,971	19,443	19,993	19,993
593-203	Tree Trimming	1,000	500	-	86,939	76,494
593-204	Fire Damage Repairs	-	-	514,028	518,962	111,409
593-206	Storm Damage Repairs	-	102,130	175	65,629	65,629
595-201	Transformer Expense	(100)	-	2,508	-	-
596-202	Maint Of Street Lights	-	36,480	-	-	-
596-203	Misc.	-	28	-	-	-
554-201	Gasoline	11,479	12,620	13,000	11,115	10,125
598-202	Backhoe/Tractor Repair	138	145	5,221	120	-
	<i>Total Maintenance Expense---Distribution System</i>	75,757	233,077	641,498	799,969	408,649
	<i>Taxes</i>					
408-010	Property Taxes	15,238	15,438	16,422	16,572	16,136
408-030	Payroll Taxes	45,532	46,721	56,659	65,786	63,809
408-050	RI Sales Tax	11,214	14,005	1,409	10	9,740

FIVE YEAR COMPARISON OF REVENUES & EXPENSES
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18
	<i>(Taxes Continued)</i>					
408-061	RI Gross Earnings Tax	107,069	119,970	119,077	118,310	135,138
408-071	Registrations	1,202	625	9,957	864	841
409-010	Federal Income Tax	-	100,871	-	179,557	171,707
410-010	Net Change In Deferred Tx	30,096	30,946	1,348	-	-
<i>Total Taxes</i>		210,350	328,576	204,873	381,099	397,370
<i>Depreciation</i>						
	Depreciation	325,906	312,419	286,890	269,124	269,124
<i>Total Depreciation</i>						
<i>Other Deductions</i>						
426-052	Advertising	-	-	-	-	274
426-054	Misc. other expenses	-	-	-	717	112
426-056	Bank Service Fees	657	807	596	1,298	2,142
426-057	Finance Charges	252	83	193	173	147
<i>Total Other Deductions</i>		909	890	789	2,188	2,676
<i>Interest Expenses</i>						
427-001	Interest on RUS Loan	140,027	115,734	114,378	104,630	106,222
427-002	Interest on Engine 26 Loan	3,294	5,732	9,500	0	0
427-003	Interest - Other	6,859	3,808	0	8,385	14,476
427-004	AIC Interest	(9,304)	(9,304)	(8,884)	(8,579)	(8,579)
<i>Total Interest Expenses</i>		140,876	115,970	114,994	104,436	112,119
TOTAL EXPENSES		5,375,294	4,968,928	5,584,004	5,202,207	5,513,718
NET INCOME/ (LOSS)		\$ 112,735	\$ 386,492	\$ 204,407	\$ 279,545	\$ 252,658

Calculation of Unadjusted Test Year
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	YTD 2018 12/31/17	FYE 2018 5/31/18	FYE 2018 Jan 1 - May 31	YTD 2019 12/31/18	FYE 12/31/18
REVENUE						
<i>Operating Revenue---Rate Revenue</i>						
440-001	Residential-Plant/Distribution Charge	\$ 544,052	\$ 671,993	\$ 127,941	\$ 548,923	\$ 676,864
442-101	Commercial-Plant/Distribution Charge	194,352	255,780	61,428	202,128	263,555
442-201	Demand Customers-Plant/Distribution Charge	812,720	978,590	165,870	953,267	1,119,137
444-001	Public Authority-Plant/Distribution Charge	107,923	144,034	36,111	111,439	147,550
445-000	Street Lighting	3,661	6,578	2,917	4,068	6,985
456-001	Customer Charge- All Rate Classes	175,839	301,509	125,669	180,575	306,244
456-002	Demand - All Rate Classes	275,504	322,107	46,603	336,936	383,539
456-004	System Charge- All Rate Classes	88,274	88,274	-	82,867	82,867
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,202,325	2,768,865	566,540	2,420,202	2,986,742
<i>Operating Revenue---Pass Through</i>						
440-002	Residential Fuel Adjustment	19,615	19,615	-	19,796	19,796
440-003	Residential Standard Offer	174,604	281,880	107,276	272,878	380,154
440-004	Residential Transmission Chrg	180,180	285,616	105,435	180,709	286,144
442-102	Commercial Fuel	6,208	6,208	-	6,328	6,328
442-103	Commercial Standard Offer	54,162	95,015	40,853	89,644	130,496
442-104	Commercial Transmission Chrg	55,862	93,254	37,392	59,345	96,737
442-202	Demand Fuel	32,933	32,933	-	38,219	38,219
442-203	Demand Standard Offer	257,584	377,880	120,296	480,089	600,385
442-204	Demand Transmission Chrg	264,860	377,294	112,434	317,930	430,364
444-002	Public Authority Fuel	4,287	4,287	-	4,503	4,503
444-003	Public Authority Standard Off	40,564	67,939	27,375	65,030	92,405
444-004	Public Auth. Transmission Chrg	41,898	68,857	26,959	43,061	70,020
<i>Total Operating Revenue---Pass Through</i>		1,132,757	1,710,776	578,019	1,577,531	2,155,551
<i>Other Revenue</i>						
419-000	Interest Income	853	1,597	744	2,167	2,912
421-002	Miscellaneous Income	1,000	1,943	943	776	1,718
421-004	Pole Accidents	1,000	1,000	-	2,569.01	2,569
421-007	Biller Penalty	10,978	17,186	6,208	11,031	17,239
421-012	Forgiveness on CAT Debt	-	107,200	107,200	-	107,200
421-013	(Gain) on Sale of Asset	-	48,569	48,569	21,000	69,569
421-014	Gain on Insurance Proceeds	427,551	547,774	120,223	-	120,223
451-002	Connection Charge	-	-	-	-	-
456-006	Rent - Lease	124,512	258,841	134,329	150,325	284,654
456-007	Rent - Non Utility Property	12,000	18,000	6,000	12,000	18,000
<i>Total Other Revenue</i>		577,894	1,002,110	424,216	199,867	624,083
TOTAL REVENUE		\$ 3,912,976	\$ 5,481,752	\$ 1,568,775	\$ 4,197,601	\$ 5,766,376

Calculation of Unadjusted Test Year
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	YTD 2018 12/31/17	FYE 2018 5/31/18	FYE 2018 Jan 1 - May 31	YTD 2019 12/31/18	FYE 12/31/18
EXPENSES						
<i>Power Production/Purchase-Pass thru Expenses</i>						
408-062	Gross Receipts Tax-Fuel Portion	45,310	68,431	23,121	60,778	83,899
547-101	Fuel	-	-	-	-	-
547-102	Purch.Power-SO-Energy	357,464	517,971	160,507	399,433	559,940
547-103	Purch.Power-SO-ISO	32,707	54,315	21,608	321,330	342,938
547-104	Purch.Power-SO-ENE	45,518	70,566	25,048	43,061	68,109
547-105	Purch.Power-SO-BIPCo Other	73,708	99,052	25,344	31,903	57,247
547-106	Purch.Power-TC-ISO	157,676	232,606	74,930	182,533	257,463
547-107	Purch.Power-TC-NGrid	309,259	503,057	193,798	340,030	533,828
547-109	Urea Expense	-	-	-	-	-
548-102	Fuel Procurement	-	-	-	1,085	1,085
548-104	Fuel Procurement-Assoc Comp	-	-	-	-	-
	Deferred Revenue			-	182,197	182,197
550-101	Engine rental & Assoc. (FAC)	-	-	-	-	-
553-225	DSI Surcharge funding	63,042	63,042	-	68,846	68,846
<i>Total Power Production/Purchase-Pass thru Expenses</i>		1,084,685	1,609,041	524,357	1,631,196	2,155,552
<i>Operating Expense---Power Production</i>						
546-100	Supervision P/R Only	10,939	10,939	-	-	-
548-101	Fuel Procurement P/R Only	-	-	-	-	-
549-101	Watchman P/R Only	5,394	5,394	-	-	-
549-103	Inside Maint. P/R Only	84,726	153,928	69,201	5,659	74,860
549-108	Maint Station Equip. P/R Only	-	726	726	66,629	67,355
549-102	Freight	2,876	4,474	1,598	990	2,588
548-103	Lubrication	2,259	2,259	-	-	-
549-109	Miscellaneous	-	356	356	50	406
549-111	Uniforms	3,663	10,519	6,856	4,413	11,269
555-100	Purchased Power	-	-	-	-	-
<i>Total Operating Expense---Power Production</i>		109,857	188,595	78,738	77,741	156,479
<i>Operating Expense---Distribution</i>						
580-100	Supervision - P/R Only	10,939	10,939	-	-	-
583-101	Overhead Lines - P/R Only	80,395	187,569	107,174	41,822	148,996
583-102	Overhead Lines	636	806	170	6,476	6,646
584-102	Underground Lines	3,729	3,729	-	-	-
586-101	Meters - P/R Only	-	-	-	4,695	4,695
586-102	Meters-Maintenance	-	10,583	10,583	4,167	14,750
586-103	Meters-Data Services	14,384	10,394	(3,990)	27,302	23,312
587-100	Customers Install P/R Only	-	-	-	-	-
588-101	St Lights & Sign P/R Only	-	-	-	-	-
588-102	Misc Distrib. P/R Only	-	-	-	-	-
588-103	Misc Distrib. Expense	28,185	66,989	38,804	4,561	43,365
589-100	Lease - Motor Vehicle	10,647	25,117	14,470	20,956	35,426
<i>Total Operating Expense---Distribution</i>		148,914	316,124	167,210	109,980	277,190
<i>Operating Expense---Customer Service</i>						
902-000	Meter Reading - P/R Only	-	643	643	-	643
903-000	Rec & Collection - P/R Only	17,501	30,857	13,356	35,667	49,023

Calculation of Unadjusted Test Year
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	YTD 2018 12/31/17	FYE 2018 5/31/18	FYE 2018 Jan 1 - May 31	YTD 2019 12/31/18	FYE 12/31/18
	<i>(Operating Expense---Customer Service Continued)</i>					
916-001	Education and Training	4,192	8,116	3,924	8,177	12,101
	<i>Total Operating Expense---Customer Service</i>	21,693	39,616	17,924	43,843	61,767
	<i>Operating Expense---Administrative</i>					
920-001	Office Salaries - P/R Only	17,501	30,667	13,166	-	13,166
920-003	Accrued Vacation	-	17,563	17,563	-	17,563
920-004	Vacation Pay - P/R Only	15,798	24,941	9,143	25,671	34,814
920-005	Holiday Pay - P/R only	-	-	-	12,032	12,032
920-006	Holiday Not Worked - P/R Only	3,672	8,462	4,790	-	4,790
920-007	Sick Leave Pay - P/R Only	2,615	4,522	1,907	6,498	8,405
920-008	Personal Pay - P/R Only	817	2,630	1,813	2,544	4,357
920-009	President's Compensation	-	-	-	-	-
920-010	CFO Compensation	-	-	-	-	-
920-011	COO Compensation	-	-	-	-	-
920-012	Admin & Management - PR Only	145,147	209,762	64,615	87,865	152,481
926-004	Bonus - P/R Only	8,115	8,115	-	10,027	10,027
921-001	Office supplies and Expense	36,836	67,612	30,775	17,362	48,137
921-002	Directors Meetings	413	413	-	-	-
921-004	Trash Removal	4,231	6,434	2,203	3,582	5,785
921-005	Plant Expense	6,711	7,476	765	(765)	(0)
921-006	Utilities Expense	6,927	16,626	9,699	1,735	11,434
921-007	Telephone Expense	7,459	19,863	12,404	17,836	30,240
923-000	O/S-Outside Services	339	61,361	61,022	4,036	65,058
923-005	O/S-Payroll Processing	2,323	3,982	1,659	2,924	4,583
923-006	O/S-General Regulatory Accounting	27,824	33,469	5,645	7,743	13,388
923-013	O/S-General Regulatory Legal	8,227	29,227	21,000	552	21,552
923-009	Legal & Accounting Rate Case	8,345	38,475	30,130	30,536	60,666
923-012	O/S-Legal-General	38,105	74,533	36,429	81,965	118,393
923-019	Accounting	34,358	37,581	3,223	48,354	51,577
923-020	Accounting-Audit	29,663	37,319	7,656	24,206	31,862
923-022	Accounting-Bookkeeping	17,673	30,291	12,618	17,662	30,281
923-024	Accounting-Taxes	744	5,694	4,950	263	5,213
924-000	General Liability Ins	105,000	185,946	80,946	86,873	167,820
926-001	Employee Pension	53,375	91,500	38,125	53,375	91,500
926-002	Travel And Misc. Expense	2,185	3,828	1,643	3,403	5,046
926-003	Employee Benefits	57,594	93,084	35,490	47,707	83,196
926-005	Wellness Program	-	-	-	-	-
926-006	Benefits-coshare	(8,251)	(12,563)	(4,312)	(7,533)	(11,845)
926-007	Health Ins-Deductible Payable	-	1,534	1,534	2,337	3,872
928-001	Reg Comm Exp	27,506	29,954	2,448	271	2,719
928-002	Rate Case Expense	-	-	-	-	-
930-020	Profit Sharing Expense	13,417	23,189	9,772	11,936	21,708
930-021	Bad Debt	-	(2,462)	(2,462)	(16,195)	(18,657)
930-023	Management Fee Bonus	-	-	-	-	-
930-025	Environmental	36,072	48,838	12,767	15,083	27,850
930-029	Web Design	6,447	6,447	-	2,403	2,403
931-000	NISC software	-	-	-	16,323	16,323
	<i>Total Operating Expense---Administrative</i>	717,187	1,246,312	529,126	618,610	1,147,736
			0			

Calculation of Unadjusted Test Year
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	YTD 2018 12/31/17	FYE 2018 5/31/18	FYE 2018 Jan 1 - May 31	YTD 2019 12/31/18	FYE 12/31/18
<i>Maintenance Expense---Power Production</i>						
551-201	Supervision - P/R Only	10,938	14,190	3,252		3,252
553-203	Maintenance Of Struct P/R Only	-	-	-	6,528	6,528
551-202	Maint. Of Gen & Elect Plt	-	585	585	6,615	7,200
553-201	Small Tools	5,312	5,312	-		-
553-202	Tank Testing	-	-	-	-	-
553-204	Maint. Of Structures	4,004	7,060	3,056	1,663	4,718
553-206	Maint General Plant	17,372	28,292	10,920	15,481	26,402
553-207	Tank Replacement	8,099	34,222	26,123	820	26,943
553-209	General Maintenance	6,162	13,217	7,055	7,497	14,552
549-113	SCR Maint	-	-	-		-
549-114	SCR & Engine Maint Res.Exp.	1	-	(1)	390,992	390,990
553-200	Major Engine Maintenance	345	383	38	2,367	2,405
553-213	General Engine Maintenance	1,084	6,940	5,856		5,856
553-219	Engine Testing	-	-	-		-
553-220	Engine Rental (Non FAC)	73,984	73,984	-		-
553-221	Haz. Waste Store/Remove/Hd	12,750	48,347	35,597	613	36,211
553-222	Cellular Tower Maint & Expense	12,588	12,588	-		-
554-203	Misc.	392	581	189	(189)	0
<i>Total Maintenance Expense---Power Production</i>		153,032	245,702	92,670	432,387	525,057
<i>Maintenance Expense---Distribution System</i>						
590-200	Supervision - P/R Only	10,464	10,464	-	-	-
593-202	Overhead Lines - P/R Only	19,762	20,680	918	92,723	93,641
593-205	Fire Damage Repairs-PR	26,151	28,812	2,661	-	2,661
593-207	Storm Damage Repairs-PR	-	-	-	-	-
595-202	Underground - P/R Only	-	-	-	-	-
598-201	Meters - P/R Only	-	-	-	-	-
592-200	Station Equip	-	-	-	-	-
549-104	Truck Repair	33,126	37,256	4,131	24,566	28,697
549-105	Supplies	19,993	19,993	-	19,993	19,993
593-203	Tree Trimming	29,714	86,939	57,224	19,270	76,494
593-204	Fire Damage Repairs	413,789	518,962	105,173	6,236	111,409
593-206	Storm Damage Repairs	-	65,629	65,629	-	65,629
595-201	Transformer Expense	-	-	-	-	-
596-202	Maint Of Street Lights	-	-	-	-	-
596-203	Misc	-	-	-	-	-
554-201	Gasoline	5,663	11,115	5,451	4,673	10,124
598-202	Backhoe/Tractor Repair	120	120	-	-	-
<i>Total Maintenance Expense---Distribution System</i>		558,782	799,969	241,187	167,462	408,649
<i>Taxes</i>						
408-010	Property Taxes	8,398	16,572	8,174	7,962	16,136
408-030	Payroll Taxes	35,543	65,786	30,244	33,566	63,810
408-050	RI Sales Tax	-	10	10	9,730	9,740
408-061	RI Gross Earnings Tax	94,424	118,310	23,886	111,251	135,137
408-071	Registrations	23	864	841		841
409-010	Federal Income Tax	7,850	179,557	171,707		171,707
410-010	Net Change In Deferred Tx	-	-	-	-	-
<i>Total Taxes</i>		146,238	381,099	234,861	162,509	397,370

Calculation of Unadjusted Test Year
BLOCK ISLAND UTILITY DISTRICT

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ACCT. #	BUDGET ACCOUNT DESCRIPTION	YTD 2018 12/31/17	FYE 2018 5/31/18	FYE 2018 Jan 1 - May 31	YTD 2019 12/31/18	FYE 12/31/18
<i>Depreciation</i>						
	Depreciation	157,500	269,124	111,624	157,500	269,124
<i>Total Depreciation</i>						
<i>Other Deductions</i>						
426-052	Advertising	-	-	-	274	274
426-054	Misc other expenses	717	717	-	112	112
426-056	Bank Service Fees	518	1,297	779	1,363	2,142
426-057	Finance Charges	173	173	-	147	147
<i>Total Other Deductions</i>		1,408	2,187	779	1,896	2,675
<i>Interest Expenses</i>						
427-001	Interest on RUS Loan	60,561	104,630	44,069	62,153	106,222
427-002	Interest on Engine 26 Loan	0	0	-	0	-
427-003	Interest - Other	1,832	8,385	6,553	7,923	14,476
427-004	AIC Interest	(4,707)	(8,579)	(3,872)	(4,707)	(8,579)
<i>Total Interest Expenses</i>		57,686	104,436	46,750	65,369	112,119
TOTAL EXPENSES		3,156,980	5,202,206	2,045,226	3,468,493	5,513,718
NET INCOME/ (LOSS)		\$ 755,996	\$ 279,546	\$ (476,450)	\$ 729,108	\$ 252,658

Test Year Balance Sheet
BLOCK ISLAND UTILITY DISTRICT

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance Per 05/31/18 Annual Report	Balance Per Test Year
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	9,236,698	9,497,361
3	Construction Work in Progress (107)	200-201		
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		9,236,698	9,497,361
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(5,098,559)	(5,202,028)
6	Net Utility Plant (Enter Total of line 4 less 5)	-----	4,138,139	4,295,333
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203		
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203		
9	Net Nuclear Fuel (Enter Total of line 7 less 8)	-----		
10	Net Utility Plant (Enter Total of lines 6 and 9)	-----	4,138,139	4,295,333
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground - Noncurrent (117)	-----		
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	398,015	398,015
15	(Less) Accum. Prov. for Depr. and Amort. (122)	-----	(278,024)	(281,353)
16	Investments in Associated Companies (123)	-----		
17	Investment in Subsidiary Companies (123.1)	224-225		
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)	-----		
19	Noncurrent Portion of Allowances	228-229		
20	Other Investments (124)			
21	Special Funds (125-128)	-----		
22	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		119,991	116,662
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)	121	263,509	299,749
25	Special Deposits (132-134)	-----	-	
26	Working Fund (135)	-----	-	
27	Temporary Cash Investments (136)	-----	135,957	181,685
28	Notes Receivable (141)		-	
29	Customer Accounts Receivable (142)	-----	355,683	255,112
30	Other Accounts Receivable (143)	-----	62,051	51,036
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-----	-	
32	Notes Receivable from Associated Companies (145)	-----	-	
33	Accounts Receivable from Assoc. Companies (146)	-----	-	-
34	Fuel Stock (151)	227	26,293	48,832
35	Fuel Stock Expenses Undistributed (152)	227	-	
36	Residuals (Elec) and Extracted Products (153)	227	-	
37	Plant Materials and Operating Supplies (154)	227	129,488	271,610
38	Merchandise (155)	227	-	
39	Other Materials and Supplies (156)	227	-	
40	Nuclear Materials Held for Sale (157)	202-203/227	-	
41	Allowances (158.1 and 158.2)	228-229	-	
42	(Less) Noncurrent Portion of Allowances	-----	-	
43	Stores Expense Undistributed (163)	227	-	
44	Gas Stored Underground - Current (164.1)	-----	-	
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	-----	-	
46	Prepayments (165)	-----	29,828	29,338
47	Advances for Gas (166-167)	-----	-	
48	Interest and Dividends Receivable (171)	-----	-	
49	Rents Receivable (172)	-----	-	
50	Accrued Utility Revenues (173)	-----	-	
51	Miscellaneous Current and Accrued Assets (174)		-	-
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		1,002,809	1,137,361

Test Year Balance Sheet
BLOCK ISLAND UTILITY DISTRICT

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance Per 05/31/18 Annual Report	Balance Per Test Year
53	DEFERRED DEBITS			
54	Unamortized Debt Expenses (181)	-----		
55	Extraordinary Property Losses (182.1)	230		
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	-	
57	Other Regulatory Assets (182.3)	-----	711,709	369,960
58	Prelim. Survey and Investigation Charges (Electric) (183)	-----		
59	Prelim. Sur. and Invest. Charges (Gas) (183.1, 183.2)	-----		
60	Clearing Accounts (184)	-----		
61	Temporary Facilities (185)	-----		
62	Miscellaneous Deferred Debits (186)	233		
63	Def. Losses from Disposition of Utility Plt. (187)	-----		
64	Research, Devel. and Demonstration Expend. (188)	352-353		
65	Unamortized Loss on Reaquired Debt (189)	-----		
66	Accumulated Deferred Income Taxes (190)	234		
67	Unrecovered Purchased Gas Costs (191)	-----		
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		711,709	369,960
69	TOTAL Assets and Other Debits (Enter Total of lines 10,11,12, 22, 52 and 68)		5,972,648	5,919,316

Test Year Balance Sheet

BLOCK ISLAND UTILITY DISTRICT

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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance Per 05/31/18 Annual Report	Balance Per Test Year
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	200,000	200,000
3	Preferred Stock Issued (204)	250-251	-	-
4	Capital Stock Subscribed (202, 205)	252	-	-
5	Stock Liability for Conversion (203, 206)	252	-	-
6	Premium on Capital Stock (207)	252	13,000	13,000
7	Other Paid-In Capital (208-211)	252	-	-
8	Installments Received on Capital Stock (212)	252	-	-
9	(Less) Discount on Capital Stock (213)	254	-	-
10	(Less) Capital Stock Expense (214)	254	-	-
11	Retained Earnings (215, 215.1, 216)	118-119	1,779,483	2,508,591
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	-	-
13	(Less) Reaquired Capital Stock (217)	250-251	(121,485)	(121,485)
14	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)	-----	1,870,998	2,600,106
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	1,664,794	1,504,222
17	(Less) Reaquired Bonds (222)	256-257		
18	Advances from Associated Companies (223)	256-257		
19	Other Long-Term Debt (224)	256-257	-	-
20	Unamortized Premium on Long-Term Debt (225)	-----		
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	-----		
22	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)	-----	1,664,794	1,504,222
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)	-----		
25	Accumulated Provision for Property Insurance (228.1)	-----	-	-
26	Accumulated Provision for Injuries and Damages (228.2)	-----		
27	Accumulated Provision for Pensions and Benefits (228.3)	-----	228,072	212,829
28	Accumulated Miscellaneous Operating Provisions (228.4)	-----	259,330	390,992
29	Accumulated Provision for Rate Refunds (229)	-----		
30	TOTAL OTHER Noncurrent Liabilities (Enter Total of lines 24 thru 29)		487,402	603,821
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)	-----	450,000	-
33	Accounts Payable (232)	-----	732,438	334,405
34	Notes Payable to Associated Companies (233)	-----		
35	Accounts Payable to Associated Companies (234)	-----		
36	Customer Deposits (235)	-----	57,205	63,228
37	Taxes Accrued (236)	262-263	20,403	39,651
38	Interest Accrued (237)	-----		
39	Dividends Declared (238)	-----	-	
40	Matured Long-Term Debt (239)	256-257	204,990	212,789
41	Matured Interest (240)	-----		-
42	Tax Collections Payable (241)	-----		
43	Miscellaneous Current and Accrued Liabilities (242)		161,715	174,252
44	Obligations Under Capital Leases-Current (243)			
45	TOTAL Current & Accrued Liabilities (Enter Total of lines 32 thru 44)		1,626,751	824,325

Test Year Balance Sheet
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-4
page 4 of 5

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance Per 05/31/18 Annual Report	Balance Per Test Year
46	DEFERRED CREDITS			
47	Customer Advances for Construction (252)			
48	Accumulated Deferred Investment Tax Credits (255)	266-267		
49	Deferred Gains from Disposition of Utility Plant (256)			
50	Other Deferred Credits (253)	269	405,519	405,518
51	Other Regulatory Liabilities (254)	-----	(125,275)	(56,429)
52	Unamortized Gain on Reaquired Debt (257)	-----		
53	Accumulated Deferred Income Taxes (281-283)	276-277	42,460	37,753
54	TOTAL Deferred Credits (Enter Total of lines 47 thru 53)		322,704	386,842
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30, 45 and 54)		5,972,649	5,919,316
			(1)	(0)

Test Year Balance Sheet-Retained Earnings
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-TY-4
page 5 of 5

Retained Earnings per 5/31/18 Annual Report	\$ 1,779,483
Net Income (6/1/18 -12/31/18) DGB-TY-3	<u>729,108</u>
Test Year Retained Earnings	<u>\$ 2,508,591</u>

COST OF SERVICE SUMMARY
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-1

	TEST YEAR	ADJUSTMENTS	CURRENT RATES RATE YEAR	REVENUE REQUIREMENT	NEW RATES RATE YEAR
TOTAL REVENUE -- DGB-RY-2	\$ 5,488,343	\$ (2,197,007)	\$ 3,291,336	\$ 0	3,291,336
TOTAL EXPENSES -- DGB-RY-3	5,316,423	(2,024,946)	3,291,336	0	3,291,336
NET OPERATING INCOME	<u>\$ 171,920</u>	<u>\$ (172,062)</u>	<u>\$ (0)</u>	<u>\$ 0</u>	<u>\$ -</u> <i>er</i>

Percentage increase over TY Revenue (Including Fuel Revenue) \$ 0 / \$ 5,488,343 0.00%

Percentage increase over RY Revenue at Current Rates 0 / 3,291,336 0.00%

TOTAL EXPENSES -- DGB-RY-3	3,291,335.81
<i>Total Other Revenue --DGB-RY-2</i>	363,204.31
Net Revenue Requirement	2,928,131.50

RATE YEAR REVENUE
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-2

ACCT. #	BUDGET ACCOUNT DESCRIPTION	ADJUSTED TEST YEAR	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR	ADJUSTED RATE YEAR			
REVENUE					Reclass Residential	Reclass General	Reclass Demand	Street Lighting
<i>Operating Revenue---Rate Revenue</i>								
440-001	Residential-Plant/Distribution Charge	\$ 658,024	1	260,819	\$ 918,843			
442-101	Commercial-Plant/Distribution Charge	255,806	1	17,149		272,955		
442-201	Demand Customers-Plant/Distribution Charge	1,157,135	1	(111,422)			1,045,713	
444-001	Public Authority-Plant/Distribution Charge	147,006	1	(147,006)				(0)
445-000	Street Lighting	6,985						6,985
456-001	Customer Charge- All Rate Classes	312,867	2	(9,582)	211,995	46,945	44,345	
456-002	Demand - All Rate Classes	408,898	3	(123,030)			285,868	
456-004	System Charge- All Rate Classes	82,867	4	11,615	68,318	26,164	0	
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		3,029,588		(101,457)	1,199,156	346,064	1,375,926	6,985
<i>Operating Revenue---Pass Through</i>								
440-002	Residential Fuel Adjustment	19,796	5	(19,796)				0
440-003	Residential Standard Offer	380,154	5	(380,154)				0
440-004	Residential Transmission Chrg	286,144	5	(286,144)				0
442-102	Commercial Fuel	6,328	5	(6,328)				0
442-103	Commercial Standard Offer	130,496	5	(130,496)				0
442-104	Commercial Transmission Chrg	96,737	5	(96,737)				0
442-202	Demand Fuel	38,219	5	(38,219)				0
442-203	Demand Standard Offer	600,385	5	(600,385)				0
442-204	Demand Transmission Chrg	430,364	5	(430,364)				0
444-002	Public Authority Fuel	4,503	5	(4,503)				0
444-003	Public Authority Standard Off	92,405	5	(92,405)				0
444-004	Public Auth. Transmission Chrg	70,020	5	(70,020)				0
<i>Total Operating Revenue---Pass Through</i>		2,155,550		(2,155,550)				0
<i>Other Revenue</i>								
419-000	Interest Income	920	TY					920
421-002	Miscellaneous Income	1,418	TY					1,418
421-004	Pole Accidents	564	TY					564
421-007	Biller Penalty	21,378	TY					21,378
421-012	Forgiveness on CAT Debt	(0)	TY					(0)
421-013	(Gain) on Sale of Asset	(0)	TY					(0)
421-014	Gain on Insurance Proceeds	0	TY					0
451-002	Connection Charge	925	TY					925
	Efficiency grant		6	60,000				60,000
456-006	Rent - Lease	260,000	TY					260,000
456-007	Rent -Office Apartment	18,000	TY					18,000
<i>Total Other Revenue</i>		303,204		60,000				363,204
TOTAL REVENUE					\$ 5,488,343	\$ (2,197,007)	\$	3,291,336

- (1) = Plant/Distribution Charge adjusted for KWH sales with customer class transfers due to reclassifications(See DGB-RY-2a1 & 2a2)
(2) = Customer Charge Normalized for counts at full year at customer class transfers due to reclassifications (See DGB-RY-1b1 & 1b2)
(3) = Demand Charge Normalized for KW sales at full year at customer class transfers due to reclassifications(See DGB-RY-1c1 & 1c2)
(4) = System Charge Normalized for counts at full year at customer class transfers due to reclassifications(See DGB-RY-1d)
(5) = Pass thru items for Fuel & Purchased power items eliminated DGB Testimony page 10
(6) = Reflects new grant revenue for new efficiency program DGB Testimony page 13

RATE YEAR - Detail of Revenues by Source,
Tariff & Rate Class

Schedule DGB-RY-2a1
Page 1 of 2

BLOCK ISLAND UTILITY DISTRICT

	(DGB-RY-2a2) Count or Usage		Current	Rate Year Revenue
<i>Plant & Distribution Charge</i>				
<i>Residential (Rate "R")</i>				
January	399,020	\$	0.0910	\$ 36,311
February	302,164	\$	0.0910	\$ 27,497
March	332,174	\$	0.0910	\$ 30,228
April	334,434	\$	0.0910	\$ 30,434
May	381,594	\$	0.0910	\$ 34,725
June	513,567	\$	0.2399	\$ 123,205
July	774,185	\$	0.2399	\$ 185,727
August	903,754	\$	0.2399	\$ 216,811
September	550,606	\$	0.2399	\$ 132,090
October	395,335	\$	0.0910	\$ 35,975
November	360,759	\$	0.0910	\$ 32,829
December	362,768	\$	0.0910	\$ 33,012
	<u>5,610,361</u>			<u>\$ 918,843</u>
<i>Commercial General Srv. (Rate "G")</i>				
January	93,625	\$	0.1205	\$ 11,282
February	88,578	\$	0.1205	\$ 10,674
March	86,943	\$	0.1205	\$ 10,477
April	81,438	\$	0.1205	\$ 9,813
May	174,271	\$	0.1205	\$ 21,000
June	116,819	\$	0.2652	\$ 30,980
July	204,017	\$	0.2652	\$ 54,105
August	202,298	\$	0.2652	\$ 53,649
September	130,902	\$	0.2652	\$ 34,715
October	97,322	\$	0.1205	\$ 11,727
November	97,223	\$	0.1205	\$ 11,715
December	106,369	\$	0.1205	\$ 12,817
	<u>1,479,803</u>			<u>\$ 272,955</u>
<i>Commercial Demand Srv. (Rate "D")</i>				
January	299,910	\$	0.1090	\$ 32,690
February	245,215	\$	0.1090	\$ 26,728
March	266,675	\$	0.1090	\$ 29,068
April	292,760	\$	0.1090	\$ 31,911
May	463,433	\$	0.1090	\$ 50,514
June	714,965	\$	0.2185	\$ 156,220
July	974,244	\$	0.2185	\$ 212,872
August	1,114,091	\$	0.2185	\$ 243,429
September	708,425	\$	0.2185	\$ 154,791
October	401,810	\$	0.1090	\$ 43,797
November	291,776	\$	0.1090	\$ 31,804
December	292,562	\$	0.1090	\$ 31,889
	<u>6,065,865</u>			<u>\$ 1,045,713</u>

RATE YEAR - Detail of Revenues by Source,
Tariff & Rate Class

Schedule DGB-RY-2a1
Page 2 of 2

BLOCK ISLAND UTILITY DISTRICT

	(DGB-RY-2a2) Count or Usage	Current	Rate Year Revenue
<u>Plant & Distribution Charge (Continued)</u>			
<i>Public Demand Srv. (Rate "P")</i>			
January	-	\$ 0.0978	\$ -
February	-	\$ 0.0978	\$ -
March	-	\$ 0.0978	\$ -
April	-	\$ 0.0978	\$ -
May	-	\$ 0.0978	\$ -
June	-	\$ 0.1957	\$ -
July	-	\$ 0.1957	\$ -
August	-	\$ 0.1957	\$ -
September	-	\$ 0.1957	\$ -
October	-	\$ 0.0978	\$ -
November	-	\$ 0.0978	\$ -
December	-	\$ 0.0978	\$ -
	<hr/>		<hr/>
	-		\$ -
	<hr/>		<hr/>
<i>Public Srv. (Rate "P")</i>			
January	-	\$ 0.1213	\$ -
February	-	\$ 0.1213	\$ -
March	-	\$ 0.1213	\$ -
April	-	\$ 0.1213	\$ -
May	-	\$ 0.1213	\$ -
June	-	\$ 0.2425	\$ -
July	-	\$ 0.2425	\$ -
August	-	\$ 0.2425	\$ -
September	-	\$ 0.2425	\$ -
October	-	\$ 0.1213	\$ -
November	-	\$ 0.1213	\$ -
December	-	\$ 0.1213	\$ -
	<hr/>		<hr/>
	-		\$ -
	<hr/>		<hr/>
<i>Total (Rate "P")</i>			<hr/>
			\$ -
			<hr/>

Rate Year KWH Usage
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-2a2

	Adjusted Test Year (DGB-TY-1a2)	Residential reclass from Demand	Public demand to Demand & Public to General	Rate Year
<i>Residential (Rate "R")</i>				
January	304,482	94,538		399,020
February	227,038	75,126		302,164
March	246,433	85,741		332,174
April	251,481	82,953		334,434
May	270,003	111,591		381,594
June	358,613	154,954		513,567
July	545,622	228,563		774,185
August	643,610	260,144		903,754
September	392,747	157,859		550,606
October	290,438	104,897		395,335
November	260,923	99,836		360,759
December	264,323	98,445		362,768
	4,055,714	1,554,647	-	5,610,361

<i>Commercial General Svc. (Rate "G")</i>				
January	85,423		8,202	93,625
February	79,566		9,011	88,578
March	77,880		9,062	86,943
April	74,929		6,509	81,438
May	166,750		7,521	174,271
June	109,300		7,519	116,819
July	194,297		9,719	204,017
August	189,329		12,969	202,298
September	122,940		7,962	130,902
October	91,230		6,092	97,322
November	91,532		5,691	97,223
December	100,147		6,222	106,369
	1,383,323	-	96,480	1,479,803

<i>Commercial Demand Svc. (Rate "D")</i>				
January	322,970	(94,538)	71,479	299,910
February	260,000	(75,126)	60,341	245,215
March	292,472	(85,741)	59,944	266,675
April	316,757	(82,953)	58,956	292,760
May	509,637	(111,591)	65,387	463,433
June	782,769	(154,954)	87,150	714,965
July	1,092,600	(228,563)	110,207	974,244
August	1,249,094	(260,144)	125,141	1,114,091
September	777,580	(157,859)	88,704	708,425
October	439,371	(104,897)	67,336	401,810
November	327,944	(99,836)	63,668	291,776
December	324,783	(98,445)	66,224	292,562
	6,695,976	(1,554,647)	924,536	6,065,865

<i>Public Demand Svc. (Rate "P")</i>				
January	71,479		(71,479)	-
February	60,341		(60,341)	-
March	59,944		(59,944)	-
April	58,956		(58,956)	-
May	65,387		(65,387)	-
June	87,150		(87,150)	-
July	110,207		(110,207)	-
August	125,141		(125,141)	-
September	88,704		(88,704)	-
October	67,336		(67,336)	-
November	63,668		(63,668)	-
December	66,224	-	(66,224)	-
	924,536	-	(924,536)	-

<i>Public Non-demand Svc. (Rate "P")</i>				
January	8,202		(8,202)	-
February	9,011		(9,011)	-
March	9,062		(9,062)	-
April	6,509		(6,509)	-
May	7,521		(7,521)	-
June	7,519		(7,519)	-
July	9,719		(9,719)	-
August	12,969		(12,969)	-
September	7,962	-	(7,962)	-
October	6,092	-	(6,092)	-
November	5,691	-	(5,691)	-
December	6,222	-	(6,222)	-
	96,480	-	(96,480)	-

RATE YEAR - Detail of Revenues by Source,
Tariff & Rate Class

Schedule DGB-RY-2b1
Page 1 of 2

BLOCK ISLAND UTILITY DISTRICT

<i>Customer Charge</i>	(DGB-RY-2b2) Count or Usage	Current	Rate Year Revenue
Residential (Rate "R")			
January	1,427	\$ 12.38	\$ 17,666
February	1,427	\$ 12.38	\$ 17,666
March	1,427	\$ 12.38	\$ 17,666
April	1,427	\$ 12.38	\$ 17,666
May	1,427	\$ 12.38	\$ 17,666
June	1,427	\$ 12.38	\$ 17,666
July	1,427	\$ 12.38	\$ 17,666
August	1,427	\$ 12.38	\$ 17,666
September	1,427	\$ 12.38	\$ 17,666
October	1,427	\$ 12.38	\$ 17,666
November	1,427	\$ 12.38	\$ 17,666
December	1,427	\$ 12.38	\$ 17,666
	17,124		\$ 211,995
Commercial General Srv. (Rate "G")			
January	316	\$ 12.38	\$ 3,912
February	316	\$ 12.38	\$ 3,912
March	316	\$ 12.38	\$ 3,912
April	316	\$ 12.38	\$ 3,912
May	316	\$ 12.38	\$ 3,912
June	316	\$ 12.38	\$ 3,912
July	316	\$ 12.38	\$ 3,912
August	316	\$ 12.38	\$ 3,912
September	316	\$ 12.38	\$ 3,912
October	316	\$ 12.38	\$ 3,912
November	316	\$ 12.38	\$ 3,912
December	316	\$ 12.38	\$ 3,912
	3,792		\$ 46,945
Commercial Demand Srv. (Rate "D")			
January	199	\$ 18.57	\$ 3,695
February	199	\$ 18.57	\$ 3,695
March	199	\$ 18.57	\$ 3,695
April	199	\$ 18.57	\$ 3,695
May	199	\$ 18.57	\$ 3,695
June	199	\$ 18.57	\$ 3,695
July	199	\$ 18.57	\$ 3,695
August	199	\$ 18.57	\$ 3,695
September	199	\$ 18.57	\$ 3,695
October	199	\$ 18.57	\$ 3,695
November	199	\$ 18.57	\$ 3,695
December	199	\$ 18.57	\$ 3,695
	2,388		\$ 44,345

RATE YEAR - Detail of Revenues by Source,
Tariff & Rate Class

Schedule DGB-RY-2b1
Page 2 of 2

BLOCK ISLAND UTILITY DISTRICT

	(DGB-RY-2b2) Count or Usage	Current	Rate Year Revenue
<i>Customer Charge (Continued)</i>			
<i>Public Demand Srv. (Rate "P")</i>			
January	-	\$ 18.57	\$ -
February	-	\$ 18.57	\$ -
March	-	\$ 18.57	\$ -
April	-	\$ 18.57	\$ -
May	-	\$ 18.57	\$ -
June	-	\$ 18.57	\$ -
July	-	\$ 18.57	\$ -
August	-	\$ 18.57	\$ -
September	-	\$ 18.57	\$ -
October	-	\$ 18.57	\$ -
November	-	\$ 18.57	\$ -
December	-	\$ 18.57	\$ -
	-		\$ -
<i>Public Srv. (Rate "P")</i>			
January	-	\$ 12.38	\$ -
February	-	\$ 12.38	\$ -
March	-	\$ 12.38	\$ -
April	-	\$ 12.38	\$ -
May	-	\$ 12.38	\$ -
June	-	\$ 12.38	\$ -
July	-	\$ 12.38	\$ -
August	-	\$ 12.38	\$ -
September	-	\$ 12.38	\$ -
October	-	\$ 12.38	\$ -
November	-	\$ 12.38	\$ -
December	-	\$ 12.38	\$ -
	-		\$ -
<i>Total (All Rate Classes)</i>			\$ 303,285

Rate Year Customer Count
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-2b2

	Adjusted Test Year (DGB-TY-1b2)	Residential reclass from Demand	Public demand to Demand & Public to General	Rate Year
<i>Residential (Rate "R")</i>				
January	1,298	129		1,427
February	1,298	129		1,427
March	1,298	129		1,427
April	1,298	129		1,427
May	1,298	129		1,427
June	1,298	129		1,427
July	1,298	129		1,427
August	1,298	129		1,427
September	1,298	129		1,427
October	1,298	129		1,427
November	1,298	129		1,427
December	1,298	129		1,427
	15,576	1,548	-	17,124

<i>Commercial General Svc. (Rate "G")</i>				
January	297		19	316
February	297		19	316
March	297		19	316
April	297		19	316
May	297		19	316
June	297		19	316
July	297		19	316
August	297		19	316
September	297		19	316
October	297		19	316
November	297		19	316
December	297		19	316
	3,564	-	228	3,792

<i>Commercial Demand Svc. (Rate "D")</i>				
January	317	(129)	11	199
February	317	(129)	11	199
March	317	(129)	11	199
April	317	(129)	11	199
May	317	(129)	11	199
June	317	(129)	11	199
July	317	(129)	11	199
August	317	(129)	11	199
September	317	(129)	11	199
October	317	(129)	11	199
November	317	(129)	11	199
December	317	(129)	11	199
	3,804	(1,548)	132	2,388

<i>Public Demand Svc. (Rate "P")</i>				
January	11	-	(11)	-
February	11	-	(11)	-
March	11	-	(11)	-
April	11	-	(11)	-
May	11	-	(11)	-
June	11	-	(11)	-
July	11	-	(11)	-
August	11	-	(11)	-
September	11	-	(11)	-
October	11	-	(11)	-
November	11	-	(11)	-
December	11	-	(11)	-
	132	-	(132)	-

<i>Public Non-demand Svc. (Rate "P")</i>				
January	19	-	(19)	-
February	19	-	(19)	-
March	19	-	(19)	-
April	19	-	(19)	-
May	19	-	(19)	-
June	19	-	(19)	-
July	19	-	(19)	-
August	19	-	(19)	-
September	19	-	(19)	-
October	19	-	(19)	-
November	19	-	(19)	-
December	19	-	(19)	-
	228	-	(228)	-

RATE YEAR - Detail of Revenues by Source, **Schedule DGB-RY-2c1**
Tariff & Rate Class
BLOCK ISLAND UTILITY DISTRICT

	(DGB-RY-2c2) Count or Usage		Current	Rate Year Revenue
<hr/> <i>Demand Charge</i> <hr/>				
<i>Commercial Demand Srv. (Rate "D")</i>				
January	1,058	\$	6.53	\$ 6,909
February	702	\$	6.53	\$ 4,584
March	1,033	\$	6.53	\$ 6,745
April	1,262	\$	6.53	\$ 8,241
May	2,012	\$	6.53	\$ 13,138
June	2,853	\$	19.58	\$ 55,862
July	3,024	\$	19.58	\$ 59,210
August	3,044	\$	19.58	\$ 59,602
September	2,372	\$	19.58	\$ 46,444
October	1,662	\$	6.53	\$ 10,853
November	1,218	\$	6.53	\$ 7,954
December	969	\$	6.53	\$ 6,328
	<hr/> 21,209 <hr/>			<hr/> \$ 285,868 <hr/>
 <i>Public Demand Srv. (Rate "P")</i>				
January	-	\$	6.19	\$ -
February	-	\$	6.19	\$ -
March	-	\$	6.19	\$ -
April	-	\$	6.19	\$ -
May	-	\$	6.19	\$ -
June	-	\$	18.57	\$ -
July	-	\$	18.57	\$ -
August	-	\$	18.57	\$ -
September	-	\$	18.57	\$ -
October	-	\$	6.19	\$ -
November	-	\$	6.19	\$ -
December	-	\$	6.19	\$ -
	<hr/> - <hr/>			<hr/> \$ - <hr/>
 <i>Total (All Rate Classes)</i>				<hr/> \$ 285,868 <hr/>

Rate Year KW Usage
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-2c2

	Adjusted Test Year (DGB-TY-1c2)	Residential reclass from Demand	Public demand to Demand & Public to General	Rate Year
<i>Commercial Demand Svc. (Rate "D")</i>				
January	1,258	(437)	237	1,058
February	816	(275)	161	702
March	1,335	(512)	210	1,033
April	1,588	(555)	229	1,262
May	2,592	(826)	246	2,012
June	3,527	(1,026)	352	2,853
July	4,028	(1,348)	344	3,024
August	4,071	(1,391)	364	3,044
September	3,125	(1,031)	278	2,372
October	2,297	(868)	233	1,662
November	1,677	(677)	218	1,218
December	1,380	(607)	196	969
	27,694	(9,553)	3,068	21,209

<i>Public Demand Svc. (Rate "P")</i>				
January	237	-	(237)	-
February	161	-	(161)	-
March	210	-	(210)	-
April	229	-	(229)	-
May	246	-	(246)	-
June	352	-	(352)	-
July	344	-	(344)	-
August	364	-	(364)	-
September	278	-	(278)	-
October	233	-	(233)	-
November	218	-	(218)	-
December	196	-	(196)	-
	3,068	-	(3,068)	-

RATE YEAR - Detail of Revenues by Source,
Tariff & Rate Class
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-2d

	(See Below) Count or Usage	Current	Rate Year Revenue
<i>System Charge</i>			
<i>Residential (Rate "R")</i>			
June	566	\$ 22.51	\$ 12,741
July	882	\$ 22.51	\$ 19,854
August	967	\$ 22.51	\$ 21,767
September	620	\$ 22.51	\$ 13,956
	<u>3,035</u>		<u>\$ 68,318</u>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	\$ 42.20	\$ 5,064
July	174	\$ 42.20	\$ 7,343
August	194	\$ 42.20	\$ 8,187
September	132	\$ 42.20	\$ 5,570
	<u>620</u>		<u>\$ 26,164</u>
<i>Public Srv. (Rate "P")</i>			
June	-	\$ 42.20	\$ -
July	-	\$ 42.20	\$ -
August	-	\$ 42.20	\$ -
September	-	\$ 42.20	\$ -
	<u>-</u>		<u>\$ -</u>
<i>Total (All Rate Classes)</i>			<u><u>\$ 94,482</u></u>

<i>System Charge Count</i>			
	Adjusted Test Year (DGB-TY-1d)	New Activity	Rate Year
<i>Residential (Rate "R")</i>			
June	437	129	566
July	753	129	882
August	838	129	967
September	491	129	620
	<u>2,519</u>	<u>516</u>	<u>3,035</u>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	-	120
July	174	-	174
August	194	-	194
September	132	-	132
	<u>620</u>	<u>-</u>	<u>620</u>
<i>Public Non-demand Srv. (Rate "P")</i>			
June	0	-	-
July	0	-	-
August	0	-	-
September	0	-	-
	<u>0</u>	<u>-</u>	<u>-</u>

RATE YEAR EXPENDITURES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-3
Page 1 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR
EXPENSES				
<i>Power Production/Purchase-Pass thru Expenses</i>				
408-062	Gross Receipts Tax-Fuel Portion	\$ 83,898	1 \$ (83,898)	\$ -
547-101	Fuel	0	1 0	0
547-102	Purch.Power-SO-Energy	559,940	1 (559,940)	0
547-103	Purch.Power-SO-ISO	342,938	1 (342,938)	0
547-104	Purch.Power-SO-ENE	68,109	1 (68,109)	0
547-105	Purch.Power-SO-BIPCo Other	57,247	1 (57,247)	0
547-106	Purch.Power-TC-ISO	257,463	1 (257,463)	0
547-107	Purch.Power-TC-NGrid	533,828	1 (533,828)	0
547-109	Urea Expense	0	1 0	0
548-102	Fuel Procurement	1,085	1 (1,085)	0
548-104	Fuel Procurement-Assoc Comp	0	1 0	0
	Deferred Revenue	182,197	1 (182,197)	0
550-101	Engine rental & Assoc. (FAC)	0	1 0	0
553-225	DSI Surcharge funding	68,846	1 (68,846)	0
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,155,552	(2,155,552)	0
<i>Operating Expense---Power Production</i>				
546-100	Supervision P/R Only	0	2 0	0
548-101	Fuel Procurement P/R Only	0	2 0	0
549-101	Watchman P/R Only	0	2 0	0
549-103	Inside Maint. P/R Only	74,860	2 32,259	107,119
549-108	Maint Station Equip. P/R Only	67,355	2 29,025	96,380
549-102	Freight	3,190	TY 0	3,190
548-103	Lubrication	21,274	3 (11,274)	10,000
549-109	Miscellaneous	406	TY 0	406
549-111	Uniforms	6,074	TY 0	6,074
555-100	Purchased Power	0	TY 0	0
<i>Total Operating Expense---Power Production</i>		173,160	50,010	223,170
<i>Operating Expense---Distribution</i>				
580-100	Supervision - P/R Only	0	2 0	0
583-101	Overhead Lines - P/R Only	148,996	2 57,985	206,981
583-102	Overhead Lines	11,415	TY 0	11,415
584-102	Underground Lines	0	TY 0	0
586-101	Meters - P/R Only	4,695	2 1,827	6,522
586-102	Meters-Maintenance	8,210	TY 0	8,210
586-103	Meters-Data Services	24,658	TY 0	24,658
587-100	Customers Install P/R Only	0	2 0	0
588-101	St Lights & Sign P/R Only	0	2 0	0
588-102	Misc Distrib. P/R Only	0	2 0	0
588-103	Misc Distrib. Expense	43,060	TY 0	43,060
589-100	Lease - Motor Vehicle	35,426	4 6,000	41,426
<i>Total Operating Expense---Distribution</i>		276,459	65,812	342,271

RATE YEAR EXPENDITURES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-3
Page 2 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR
<i>Operating Expense---Customer Service</i>				
902-000	Meter Reading - P/R Only	643	2 (643)	0
903-000	Rec & Collection - P/R Only	49,023	2 5,631	54,653
916-001	Education and Training	12,101	TY 0	12,101
<i>Total Operating Expense---Customer Service</i>		61,767	4,987	66,754
<i>Operating Expense---Administrative</i>				
920-001	Office Salaries - P/R Only	13,166	2 1,512	14,678
920-003	Accrued Vacation	5,610	TY 0	5,610
920-004	Vacation Pay - P/R Only	34,814	2 (34,814)	0
920-005	Holiday Pay - P/R only	12,032	2 (12,032)	0
920-006	Holiday Not Worked - P/R Only	4,790	2 (4,790)	0
920-007	Sick Leave Pay - P/R Only	8,405	2 (8,405)	0
920-008	Personal Pay - P/R Only	4,357	2 (4,357)	0
920-009	President's Compensation	0	2 157,597	157,597
920-010	CFO Compensation	0	2 0	0
920-011	COO Compensation	0	2 0	0
920-012	Admin & Management - PR Only	152,481	2 (152,481)	0
926-004	Bonus - P/R Only	10,027	2 (10,027)	0
921-001	Office supplies and Expense	36,449	TY 0	36,449
921-002	Directors Meetings	0	TY 0	0
921-004	Trash Removal	5,785	TY 0	5,785
921-005	Plant Expense	12,771	TY 0	12,771
921-006	Utilities Expense	13,008	TY 0	13,008
921-007	Telephone Expense	30,240	TY 0	30,240
923-000	O/S-Outside Services	7,239	TY 0	7,239
923-005	O/S-Payroll Processing	4,583	TY 0	4,583
923-006	O/S-General Regulatory Accounting	26,430	TY 0	26,430
923-013	O/S-General Regulatory Legal	33,986	TY 0	33,986
923-009	Legal & Accounting Rate Case	0	TY 0	0
923-012	O/S-Legal-General	71,000	5 (35,500)	35,500
923-019	Accounting	37,027	TY 0	37,027
923-020	Accounting-Audit	30,580	TY 0	30,580
923-022	Accounting-Bookkeeping	30,281	TY 0	30,281
923-024	Accounting-Taxes	5,213	6 (5,213)	0
923-025	Board Clerk	0	7 7,200	7,200
924-000	General Liability Ins	185,000	TY 0	185,000
926-001	Employee Pension	91,500	TY 0	91,500
926-002	Travel And Misc. Expense	5,345	TY 0	5,345
926-003	Employee Benefits	83,196	8 11,775	94,971
926-005	Wellness Program	0	TY 0	0
926-006	Benefits-coshare	(11,845)	9 (4,835)	(16,822)
926-007	Health Ins-Deductible Payable	3,913	TY 0	3,913
928-001	Reg Comm Exp	29,954	TY 0	29,954
928-002	Rate Case Expense	0	10 50,000	50,000
930-020	Employer 401k contribution	21,708	11 1,513	23,220
930-021	Bad Debt	(0)	TY 0	(0)
930-023	Management Fee Bonus	0	TY 0	0
930-025	Environmental	53,824	TY 0	53,824

RATE YEAR EXPENDITURES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-3
Page 3 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR
	<i>(Operating Expense---Administrative Continued)</i>			
930-029	Web Design	0	TY 0	0
931-000	Software & Billing Service	16,323	12 41,497	57,820
<i>Total Operating Expense---Administrative</i>		1,069,188	(1,359)	1,067,687
	<i>Maintenance Expense---Power Production</i>			
551-201	Supervision - P/R Only	3,252	2 (3,252)	0
553-203	Maintenance Of Struct P/R Only	6,528	2 (6,528)	0
551-202	Maint. Of Gen & Elect Plt	8,568	TY 0	8,568
553-201	Small Tools	6,383	TY 0	6,383
553-202	Tank Testing & Fuel Maint	0	13 25,000	25,000
553-204	Maint. Of Structures	4,718	TY 0	4,718
553-206	Maint General Plant	9,762	TY 0	9,762
553-207	Tank Replacement	0	TY 0	0
553-209	General Maintenance	6,464	TY 0	6,464
549-113	SCR Maint	0	TY 0	0
549-114	SCR & Engine Maint Res.Exp.	230,000	14 (140,000)	90,000
553-200	Major Engine Maintenance	2,405	TY 0	2,405
553-213	General Engine Maintenance	5,856	TY 0	5,856
553-219	Engine Testing	0	TY 0	0
553-220	Engine Rental (Non FAC)	0	TY 0	0
553-221	Haz. Waste Store/Remove/Hd	5,210	TY 0	5,210
553-222	Cellular Tower Maint & Expense	9,328	TY 0	9,328
554-203	Misc.	1,006	TY 0	1,006
<i>nance Expense---Power Production</i>		299,480	(124,780)	174,700
	<i>Maintenance Expense---Distribution System</i>			
590-200	Supervision - P/R Only	0	2 0	0
593-202	Overhead Lines - P/R Only	93,641	2 36,442	130,083
593-205	Fire Damage Repairs-PR	2,661	2 (2,661)	0
593-207	Storm Damage Repairs-PR	0	2 0	0
595-202	Underground - P/R Only	0	2 0	0
598-201	Meters - P/R Only	0	2 0	0
592-200	Station Equip	0	TY 0	0
549-104	Truck Repair	26,546	TY 0	26,546
549-105	Supplies	20,663	TY 0	20,663
593-203	Tree Trimming	76,494	15 43,506	120,000
593-204	Fire Damage Repairs	(0)	TY 0	(0)
593-206	Storm Damage Repairs	55,978	TY 0	55,978
595-201	Transformer Expense	0	TY 0	0
596-202	Maint Of Street Lights	0	TY 0	0
596-203	Misc	0	TY 0	0
554-201	Gasoline	10,125	TY 0	10,125
598-202	Backhoe/Tractor Repair	0	TY 0	0
<i>Total Maintenance Expense---Distribution System</i>		286,108	77,287	363,395
	<i>Taxes</i>			
408-010	Property Taxes	16,136	16 (16,136)	0
408-030	Payroll Taxes	63,809	17 (4,267)	59,543

RATE YEAR EXPENDITURES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-3
Page 4 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR
	<i>(Taxes Continued)</i>			
408-050	RI Sales Tax	9,740	16 (9,740)	(0)
408-061	RI Gross Earnings Tax	135,138	16 (135,138)	(0)
408-071	Registrations	841	TY	841
409-010	Federal Income Tax	171,707	16 (171,707)	(0)
410-010	Net Change In Deferred Tx	0		0
<i>Total Taxes</i>		397,370	(336,988)	60,383
<i>Depreciation</i>				
	Depreciation	0	TY 0	0
<i>Total Depreciation</i>				
<i>Other Deductions</i>				
426-052	Advertising	274	TY 0	274
426-054	Misc other expenses	112	TY 0	112
426-056	Bank Service Fees	2,142	TY 0	2,142
426-057	Finance Charges	147	TY 0	147
	Efficiency Program	0	18 120,000	120,000
<i>Total Other Deductions</i>		2,676	120,000	122,676
<i>Debt Service and Capital Expenditures</i>				
427-001	Interest on RUS Loan	106,222	19 (106,222)	(0)
427-002	Interest on Engine 26 Loan	0	TY 0	0
427-003	Interest - Other	14,476	TY 0	14,476
427-004	AIC Interest	0	TY 0	0
	Interest on CFC Loan		20 184,455	184,455
	Principal Paid on CFC Loan	202,425	20 (89,361)	113,064
	Capitalized Labor	158,540	2 (158,540)	0
	Net Operating Reserve	0	21 95,864	95,864
	Voltage Conversion Capital Fund	0	22 62,441	62,441
	Capital Fund-Inventory Purchased & Used	93,000	23 0	93,000
	Capital Fund-Capitalized Expenditures	20,000	23 287,000	307,000
<i>Total Debt Service and Capital Expenditures</i>		594,662	275,637	870,300
TOTAL EXPENSES		5,316,423	(2,024,946)	3,291,336

TY = Item left at Test Year level for the Rate Year DGB-RY-4

(1) = Pass thru items for Fuel & Purchased power items eliminated DGB Testimony page 15

(2) = Payroll adjustment DGB-RY-5

(3) = Lubrication expense DGB Testimony pages 17

(4) = Legal-General expense DGB Testimony pages 16

(5) = Legal-General expense DGB Testimony pages 17

(6) = Accounting-Taxes expense DGB Testimony pages 18

(7) = Board Clerk expense DGB Testimony pages 18

(8) = Employee benefits is calculated on Schedules DGB-RY-6

(9) = Employee benefits employee coshare is calculated on Schedules DGB-RY-6

(10) = Rate case expense DGB Testimony page 19

(11) = Employer 401k contribution expense DGB testimony page 20 and Schedule DGB-RY-7.

RATE YEAR EXPENDITURES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-3
Page 5 of 5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	TEST YEAR 12/31/18	RATE YEAR ADJUSTMENTS	ADJUSTED RATE YEAR
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(12) = Software & Billing Service expense DGB Testimony page 20
(13) = Tank Testing & Fuel Maint expense DGB Testimony page 21
(14) = SCR & Engine Maintenance DGB Testimony pages 21
(15) = Tree Trimming DGB Testimony pages 21
(16) = Taxes not applicable to Non-Profit BIUD. DGB Testimony pages 22 & 23
(17) = Payroll tax adjustment DGB-RY-8
(18) = New Efficiency Program. DGB Testimony pages 22
(19) = Remove Debt Service on RUS loan paid off during Interim Year. DGB Testimony pages 22
(20) = Add Debt Service on CFC Loan issued during Interim Year. DGB Testimony pages 22
(21) = Operating Reserve calculated at 3.0% of Total Expense before operating reserve.
(22) = Add new capital reserve for Voltage Conversion. DGB Testimony pages 23
(23) = Add new capital reserve for Annual Capital program. DGB Testimony pages 23 & 24

EXPENSES LEFT AT TEST YEAR LEVELS
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-4
Page 1 of 4

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18	ADJUSTED TEST
<u>Accounts left with Zero Adjusted Test Year balance</u>							
EXPENSES							
<i>Power Production/Purchase-Pass thru Expenses</i>							
<i>Operating Expense---Power Production</i>							
555-100	Purchased Power	1,468	1,312	-	-	-	-
<i>Operating Expense---Distribution</i>							
584-102	Underground Lines	2,216	615	3,432	3,729	-	-
<i>Operating Expense---Customer Service</i>							
<i>Operating Expense---Administrative</i>							
921-002	Directors Meetings	8,280	8,546	9,327	413	-	-
923-009	Legal & Accounting Rate Case	-	-	-	38,475	60,665	-
926-005	Wellness Program	4,000	3,000	-	-	-	-
930-021	Bad Debt	(3,444)	47,398	4,458	(2,462)	(18,657)	-
930-023	Management Fee Bonus	39,000	42,000	-	-	-	-
930-029	Web Design	-	-	-	6,447	2,403	-
<i>Maintenance Expense---Power Production</i>							
553-207	Tank Replacement	-	-	10,350	34,222	26,943	-
549-113	SCR Maint	18,007	3,175	6,098	-	-	-
553-219	Engine Testing	-	-	-	-	-	-
553-220	Engine Rental (Non FAC)	-	-	-	73,984	-	-
<i>Maintenance Expense---Distribution System</i>							
592-200	Station Equip	517	-	-	-	-	-
595-201	Transformer Expense	(100)	-	2,508	-	-	-
596-202	Maint Of Street Lights	-	36,480	-	-	-	-
596-203	Misc	-	28	-	-	-	-
598-202	Backhoe/Tractor Repair	138	145	5,221	120	-	-
<i>Taxes</i>							
<i>Depreciation</i>							
	Depreciation	325,906	312,419	286,890	269,124	269,124	-
<i>Other Deductions</i>							
<i>Interest Expenses</i>							
427-002	Interest on Engine 26 Loan	3,294	5,732	9,500	0	0	0
427-004	AIC Interest	(9,304)	(9,304)	(8,884)	(8,579)	(8,579)	-
TOTAL EXPENSES							0

EXPENSES LEFT AT TEST YEAR LEVELS
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-4
Page 2 of 4

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18	ADJUSTED TEST
<u>Accounts with Adjusted Test Year balance for yearly average</u>							
EXPENSES							
<i>Power Production/Purchase-Pass thru Expenses</i>							
<i>Operating Expense---Power Production</i>							
549-102	Freight	-	3,392	4,896	4,474	2,588	3,190
549-111	Uniforms	1,444	752	11,581	10,519	11,269	6,074
<i>Operating Expense---Distribution</i>							
583-102	Overhead Lines	65	1,964	42,827	806	6,646	11,415
586-102	Meters-Maintenance	2,325	9,743	6,020	-	14,750	8,210
588-103	Misc Distrib. Expense	2,079	2,451	59,740	66,989	43,365	43,060
<i>Operating Expense---Customer Service</i>							
<i>Operating Expense---Administrative</i>							
920-003	Accrued Vacation	3,491	8,650	(7,265)	17,563	17,563	5,610
921-001	Office supplies and Expen	21,909	30,556	45,193	67,612	48,137	36,449
921-005	Plant Expense	9,213	22,067	12,089	7,476	-	12,711
921-006	Utilities Expense	16,295	9,306	14,998	16,626	11,434	13,008
923-006	O/S-General Regulatory Accounting	13,238	28,078	51,019	33,469	13,388	26,430
923-013	O/S-General Regulatory Legal	48,811	29,739	35,843	29,227	21,551	33,986
923-019	Accounting	41,739	36,406	32,380	37,581	51,577	37,027
923-020	Accounting-Audit	29,588	25,694	29,719	37,319	31,863	30,580
926-002	Travel And Misc. Expense	5,748	4,352	7,452	3,828	5,046	5,345
926-007	Health Ins-Deductible Payable	8,000	3,380	5,288	3,071	3,872	3,913
930-025	Environmental	59,046	37,461	90,938	48,838	27,850	53,824
<i>Maintenance Expense---Power Production</i>							
553-201	Small Tools	9,969	3,786	6,464	5,312	-	6,383
553-206	Maint General Plant	4,850	1,748	4,158	28,292	26,402	9,762
553-209	General Maintenance	3,806	5,429	3,405	13,217	14,552	6,464
553-222	Cellular Tower Maint & Expense	7,885	16	16,824	12,588	-	9,328
554-203	Misc.	584	1,868	992	581	-	1,006
<i>Maintenance Expense---Distribution System</i>							
549-104	Truck Repair	5,805	21,612	41,510	37,256	28,697	26,546
549-105	Supplies	24,245	18,971	19,443	19,993	19,993	20,663
593-206	Storm Damage Repairs	-	102,130	175	65,629	65,629	55,978
<i>Taxes</i>							-
<i>Depreciation</i>							
<i>Other Deductions</i>							
<i>Interest Expenses</i>							
TOTAL EXPENSES							466,962
		320,133	409,552	535,691	568,264	466,172	

EXPENSES LEFT AT TEST YEAR LEVELS
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-4
Page 3 of 4

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18	ADJUSTED TEST
<u>Accounts with Reviewed and Normalized with Test Year Adjustment</u>							
EXPENSES							
<i>Power Production/Purchase-Pass thru Expenses</i>							
<i>Operating Expense---Power Production</i>							
<i>Operating Expense---Distribution</i>							
586-103	Meters-Data Services	-	16,978	28,229	20,976	23,312	24,658
<i>Operating Expense---Customer Service</i>							
<i>Operating Expense---Administrative</i>							
923-000	O/S-Outside Services	1,338	13,199	28,293	61,361	65,059	7,239
924-000	General Liability Ins	186,999	211,534	200,382	185,946	167,820	185,000
928-001	Reg Comm Exp	23,991	23,378	26,272	29,954	2,719	29,954
<i>Maintenance Expense---Power Production</i>							
551-202	Maint. Of Gen & Elect Plt	1,388	1,018	2,480	585	7,200	8,568
553-221	Haz. Waste Store/Remove/Hd	7,846	2,575	45,647	48,347	36,211	5,210
<i>Maintenance Expense---Distribution System</i>							
<i>Taxes</i>							
<i>Depreciation</i>							
<i>Other Deductions</i>							
<i>Interest Expenses</i>							
TOTAL EXPENSES							260,629

EXPENSES LEFT AT TEST YEAR LEVELS
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-4
Page 4 of 4

ACCT. #	BUDGET ACCOUNT DESCRIPTION	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FYE 12/31/18	ADJUSTED TEST
<u>Remaining Accounts left at FYE 12/31/19 level</u>							
<i>EXPENSES</i>							
<i>Power Production/Purchase-Pass thru Expenses</i>							
<i>Operating Expense---Power Production</i>							
549-109	Miscellaneous	31	1,025	-	356	406	406
<i>Operating Expense---Distribution</i>							
<i>Operating Expense---Customer Service</i>							
916-001	Education and Training	-	-	12,478	8,116	12,101	12,101
<i>Operating Expense---Administrative</i>							
921-004	Trash Removal	7,085	6,516	10,685	6,434	5,785	5,785
921-007	Telephone Expense	13,417	21,856	14,920	19,863	30,240	30,240
923-005	O/S-Payroll Processing	2,704	3,081	3,528	3,982	4,583	4,583
923-022	Accounting-Bookkeeping	30,064	30,416	30,350	30,291	30,281	30,281
926-001	Employee Pension	55,500	58,500	78,500	91,500	91,500	91,500
<i>Maintenance Expense---Power Production</i>							
553-204	Maint. Of Structures	35,488	4,461	3,313	7,060	4,718	4,718
553-200	Major Engine Maintenance	146,517	274,869	48,922	383	2,405	2,405
553-213	General Engine Maintenance	25,001	18,556	11,626	6,940	5,856	5,856
<i>Maintenance Expense---Distribution System</i>							
554-201	Gasoline	11,479	12,620	13,000	11,115	10,125	10,125
<i>Taxes</i>							
408-071	Registrations	1,202	625	9,957	864	841	841
<i>Other Deductions</i>							
426-052	Advertising	-	-	-	-	274	274
426-054	Misc other expenses	-	-	-	717	112	112
426-056	Bank Service Fees	657	807	596	1,298	2,142	2,142
426-057	Finance Charges	252	83	193	173	147	147
<i>Interest Expenses</i>							
427-003	Interest - Other	6,859	3,808	0	8,385	14,476	14,476
<i>TOTAL EXPENSES</i>		336,256	437,221	238,067	197,475	215,991	215,991

Average of 15,16,17 & 18 | 302,254.83

RATE YEAR COMPENSATION EXPENSES
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-5

ACCT. #	BUDGET ACCOUNT DESCRIPTION	ADJUSTED TEST YEAR	Adjustments	ADJUSTED RATE YEAR
EXPENSES				
<i>Operating Expense---Power Production</i>				
546-100	Supervision P/R Only	\$ -	\$ -	\$ -
548-101	Fuel Procurement P/R Only	0	0	0
549-101	Watchman P/R Only	0	0	0
549-103	Inside Maint. P/R Only	74,860	32,259	107,119
549-108	Maint Station Equip. P/R Only	67,355	29,025	96,380
<i>Operating Expense---Distribution</i>				
580-100	Supervision - P/R Only	0	0	0
583-101	Overhead Lines - P/R Only	148,996	57,985	206,981
586-101	Meters - P/R Only	4,695	1,827	6,522
587-100	Customers Install P/R Only	0	0	0
588-101	St Lights & Sign P/R Only	0	0	0
588-102	Misc. Distrib. P/R Only	0	0	0
<i>Operating Expense---Customer Service</i>				
902-000	Meter Reading - P/R Only	643	(643)	0
903-000	Rec & Collection - P/R Only	49,023	5,631	54,653
<i>Operating Expense---Administrative</i>				
920-001	Office Salaries - P/R Only	13,166	1,512	14,678
920-004	Vacation Pay - P/R Only	34,814	(34,814)	0
920-005	Holiday Pay - P/R only	12,032	(12,032)	0
920-006	Holiday Not Worked - P/R Only	4,790	(4,790)	0
920-007	Sick Leave Pay - P/R Only	8,405	(8,405)	0
920-008	Personal Pay - P/R Only	4,357	(4,357)	0
920-012	Admin & Management - PR Only	152,481	5,117	157,597
926-004	Bonus - P/R Only	10,027	(10,027)	0
<i>Maintenance Expense---Power Production</i>				
551-201	Supervision - P/R Only	3,252	(3,252)	0
553-203	Maintenance Of Struct P/R Only	6,528	(6,528)	0
<i>Maintenance Expense---Distribution System</i>				
590-200	Supervision - P/R Only	0	0	0
593-202	Overhead Lines - P/R Only	93,641	36,442	130,083
593-205	Fire Damage Repairs-PR	2,661	(2,661)	0
593-207	Storm Damage Repairs-PR	0	0	0
595-202	Underground - P/R Only	0	0	0
598-201	Meters - P/R Only	0	0	0
<i>Debt Service and Capital Expenditures</i>				
	<i>Capitalized Labor</i>	158,540	(158,540)	0
		<u>\$ 850,266</u>	<u>\$ (76,252)</u>	<u>\$ 774,014</u>

**RATE YEAR COMPENSATION & EMPLOYER MATCH
BLOCK ISLAND UTILITY DISTRICT**

Schedule DGB-RY-5a

Employee Position	Test Year Compensation Overtime Included by employee	Test Year Compensation Overtime budgeted separately		Rate Year Base Compensation	Rate Year Overtime Compensation	Rate Year Compensation
<i>Administration and Customer Service</i>						
President and CEO	\$ 155,437	\$ 155,437		\$ 157,597	\$ -	\$ 157,597
COO	98,459	98,459		-	-	-
Billing/Office Staff	69,024	57,131		59,987	9,344	69,331
Office Staff Assistant temp	1,451	1,451		-	-	-
<i>Operations</i>				-	-	-
Utility Worker	102,187	102,187		106,536	-	106,536
Utility Worker	94,879	94,879		96,963	-	96,963
Utility Worker Temp	16,149	16,149		-	-	-
Lead Line worker	121,331	105,622		110,288	16,981	127,269
Line worker 1st class	111,870	94,382		100,417	17,887	118,304
line worker 3rd class	79,479	67,636		83,041	14,971	98,013
Overtime & Standby		56,933				
<i>Total Compensation</i>	\$ 850,266	\$ 850,266		\$ 714,831	\$ 59,183	\$ 774,014

Hourly Rate

	Test Year rate	Interim Year rate		Rate Year rate
<i>Administration and Customer Service</i>				
President and CEO	\$73.92	\$73.92	2.5%	\$75.77
COO	\$66.53	\$0.00	2.5%	\$0.00
Billing/Office Staff	\$27.18	\$28.00	3.0%	\$28.84
Office Staff Assistant temp	\$15.00	\$0.00	2.5%	\$0.00
<i>Operations</i>				
Utility Worker	\$48.70	\$49.97	2.5%	\$51.22
Utility Worker	\$44.37	\$45.48	2.5%	\$46.62
Utility Worker Temp	\$27.00	\$0.00	2.5%	\$0.00
Lead Line worker	\$50.47	\$51.73	2.5%	\$53.02
Line worker 1st class	\$45.95	\$47.10	2.5%	\$48.28
line worker 3rd class	\$34.00	\$38.95	2.5%	\$39.92
Overtime & Standby				

Overtime Hours

	Test OT Hours	RY OT Hours
<i>Administration and Customer Service</i>		
President and CEO	0	0
COO	0	0
Billing/Office Staff	296	216
Office Staff Assistant temp	0	0
<i>Operations</i>	0	0
General Plant Operator	0	0
General Plant Operator	0	0
General Plant Operator temp	0	0
Distribution System Operator	216	214
Distribution System Operator	263	247
Distribution System Operator	250	250

**RATE YEAR EMPLOYEE BENEFITS
BLOCK ISLAND POWER COMPANY**

Schedule DGB-RY-6

Employee	plan	# of Months benefits were received between June18-Feb19	# of Months benefits were received between Mar19-May19	Plan rate between June18-Feb19	Plan rate between Mar19-May19	Rate Year	Rate Year Coshare
<u>Medical & Vision</u>							
President and COO	Family	9	3	\$ 1,704.51	\$ 1,704.51	\$ 20,454.12	\$ 4,090.82
		0	0	0.00	0.00	0.00	0.00
Billing/Office Staff	Individual	9	3	778.73	778.73	9,344.76	1,868.95
Office Staff Assistant temp		0	0	0.00	0.00	0.00	0.00
General Plant (S/S)		9	3	0.00	0.00	0.00	0.00
General Plant Operator		9	3	2,443.69	2,443.69	29,324.28	5,864.86
General Plant Operator temp		0	0	0.00	0.00	0.00	0.00
Distribution System Operator		9	3	0.00	0.00	0.00	0.00
Distribution System Operator		9	3	1,340.29	1,340.29	16,083.48	3,216.70
Distribution System	Individual	9	3	456.72	456.72	5,480.64	1,096.13
				Total Medical & Vision		\$ 80,687.28	\$ 16,137.46
<u>Dental</u>							
President and COO	Family	9	3	\$ 66.96	\$ 66.96	\$ 803.52	\$ 160.70
		0	0	0.00	0.00	0.00	0.00
Billing/Office Staff	Individual	9	3	33.48	33.48	401.76	80.35
Office Staff Assistant temp		0	0	0.00	0.00	0.00	0.00
General Plant (S/S)		9	3	0.00	0.00	0.00	0.00
General Plant Operator		9	3	66.96	66.96	803.52	160.70
General Plant Operator temp		0	0	0.00	0.00	0.00	0.00
Distribution System Operator		9	3	0.00	0.00	0.00	0.00
Distribution System Operator		9	3	84.48	84.48	1,013.76	202.75
Distribution System	Individual	9	3	33.48	33.48	401.76	80.35
					Total Dental	\$ 3,424.32	\$ 684.86
		# of Months benefits were received between June18-Feb19	# of Months benefits were received between Mar19-May19	Plan rate between June18-Feb19	Plan rate between Mar19-May19		
Distribution System	Medical Monthly Reimb	9	3	904.98	904.98	10,859.76	0.00
				Total Benefit		\$ 94,971.36	\$ 16,822.32

RATE YEAR PENSION EXPENSE
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RY-7

Employee	RATE YEAR COMPENSATION	COMPENSATION FOR ELIGIBLE EMPLOYEES
President and CEO	\$ 157,597	\$ 157,597
COO	0	0
Billing/Office Staff	69,331	69,331
Office Staff Assistant temp	0	0
General Plant Operator	106,536	106,536
General Plant Operator	96,963	96,963
General Plant Operator tem	0	0
Distribution System Operato	127,269	127,269
Distribution System Operato	118,304	118,304
Distribution System Operato	98,013	98,013
	\$ 774,014	\$ 774,014

Rate Year Total Payroll \$ 774,014

Employer 401k contribution rate 3%

Employer 401k contribution \$ 23,220

Schedule DGB-RY-8

Employee	RATE YEAR COMPENSATION	FICA TAX	MEDICARE	RI ES & JDF TAX	RATE YEAR PAYROLL TAX
President and CEO	\$ 157,597	\$ 8,240	\$ 2,285	\$ 266	\$ 10,791
COO	0	0	0	0	0
Billing/Office Staff	69,331	4,299	1,005	266	5,570
Office Staff Assistant temp	0	0	0	0	0
General Plant Operator	106,536	6,605	1,545	266	8,416
General Plant Operator	96,963	6,012	1,406	266	7,684
General Plant Operator tem	0	0	0	0	0
Distribution System Operato	127,269	7,891	1,845	266	10,002
Distribution System Operato	118,304	7,335	1,715	266	9,316
Distribution System Operato	98,013	6,077	1,421	266	7,764
	\$ 774,014	\$ 46,458	\$ 11,223	\$ 1,862	\$ 59,543

Test Year Payroll Tax	\$ 63,809
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Rate Year Payroll Tax	\$ 59,543
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Rate Year Adjustment	\$ (4,267)
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Proposed Rates -
RATE YEAR REVENUE - REVENUE PROOF
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RP-1

ACCT. #	BUDGET ACCOUNT DESCRIPTION	ADJUSTED Rate YEAR (DGB-RY-2)	RATE YEAR Increase	RATE YEAR With Increase (DGB-RP-2 Thru DGB-RP-5)	ADJUSTED RATE YEAR BY REVENUE		
REVENUE					Reclass Residential	Reclass General	Reclass Demand
<i>Operating Revenue---Rate Revenue</i>					\$ 927,743		
440-001	Residential-Plant/Distribution Charge	\$ 918,843	8,899	\$ 927,743			
442-101	Commercial-Plant/Distribution Charge	272,955	13,697	286,653		286,653	
442-201	Demand Customers-Plant/Distribution Charge	1,045,713	(113,882)	931,831			931,831
444-001	Public Authority-Plant/Distribution Charge	0	0	0			
	Residential-eff						
	Charge	0	24,052	24,052	24,052		
	Commercial-eff						
	Charge	0	6,114	6,114		6,114	
	Demand Customers-eff						
	Charge	0	29,923	29,923			29,923
445-000	Street Lighting	6,985	0	6,985			
456-001	Customer Charge- All Rate Classes	303,285	(17,709)	285,576	171,240	37,920	76,416
456-002	Demand - All Rate Classes	285,868	52,016	337,884			337,884
456-004	System Charge- All Rate Classes	94,482	(3,107)	91,375	75,875	15,500	0
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,928,133	4	2,928,137	1,198,910	346,187	1,376,055
<i>Total Other Revenue</i>		363,204	0	363,204			
TOTAL REVENUE		\$ 3,291,337		\$ 3,291,341			
Total Revenue Requirement per DGB-RY-1				3,291,336			
			variance	6			

Rates per RLC Testimony - Exhibit RLC-2

RESIDENTIAL	
Rate:	
Customer Chg	\$10.00 /Month
Plt-Distr Chrg-Pk	\$0.2850 /kWh
Plt-Distr Chrg-Shoulder	\$0.1425 /kWh
Plt-Distr Chrg-OffPk	\$0.0895 /kWh
System	\$25.0000
Efficiency Chg -Shoulder	\$0.00395 /kWh
Efficiency Chg -Peak	\$0.0100 /kWh
COMMERCIAL	
Rate:	
Customer Chg	\$10.00 /Month
Plt-Distr Chrg-Pk	\$0.3410 /kWh
Plt-Distr Chrg-Shoulder	\$0.1710 /kWh
Plt-Distr Chrg-OffPk	\$0.1070 /kWh
System	\$25.0000
Efficiency Chg -Shoulder	\$0.00395 /kWh
Efficiency Chg -Peak	\$0.0100 /kWh
Street Lighting	0.0% Increase
GENERAL SERVICE	
Rate:	
Customer Chg	\$32.00 /Month
Plt-Distr Chg-Pk	\$0.2500 /kWh
Plt-Distr Chrg -Shoulder	\$0.1200 /kWh
Plt-Distr Chg-OffPk	\$0.0800 /kWh
kW -Pk	\$9.25 /kW
kW-Shoulder	\$9.25 /kW
kW-OffPk	\$9.25 /kW
Efficiency Chg -Shoulder	\$0.00395 /kWh
Efficiency Chg -Peak	\$0.0100 /kWh

Impact to Customer Class -Total, General and Efficiency Increase

Total per DGB-RY-2	1,199,156	346,064	1,375,926
variance	(246)	123	129
	-0.02%	0.04%	0.01%
General Increase	1,174,858	340,073	1,346,131
at current rates	1,199,156	346,064	1,375,926
	(24,298)	(5,992)	(29,795)
	-2.03%	-1.73%	-2.17%
Efficiency Increase	24,052	6,114	29,923
	2.01%	1.77%	2.17%

Proposed Rates - Detail of Revenues by Source,
Tariff & Rate Class - REVENUE PROOF
BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RP-2

		<u>Plant & Distribution Charge</u>		<u>Efficiency Charge</u>	
		(DGB-RY-2a2)		(DGB-RP-1)	Rate Year
		Rate Year	(DGB-RP-1)	Proposed	Proof
		Count or Usage	Proposed	Proposed	Proof
<u>Plant & Distribution Charge</u>					
<i>Residential (Rate "R")</i>					
January	399,020	\$	0.0895	\$	35,712
February	302,164	\$	0.0895	\$	27,044
March	332,174	\$	0.0895	\$	29,730
April	334,434	\$	0.0895	\$	29,932
May	381,594	\$	0.1425	\$	54,377
June	513,567	\$	0.1425	\$	73,183
July	774,185	\$	0.2850	\$	220,643
August	903,754	\$	0.2850	\$	257,570
September	550,606	\$	0.1425	\$	78,461
October	395,335	\$	0.1425	\$	56,335
November	360,759	\$	0.0895	\$	32,288
December	362,768	\$	0.0895	\$	32,468
	<u>5,610,361</u>			<u>\$</u>	<u>927,743</u>
					<u>\$</u> 24,052
<i>Commercial General Srv. (Rate "G")</i>					
January	93,625	\$	0.1070	\$	10,018
February	88,578	\$	0.1070	\$	9,478
March	86,943	\$	0.1070	\$	9,303
April	81,438	\$	0.1070	\$	8,714
May	174,271	\$	0.1710	\$	29,800
June	116,819	\$	0.1710	\$	19,976
July	204,017	\$	0.3410	\$	69,570
August	202,298	\$	0.3410	\$	68,984
September	130,902	\$	0.1710	\$	22,384
October	97,322	\$	0.1710	\$	16,642
November	97,223	\$	0.1070	\$	10,403
December	106,369	\$	0.1070	\$	11,381
	<u>1,479,803</u>			<u>\$</u>	<u>286,653</u>
					<u>\$</u> 6,114
<i>Commercial Demand Srv. (Rate "D")</i>					
January	299,910	\$	0.0800	\$	23,993
February	245,215	\$	0.0800	\$	19,617
March	266,675	\$	0.0800	\$	21,334
April	292,760	\$	0.0800	\$	23,421
May	463,433	\$	0.1200	\$	55,612
June	714,965	\$	0.1200	\$	85,796
July	974,244	\$	0.2500	\$	243,561
August	1,114,091	\$	0.2500	\$	278,523
September	708,425	\$	0.1200	\$	85,011
October	401,810	\$	0.1200	\$	48,217
November	291,776	\$	0.0800	\$	23,342
December	292,562	\$	0.0800	\$	23,405
	<u>6,065,865</u>			<u>\$</u>	<u>931,831</u>
					<u>\$</u> 29,923

Proposed Rates - Detail of Revenues by Source,
Tariff & Rate Class - REVENUE PROOF
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RP-3

<i>Customer Charge</i>	(DGB-RY-2b2) Count or Usage	(DGB-RP-1) Proposed	Rate Year Proof
Residential (Rate "R")			
January	1,427	\$ 10.00	\$ 14,270
February	1,427	\$ 10.00	\$ 14,270
March	1,427	\$ 10.00	\$ 14,270
April	1,427	\$ 10.00	\$ 14,270
May	1,427	\$ 10.00	\$ 14,270
June	1,427	\$ 10.00	\$ 14,270
July	1,427	\$ 10.00	\$ 14,270
August	1,427	\$ 10.00	\$ 14,270
September	1,427	\$ 10.00	\$ 14,270
October	1,427	\$ 10.00	\$ 14,270
November	1,427	\$ 10.00	\$ 14,270
December	1,427	\$ 10.00	\$ 14,270
	17,124		\$ 171,240
Commercial General Srv. (Rate "G")			
January	316	\$ 10.00	\$ 3,160
February	316	\$ 10.00	\$ 3,160
March	316	\$ 10.00	\$ 3,160
April	316	\$ 10.00	\$ 3,160
May	316	\$ 10.00	\$ 3,160
June	316	\$ 10.00	\$ 3,160
July	316	\$ 10.00	\$ 3,160
August	316	\$ 10.00	\$ 3,160
September	316	\$ 10.00	\$ 3,160
October	316	\$ 10.00	\$ 3,160
November	316	\$ 10.00	\$ 3,160
December	316	\$ 10.00	\$ 3,160
	3,792		\$ 37,920
Commercial Demand Srv. (Rate "D")			
January	199	\$ 32.00	\$ 6,368
February	199	\$ 32.00	\$ 6,368
March	199	\$ 32.00	\$ 6,368
April	199	\$ 32.00	\$ 6,368
May	199	\$ 32.00	\$ 6,368
June	199	\$ 32.00	\$ 6,368
July	199	\$ 32.00	\$ 6,368
August	199	\$ 32.00	\$ 6,368
September	199	\$ 32.00	\$ 6,368
October	199	\$ 32.00	\$ 6,368
November	199	\$ 32.00	\$ 6,368
December	199	\$ 32.00	\$ 6,368
	2,388		\$ 76,416
Total (All Rate Classes)			\$ 285,576

Proposed Rates - Detail of Revenues by Source,
Tariff & Rate Class - REVENUE PROOF
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RP-4

	(DGB-RY-2c2)			
	Rate Year Monthly Count	Rate Year Peak Demand Ratchet KW Usage	(DGB-RP-1) Proposed	Rate Year Proof
<u><i>Demand Charge</i></u>				
<i>Commercial Demand Srv. (Rate "D")</i>				
January	1,058	3,044	\$ 9.2500	\$ 28,157
February	702	3,044	\$ 9.2500	\$ 28,157
March	1,033	3,044	\$ 9.2500	\$ 28,157
April	1,262	3,044	\$ 9.2500	\$ 28,157
May	2,012	3,044	\$ 9.2500	\$ 28,157
June	2,853	3,044	\$ 9.2500	\$ 28,157
July	3,024	3,044	\$ 9.2500	\$ 28,157
August	3,044	3,044	\$ 9.2500	\$ 28,157
September	2,372	3,044	\$ 9.2500	\$ 28,157
October	1,662	3,044	\$ 9.2500	\$ 28,157
November	1,218	3,044	\$ 9.2500	\$ 28,157
December	969	3,044	\$ 9.2500	\$ 28,157
		36,528		\$ 337,884
<i>Total (All Rate Classes)</i>				\$ 337,884

Proposed Rates - Detail of Revenues by Source,
Tariff & Rate Class - REVENUE PROOF
 BLOCK ISLAND UTILITY DISTRICT

Schedule DGB-RP-5

	(DGB-RY-2d) Count or Usage	(DGB-RP-1) Proposed	Rate Year Proof
<hr/> <i>System Charge</i> <hr/>			
<i>Residential (Rate "R")</i>			
June	566	\$ 25.00	\$ 14,150
July	882	\$ 25.00	\$ 22,050
August	967	\$ 25.00	\$ 24,175
September	620	\$ 25.00	\$ 15,500
	<hr/> 3,035 <hr/>		<hr/> \$ 75,875 <hr/>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	\$ 25.00	\$ 3,000
July	174	\$ 25.00	\$ 4,350
August	194	\$ 25.00	\$ 4,850
September	132	\$ 25.00	\$ 3,300
	<hr/> 620 <hr/>		<hr/> \$ 15,500 <hr/>
 <i>Total (All Rate Classes)</i>			 <hr/> \$ 91,375 <hr/>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT : DOCKET No: _____

ATTESTATION OF FINANCIAL DATA PURSUANT TO RULE 5.7

I, David G. Bebyn, CPA, President of B & E Consulting, L.L.C., and assistant bookkeeper for the Block Island Utility District (signing on behalf of the financial officer), do hereby attest to the accuracy of the test year financial data presented in the cost of service and other financial statements; that such data purports to reflect the books of the District, 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 District's books during the test year, have been expressly noted.

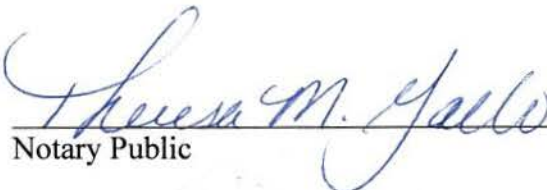
Date: September 26, 2019



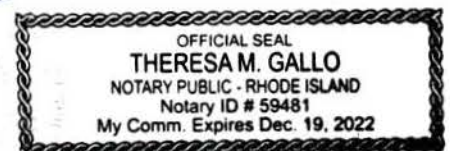
David G. Bebyn

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

Sworn to and subscribed before me by David Bebyn, this 26th day of September, 2019.



Notary Public



Direct testimony of Richard LaCapra, and Exhibits

Direct Testimony

of

Richard La Capra

For

Block Island Utility District d/b/a Block Island Power Company

September, 2019

1 **Q. PLEASE STATE YOUR NAME, ADDRESS AND AFFILIATION.**

2 A. My name is Richard La Capra. My business address is 2109 Broadway, New York, New
3 York 10023 and I am working on behalf of the Block Island Utility District ("BIUD").

4
5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

6 A. I will present a cost of service study by customer classification using rate year expenses
7 and the capital requirements of the BIUD. Based on the results of the cost of service, I
8 will present a set of proposed rates and charges which BIUD would like to put into effect
9 before June 1, 2020. Along with the base rate proposal, I will present a recovery
10 mechanism for an energy efficiency program which the BIUD would like to begin on
11 approval. Lastly, I will present the impact of the proposed rates on each class customer
12 under different usage scenarios.

13
14 **Q. PLEASE DESCRIBE YOUR EXPERIENCE.**

15 A. I am an analyst specializing in energy and regulatory issues. My work has spanned over
16 30 years and a wide variety of utility issues in water, gas, and electricity. My experience
17 included professional positions with the Pennsylvania-New Jersey-Maryland
18 interconnection ("PJM") and various utility service companies in the American Electric
19 Power Company system. In 1980, I formed La Capra Associates to bring specialized
20 services to managers and governmental policy makers within the utility industry. In
21 2006, I left the management of the company to pursue a private practice in the industry.
22 I have included as Attachment 1 an overview of my work.

23

24

I. SUMMARY

Q. PLEASE SUMMARIZE YOUR RESULTS.

A. The BIUD has undertaken an ambitious capital improvement plan as well as many operational improvements. Despite this progress there is no need at this time for an increase in the revenues produced by the existing base rates. Thus, the total rate year revenue requirement of \$2,928,132 forms the basis for the revenue target for the proposed rates and charges. This total revenue requirement is described in detail in the direct testimony of David Bebyn, CPA.

Although there is no rate increase being proposed, I am presenting a cost of service study to assess each individual class' relative responsibility for total company costs. The cost of service does indicate some variation among classes with the commercial and general service classes contributing an above average return but the residential class contributing less than its full cost of service. Since the company is proposing no increase in rates, I am recommending that there be no increase to any class of service as well. The cost of service as shown, however, can be viewed as a benchmark for future evaluation.

In the course of this work, the various "public authority" classes of service were eliminated and placed in their load-applicable class; i.e. Commercial or General Service. As a result, the cost of service computed a revenue requirement for four classes of service, residential ("R"), commercial ("C"), general service ("GS") and street lighting/signal systems ("SL").

1 The cost of service also includes \$120,000 for energy efficiency initiatives of which half
2 will be funded through a grant and half will be recovered through a proposed energy
3 efficiency surcharge. This surcharge is proposed to be collected as \$.01/kWh in July and
4 August and \$.00395/kWh in May, June, September and October. The energy efficiency
5 surcharge collection is external to the base rate.

6
7 The rate design proceeded from the cost of service and proposes several changes from
8 the present rate format. Each of these changes is intended to better match the cost of
9 service, to meet, to the extent practicable, the objectives put forth in the Commission's
10 Order in Docket 22851, and to reflect the realities of an island system. Among the major
11 changes are, as noted, the elimination of public authority classes; the development of
12 three rather than the current two seasonal rate periods, (i.e., a peak period of July and
13 August; a shoulder period of May, June, September and October; and an off-peak period
14 of all other months)¹, and moving domestic customers from the general service class to
15 the residential class.

16 17 II. DISCUSSION

18 A. Cost of Service

19 20 Q. PLEASE DESCRIBE YOUR COST OF SERVICE APPROACH.

21 A. The cost of service first consolidated the loads and billing data for the public service rates
22 into the load appropriate commercial or general service rate. This was done to remove an
23 old, and non-cost based, distinction between public and private loads. Also, for simplicity,
24 the small street lighting and signal systems load and revenue (\$6,925) was computed as

¹ Note: Currently the BIUD rates have a peak rate period of June, July, August and September and an off-peak rate period for all other months.

1 part of the commercial class. Lastly, domestic customers which were previously split
2 between the residential and the general service rates were all placed into the residential
3 rate.

4
5 I then proceeded to allocate the total company revenue requirement among the now three
6 classifications of service; - residential, commercial and general service. The allocations
7 were developed first from the loads, revenues and customer counts for each class. The
8 loads were the contribution of each class to total energy, individual customer demands and
9 the contribution to the BIUD system peak. The customer counts were based on the
10 number of customers or the weighted number of customers, the latter being developed due
11 to the 50 three-phase customers in the general service class which would have higher
12 customer related costs, e.g., meter installations or service drops, than a basic single phase
13 customer. The revenue allocations were based on either total revenues or base revenues.
14 This group of allocations is collectively referred to as the external allocations.

15
16 Along with the external allocations, a series of internal allocations was computed at various
17 points in the cost of service. These allocations were based on the composite accounts
18 which themselves are the basis for apportioning other costs. These composite accounts
19 are, for example, total operations and maintenance expense, production, distribution and
20 customer accounting labor, and plant in service. External allocations such as labor were
21 used to apportion many administrative and general costs and plant accounts were used to
22 apportion many insurance and capital costs.

23
24 **Q. PLEASE EXPLAIN HOW YOU DEVELOPED THE LOAD BASED ALLOCATIONS**
25 **FROM THE AVAILABLE DATA.**

1 A. The load-based allocations were energy, customer demand, and contribution to
2 coincident peak. The energy component was the monthly kWh usage of each customer
3 class. The maximum customer demands were based on existent data with some
4 estimations. For example, the general service class is demand metered. The public
5 authority customers which have been folded into the general service class are also
6 demand metered, so this class data relied on actual metered data for their customer
7 demand allocation.

8
9 As noted, the existing domestic customers are split between the residential rate and the
10 general service rate, so a good portion of the residential customers have metered
11 demand data. This served as a proxy for the majority, non-metered residential
12 customers. The residential load factors cluster in the low-20% range and averaged 23%
13 so this average monthly load factor of the demand metered residential customers was
14 used to impute the demands of those residential customer with only watthour meters. I
15 believe the estimation produced a reasonable result given these typical residential load
16 factors. There is, however, arguably a chance of somewhat overstating average
17 demand of the residential customers because their demand calculation is based on the
18 larger customers in the class who are likely to be more seasonal, i.e., lower load factor
19 than the more consistent, year-round customer.²

20
21 The commercial class customer demands were based on the load factors of the general
22 service (and public authority) customers. The demands of the commercial customers
23 are estimated but the load factors used for these estimates are typical for smaller
24 commercial customers.

² This is especially true of customers with air conditioning load. While, at this point, residential air conditioning is not uncommon on the island, it is likely to increase over time.

1
2 **Q. HOW DID YOU DETERMINE THE CONTRIBUTION OF EACH CLASS TO THE BIUD**
3 **PEAK?**

4 A. At this point, there were no direct measurements for the contribution of each class to the
5 system peak load, but unlike the maximum customer demands, for which the absolute
6 total is unknown, the total of each class' contribution is the monthly system peak. Given
7 that the class' load factors have been computed, the calculation relied on the long-
8 trusted set of relationships between load factor and coincident factor. This relationship,
9 known as a Bary Curve, is an S-curve ranging from load factor-coincidence factor (0,0)
10 to (1.0,1.0). An analytical representation is $CF = (EXP)^{(LF \cdot C)}$ where "C" is a constant
11 which can range from .2 to .3. For this estimation, a constant of "0.2" was used for the
12 non-peak periods and "0.3" was used for the peak periods since the higher constant
13 yields a higher coincidence factor as a function of load factor. This calculation was
14 made for each month and the individual classes are adjusted (prorata) to match the
15 actual system peak. Overall the match was good. It is, however, an estimate based on
16 industry wide load research. Of note, it may be, in the case of BIUD, that the
17 commercial class' contribution to peak is understated since much of the commercial
18 activity on the island follows the highest load times of the system. Appendix I shows the
19 formulization of each of these calculations.
20

21 **Q. WHY DID YOU USE THESE VARIOUS ESTIMATES WHEN THE BIUD HAS ACTUAL**
22 **AMI METERED DATA FOR ALL ITS CUSTOMERS?**

23 A. The BIUD has installed AMI meters which can read hourly loads of each of its customers
24 and transmit this information to collection points on the island. Jeffery Wright, the
25 President of BIUD, has explained the installation and operation of these meters. The
26 software, however, was not in place in time to be used in this case. The data only began

1 to become available in September of 2018 and even then, it was not yet able to be
2 distilled into reliable results. Fortunately, the system is now functioning as hoped and
3 detailed data will be available for both cost analysis and ratemaking in the next full rate
4 case.

5
6 **Q. PLEASE EXPLAIN HOW THE COST OF SERVICE BY CLASS OF CUSTOMER**
7 **PROCEEDED FROM THIS POINT.**

8 A. After establishing the load-based allocations, the individual account line items in the
9 total cost of service provided by David Bebyn, CPA were apportioned to each class. As
10 noted, in the flow of this work various external allocations were developed based on
11 expenses, labor or plant. Each major expense category was allocated and totaled; -
12 Operations and Maintenance Expense, Taxes and Other expenses, Debt service and
13 Capital Requirements. The total of these cost are the expenditures of the BIUD.
14 Deducted from the total expenditures was Other Income, which reduces the rate
15 revenue needs of the BIUD due to recurring income from other sources. The total
16 expenditures less other income is the total cost of service or rate revenue requirement of
17 the BIUD.

18
19 The allocated cost of service study yielded the cost based revenue requirement for each
20 class of service and indicated whether the current rate revenue was adequately
21 recovering these costs. Specifically, the cost of service indicated that the current
22 residential rate is not recovering its full costs of serving it while the commercial and
23 general service rates are.

24
25 The results of the detailed cost of service and the set of allocations used in the study are
26 presented in Exhibit RLC___1. In summary, the results are shown in Table 1:

1

TABLE 1

BLOCK ISLAND UTILITY DISTRICT Cost of Service/Revenue Requirement Summary				
Category	Adjusted Rate Year	Residential	Commercial*	General Service
Total Expenses	2,421,036	1,108,289	255,179	1,057,567
Total Capital Requirement	870,300	413,250	81,599	375,450
Total Expenditures	3,291,336	1,521,539	336,778	1,433,017
Other Income	363,204	176,512	40,237	146,454
Cost of Service/Revenue Requirement	2,928,132	1,345,027	296,540	1,286,563
Current Rate Revenue	2,928,132	1,199,156	353,049	1,375,927

*Includes Street Lighting

2

3 The total cost of service indicated no overall revenue deficiency although each class
 4 shows a differing level of return. Because this case is primarily focused on BIUD's
 5 overall costs going forward and moving to a structurally different rate design, as well as
 6 being revenue neutral, no adjustments to individual class rate revenues are being
 7 proposed. Also, the addition of more exact load data being generated from the new
 8 metering will negate the need for load estimates in the future and give greater surety to
 9 individual class returns. Lastly, the proposed rates are intended to further strengthen the
 10 signals to reduce peaks and use energy more efficiently which can impact the current
 11 relative returns among classes.

12

13 **Q. IS THE FULL RATE REVENUE OF \$2,928,132 RECOVERING ALL COSTS SHOWN**
 14 **IN THE COST OF SERVICE STUDY?**

1 A. Yes, this amount represents the full BIUD revenue requirement but is more than the
2 amount needed in the base rates. Note that the cost of service includes (in “Other
3 Expenses”) an amount of \$120,000 for an energy efficiency program the BIUD is
4 requesting approval to implement. Also note (in “Other Income”), the cost of service has
5 credited base rates with an initial \$60,000 grant it will receive for the program.³
6 Essentially the cost of service has \$120,000 of costs but only \$60,000 of associated
7 revenue. To fully fund the program, the BIUD is requesting a surcharge on the base
8 rates proposed herein. The surcharge requested is \$.00395/kWh for the months of May,
9 June, September and October; and \$.01/kWh for the months of July and August. Thus,
10 the total BIUD revenue requirement is the sum of revenues from base rates (\$2,868,132)
11 and recovery of the proposed efficiency surcharge (\$60,000) for the total of \$2,928,132
12 shown in Table 1.

13
14 The energy efficiency program which is intended to enhance to overall goals of improved
15 resource allocation and investment in plant is more fully described by Mr. Wright.

16
17 **Q. WHAT IS THE OVERALL EFFECT ON THE CUSTOMERS’ COST OF ELECTRICITY**
18 **FROM THE ENERGY EFFICIENCY SURCHARGE?**

19 A. The energy efficiency surcharge, presuming the proposed rates are put into effect, will
20 produce \$60,089 in addition to base rate revenues. On average the surcharge will add
21 2.0% to the average annual residential bill; 1.8% to the average annual commercial bill
22 and 2.2% to the average annual general service bill. The total collection from the

³ The \$60,000 grant is for one year. Afterwards, the BIUD will fund the program from the surcharge revenue of \$60,000. Of course, the BIUD intends to stay alert for opportunities which could provide additional grants.

1 efficiency surcharge service represents a 2.0% addition to base rate revenues. The
2 details of the efficiency surcharge are shown in Table 2.

3
TABLE 2

BLOCK ISLAND UTILITY DISTRICT						
Effect of the Efficiency Surcharge						
Class of Service	Annual Revenue		Peak Revenue		Shoulder Revenue	
	\$	%	\$	%	\$	%
Residential	\$24,052	2.0%	\$16,779	3.1%	\$7,272	1.4%
Commercial	\$6,114	1.8%	\$4,063	2.6%	\$2,051	1.9%
General Service	\$29,923	2.2%	\$20,884	3.7%	\$9,041	2.3%
Total Surcharge	\$60,089	2.0%	\$41,726	3.1%	\$18,363	2.1%
Total Revenue (excl Surcharge)	\$2,868,059		\$1,299,350		\$871,897	

4
5
6 The proposed energy efficiency charge will collect \$60,089 annually.

B. Rate Design

Q. PLEASE DESCRIBE EACH OF THE CHANGES BEING PROPOSED TO THE EXISTING BASE RATES.

A. 1. Three Rating Periods. Along with segmenting the cost of service into a base rate and surcharge, several structural changes are being proposed for the base rates. The current rates use a two rating period design; - the peak is June, July, August, and September and all other months are off-peak. The new proposed rates will use a three rating period design. The peak will be July and August; the shoulder months will be May, June, September and October. All other months will be off-peak. The rationale for this change is that the months of July and August are unique. The peak, and in fact the two highest annual peaks, always occur in these months. The loads and load shapes in July and August are distinct. Since there is not a realistic scenario in which the BIUD annual peak will occur in a month other than July or August, these months should be designated uniquely as the peak months. This would provide a better relationship with cost causation, customer understanding and pricing efficiency since the peak-load (highest) pricing would be confined to the "peak" times.

The periods leading up to and immediately following the peak period are also more distinct than the off-peak (basically winter) months. The loads are higher than in winter months as island activity is increasing (May, June) or winding down (September, October). These months of May, June, September and October have therefore been designated as "shoulder" months. The pricing for these months should be greater than the off-peak but well below the peak period. The shoulder months also present a transition from off-peak to peak. Absent this transition, many customers would likely experience rate shock.

1 Lastly, the winter and late fall /early spring months; January, February, March, April,
2 November and December are “off-peak.” There is low activity and the smallest electrical
3 loads on the island in these months. The pricing in this period should therefore be at its
4 lowest. This will also encourage customers to use electricity as opposed to alternative
5 (higher cost) fuels. This will promote overall resource efficiency, better match cost
6 causation (since there are no long term marginal costs associated with off-peak use on
7 the island), and aid in improving air quality.

8
9 2. One Residential Rate. The next structural change to the base rates is the
10 consolidation of the residential class. Currently, domestic users may be served on the
11 residential rate or the general service rate, depending on their size and load patterns.
12 While some cost justification argument could be made for this approach, it would be
13 more efficient to properly price the residential rate in the peak period, thereby having
14 residential customers who are larger or predominately peak load users pay their
15 appropriate share. Additionally, this shifting around on two different rate schedules is a
16 source of confusion and complaint among domestic customers and does not align these
17 customers, as stakeholders, with company goals of equity and simplicity. i.e.,
18 understandability of the pricing.

19
20 3. Elimination of Public Authority Rate Classes. The third structural change is the
21 consolidation of the commercial and general service rate classes. Traditionally, the
22 island has segregated commercial and general service applications into private and
23 public categories and charged each differently. This was common throughout the
24 industry with public rates, church rates, etc. These have largely disappeared as rate
25 classes have come to be defined by costs and loads. Similarly, the BIUD proposes to
26 consolidate like users into the same rate class; - either smaller commercial loads or

1 larger demand-metered general service load. This proposal will eliminate the two public
2 authority rate classes.

3
4 4. Demand Charge Collection. The last structural change is in the way the demand
5 charges will be collected. The peak period, as noted, is essentially the period which
6 generates all long term marginal costs. Currently, the demand registered in the peak
7 period is priced higher in that month but soon reduces as the peak pricing ends. As can
8 be seen in how companies (and the BIUD) pay for their transmission and generation
9 capacity use, the demands at the peak are driving the annual costs. As a result, the
10 proposed demand rate will charge for the demand reached in the peak period as the
11 demand for each of the following twelve months. This pricing approach, sometimes
12 referred to as a ratcheting of demand, sets the monthly demand charge for the
13 succeeding twelve months at the price of the demand rate times the demand at peak.
14 This will align the pricing with the true marginal cost as well as encourage the efficient
15 (increased) use of electricity in the off-peak months when there is no associated long
16 term marginal cost.⁴

17
18 **Q. WHAT ARE THE OVERALL GUIDING PRINCIPLES FOR THE DESIGN OF THE**
19 **RATES?**

20 A. The primary principles are the revenue adequacy for the BIUD; the efficiency of the price
21 signal, i.e., the price fairly collecting the cost burden placed on the system by each class;
22 the encouragement of efficient usage and investment by the customer and the attempt to
23 incorporate a maximum of stakeholder objectives. Along with these initial principles, the

⁴ As the metering data is developed, the BIUD intends to (1) explore in future rate cases the possibility of pricing its transmission rate based on peak contribution, similar to how it incurs this cost, and (2) explore placing the energy usage on a time-of-day basis.

Commission has outlined in Order 2291 a larger set of factors in designing rates. In the design presented herein, the BIUD has considered each of these factors and attempted to balance various competing objectives.

The practical application of these principles has guided the defining decisions on rate design:

- 1) Rates will adequately fund BIUD operations, capital expansion/replacement and efficient investments going forward;
- 2) Classes of service will be served under a single rate form;
- 3) Rate distinctions based on type ownership, e.g. public or private, will be eliminated;
- 4) Peak period usage will face a higher cost burden;
- 5) Off-peak usage will face a lower cost burden;
- 6) Peak period pricing will be confined to the two months when the peak actually occurs;
- 7) System charges are maintained for non-demand customers as a placeholder for excess (over base) usage which will be converted to a kWh charge with the new metering;
- 8) Customer charges are brought more into line with the cost of service results;
- 9) Demand customers kW charges will be based on the annual peak rather than a monthly peak, which now provides a low per kW charge in most months regardless of the peak burden the customer has placed on the system;
- 10) Energy efficiency surcharge will allow investment in new technologies to further improve the economies of electric usage on the island.

1 **Q. HOW HAS THE RATE DESIGN APPROACHED NET METERING AND**
2 **ENCOURAGED DISTRIBUTED GENERATION?**

3 A. The BIUD currently has a net metering program consistent with the Commission and
4 legislative guidelines; i.e., a reduction (payment) equal to the retail price of electricity for
5 all self-generated kWh. The BIUD load subject to net metering is currently capped at 3%
6 and is now servicing that level of self-generation.

7
8 The BIUD has no program at this time for the installation of distributed generation on the
9 island but is evaluating various options with its Board and stakeholders.

10
11 **Q. PLEASE DESCRIBE THE ULTIMATE RATE DESIGNS.**

12 A. The residential rate ("R") is a three period, two part rate:

13

14	Customer Charge	\$10.00/month
15	Plant & Distribution Charge – Peak	\$0.2850/kWh
16	Plant & Distribution Charge – Shoulder	\$0.1425/kWh
17	Plant & Distribution Charge – Off-Peak	\$0.0895/kWh
18	System Charge	\$ 25.00/Month

19

20 The rate recovers base rate revenues of \$1,174,858 plus efficiency surcharges of
21 \$24,052 for a total of \$1,198,910 versus the revenue target of \$1,199,156. The new rate
22 increases the peak to off-peak differential, compared to the current rate, from 2.6:1 to
23 3.2:1 and lowers the customer charge by \$2.38/month. The new rate maintains the
24 system charge but increases the charge from the current \$22.51 to \$25.00. This charge
25 is applied to customers whose usage in June, July, August or September is greater than

twice their usage in all other months.⁵ Along with the new base rate, an efficiency surcharge is proposed to collect \$0.01 on all kWh usage in July and August; and \$0.00395 on all kWh usage in May, June, September and October. This surcharge will apply in this form for all other classes.

The commercial rate ("C") is also a three period, two part rate:

Customer Charge	\$10.00 Month
Plant & Distribution Charge – Peak	\$0.3410/kWh
Plant & Distribution Charge – Shoulder	\$0.1710/kWh
Plant & Distribution Charge – Off-Peak	\$0.1070/kWh
System Charge	\$ 25.00/Month

The rate recovers base rate revenues of \$340,073 plus efficiency surcharges of \$6,114 for a total of \$346,187 versus a revenue target of \$ 346,064 The new rate increases the differential peak to off-peak from 2.2:1 to 3.2:1 and lowers the customer charge by \$2.38/month. The new rate maintains the system charge but decreases the charge from \$42.20 to \$25.00 since there did not appear to be any cost basis for the large disparity between peak usage for a residential versus a commercial customer.

The general service rate ("GS") is a three period, three part rate:

Customer Charge	\$32.00 Month
Plant & Distribution Charge – Peak	\$0.2500/kWh

⁵ As mentioned, this is a placeholder for a charge which will be applied on a kWh basis for peak usage. The current design suffers from the lack of distinction of the amount by which a customer's peak usage exceeds its off-peak usage.

1	Plant & Distribution Charge – Shoulder	\$0.1200/kWh
2	Plant & Distribution Charge – Off-Peak	\$0.0800/kWh
3	Peak Demand	\$ 9.25/kW
4		

5 The rate recovers base rate revenues of \$1,346,131 plus efficiency surcharges of
6 \$29,923 for a total of \$1,376,055 versus a revenue target of \$1,375,927. The new rate
7 increases the kWh differential peak to off-peak from 2.0:1 to 3.1:1 and increases the
8 customer charge by \$20.37/month consistent with results of the cost of service. The
9 new rate establishes a demand charge which is set during the peak and is charged each
10 month until adjusted (higher or lower) in the next peak season (i.e., July and August).

11
12 The street lighting rate covering street and outdoor flood lighting “Rate S” remains the
13 same recovering revenues of \$6,985 with the monthly lamp rates of:
14

15		
16	Mercury Vapor 6000 mean lumen	\$17.39/Month
17	73W LED/6800 lumens	\$ 7.37/Month
18	125 W LED/11800 lumens	\$12.61/Month
19		

20 In total the proposed rates recover \$2,928,137 as compared to the overall rate revenue
21 target of \$2,928,132.

22
23 Exhibit RLC___2 shows the total revenue recovery by rate component for each rate for
24 the current and proposed rates and a summary of the proposed rates.

Q. HOW ARE THE TYPICAL CUSTOMERS IN EACH CLASS AFFECTED BY THESE RATE CHANGES?

Exhibit RLC___3 shows a billing comparison for each rate. The billing comparison first shows the total class revenues with the current and proposed rate; next the bill comparison of an average customer under the current and proposed rate and lastly a higher and lower peak user for the residential and commercial classes and a higher and lower load factor customer for the general service class.

In summary, each class was held revenue neutral, i.e., the proposed base rate revenue plus the efficiency surcharge revenue was set equal to the current base rate revenues. For each class the total class revenues and the rate revenues of an average customer do not change⁶. Typically, however, under the proposed rates, monthly bills will be higher in May, July, August, and October and lower in every other month.

The residential customer billing was examined to see the effect on a customer more or less peak-intensive than an average user. In the case of a user with the same off-peak use but 125% of the peak use of an average customer the annual bill increase was 0.6% or \$5.83.

In the case where a customer had the same off peak use but only 75% of the peak use of the average customer, it would experience an annual bill decrease of 1.4%, or \$9.30. Because the proposed rates price the peak period more closely to its true cost, during the July and August peak, the average customer will experience a total bill increase of

⁶ In truing-up the proposed rates to the revenue targets there were tiny variations, e.g., the average residential customer's annual cost is 49¢ lower; the average commercial customer's annual cost is 26¢ higher and the average general service customer's annual cost is 64¢ higher.

1 \$65.01 for these two months. The higher peak user would see an increase in these
2 months of \$81.21 and the lower peak user would see an increase in peak billings of
3 \$46.32.

4
5 A similar variation in usage was tested for the commercial class. In the case of the more
6 peak-intensive user the billing would increase 1.3% or \$16.36. A less peak intensive
7 customer would experience a bill decrease of 0.6% or \$5.12. Also, the average
8 customer will experience a total bill increase of \$71.161 for July and August. The higher
9 peak user would see an increase in these months of \$98.26 and the lower peak user
10 would see an increase in peak billings of \$60.49

11
12 Lastly, the overall general service class and average customer would not experience an
13 increase from current rates, but customers could experience significant increases or
14 decreases based on their peak load factor. A customer improving its load factor by 10%
15 by either lowering its peak usage or increasing its off peak usage would see an annual
16 reduction of 2.54%, or \$172.84. Alternatively, the customer decreasing its load factor by
17 the same amount would experience an annual increase of 4.7%, or \$332.00⁷ The
18 average customer, however, will see an increase in billing for July and August of
19 \$148.31.

20
21 In summary, the proposed rates are a step toward better peak pricing and encouraging
22 customers to make more efficient use of off-peak energy.

23

⁷ The average load factor for the general service class is 46%; the high and low case were taken as a 10 percent swing, i.e., a load factor of 56% and 36%.

1 See Exhibit RLC___3 for a summary of the annual bills for each class under each of
2 these conditions as well as the corresponding detailed monthly billings.

3 **Q. HOW ARE THE PUBLIC AUTHORITY CUSTOMERS THAT HAVE BEEN SHIFTED TO**
4 **THE COMMERCIAL OR GENERAL SERVICE CLASS AFFECTED?**

5 A. The public authority customers shifted to the commercial or general service rate will
6 experience an increase, on average, in the 5% range. Specifically, the smaller public
7 authority customers shifted to the commercial class will, as a group, see a rate increase
8 of 4.6% or an annual increase for these 20 customers of \$926. This increase is due
9 largely to the fact that the public authority non-demand rate was forgiven the peak
10 system charge paid by the residential (\$22.51/month) and commercial customers
11 (\$42.20/month). Also, the public authority peak rate was set more than 2¢/kWh lower
12 than comparable commercial customers.

13 The rate increase for a typical customer will be 5% but can vary based on both size and
14 peak usage. A smaller customer, say half the usage of the typical customer, would see
15 a 1.8% increase whereas a larger customer, three times a typical customer, would see a
16 7.6% increase.

17
18 The situation for the demand metered public authority customer being moved to the
19 general service rate is similar. As a group, the demand metered public authority
20 customers will experience a 5.5% increase, with the typical customer seeing a 4.9%
21 increase. This represents an annual increase of \$9,176 on current revenues of
22 \$167,098. Again, this increase results from the discount afforded the demand metered
23 public authority customer. Under the current rates the demand metered general service
24 customer pays an additional \$1/kW in demand charge and over 2¢/kWh more in peak
25 usage charges.

1 The typical increase can similarly vary based on a customer's usage. A customer with a
2 higher peak load factor will experience a smaller increase and a lower load factor
3 customer a higher increase. A customer with a 10% higher load factor than the typical
4 customer (or one who improves its load factor by that amount) would realize a 2.4%
5 increase whereas one who has a worsened load factor by 10% would see a 9.6%
6 increase.

7
8 **Q. PLEASE SUMMARIZE YOUR CONCLUSIONS.**

9 A. The BIUD is presenting a class cost of service study which indicates some variations in
10 the relative returns among classes. While this study follows accepted industry
11 standards, it, of necessity, needed to rely on load and peak contribution estimates.
12 Since detailed metering data is now in place which will provide precise data for loads
13 and contributions to peak, the BIUD proposed rates are designed as revenue neutral for
14 this case. Further, the rate design has attempted to incorporate the Commission
15 standards as well as island realities and is focused on a more efficient price signal which
16 is intended to affect customer response. In all cases, the proposed rates narrow the
17 peak period, expand the peak to off peak differential, eliminate existing discounts and
18 price usage more aligned with the marginal costs of service.

19
20 Additionally, the BIUD is proposing to supplement its new pricing with active energy
21 efficiency programs. In this regard the BUID has acquired a grant for \$60,000 (half of
22 the \$120,000 earmarked for the programs); and while not increasing total rate revenues,
23 proposes to add an efficiency surcharge to the base rates to recover the remainder.

24
25 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

26 A. Yes.

BLOCK ISLAND UTILITY DISTRICT				
Cost of Service Summary				
ACCOUNT DESCRIPTION	ADJUSTED RATE YEAR	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
Operations & Maintenance				
Operations				
Production	223,169	99,560	22,572	101,037
Distribution	342,271	164,606	36,408	141,257
Customer Service	66,754	49,052	10,862	6,840
Administrative & General	1,067,687	473,120	111,447	483,120
Total Operations	1,699,882	786,338	181,289	732,254
Maintenance				
Production	174,700	78,854	17,521	78,326
Distribution	363,396	159,887	37,919	165,589
Total Maintenance	538,095	238,741	55,440	243,915
Total Operations & Maintenance	2,237,978	1,025,079	236,729	976,169
Total Taxes	60,383	28,321	6,135	25,926
Expenses - Other	122,676	54,889	12,315	55,472
Total Expenses	2,421,036	1,108,289	255,179	1,057,567
Total Capital Requirement	870,300	413,250	81,599	375,450
Total Costs of Service	3,291,336	1,521,539	336,778	1,433,017
Other Income	363,204	176,512	40,237	146,454
Total Cost of Service	2,928,132	1,345,027	296,540	1,286,563
/Revenue Requirement				

BLOCK ISLAND UTILITY DISTRICT
Allocation of Operating Expense Accounts

ACCOUNT No	ACCOUNT DESCRIPTION	ADJUSTED RATE YEAR	Alloc	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
EXPENSE						
OPERATIONS						
Power Production						
549-103	Inside Maint. P/R Only	107,119	A12	48,094	10,723	48,302
549-108	Maint Station Equip. P/R Only	96,380	A12	43,273	9,648	43,460
549-102	Freight	3,190	A01	1,360	359	1,471
548-103	Lubrication	10,000	A01	4,264	1,125	4,611
549-109	Miscellaneous	406	A01	163	40	203
549-111	Uniforms	6,074	A01	2,405	678	2,990
555-100	Purchased Power	0	A01			
Total Operating Expense---Power Production		223,169		99,560	22,572	101,037
Distribution						
583-101	Overhead Lines - P/R Only	206,981	A12	92,930	20,719	93,332
583-102	Overhead Lines	11,415	A11	5,185	1,094	5,137
586-101	Meters - P/R Only	6,522	A06	4,672	1,035	815
586-102	Meters-Maintenance	8,210	A06	4,665	717	2,828
586-103	Meters-Data Services	24,658	A05	18,119	4,012	2,527
588-103	Misc Distrib. Expense	43,060	A21	20,436	4,685	17,939
589-100	Lease - Motor Vehicle	41,426	A12	18,600	4,147	18,680
Total Operating Expense---Distribution		342,271		164,606	36,408	141,257
Customer Service						
903-000	Rec & Collection - P/R Only	54,653	A05	40,160	8,893	5,600
916-001	Education and Training	12,101	A05	8,892	1,969	1,240
Total Operating Expense---Customer Service		66,754		49,052	10,862	6,840
Administrative & General						
920-001	Office Salaries - P/R Only	14,678	A23	6,886	1,490	6,301
920-003	Accrued Vacation	5,610	A23	2,632	570	2,408
920-009	President's Compensation	157,597	A23	73,940	16,002	67,655
921-001	Office Supplies and Expense	36,449	A23	17,101	3,701	15,647
921-004-6	Utilities	61,802	A23	28,995	6,275	26,531
923-000-22	O/S-Outside Services & Accounting	205,626	A19	74,988	23,531	107,106
923-025	Board Clerk	7,200	A23	3,378	731	3,091
924-000	General Liability Ins	185,000	A16	89,360	17,610	78,029
926-001-7	Employee Benefits & Expenses	178,907	A23	83,937	18,166	76,803
928-001	Regulatory Commission Expenses	29,954	A19	10,924	3,428	15,602
928-002	Rate Case Expense	50,000	A18	20,003	5,659	24,338
930-020	Employer 401k contribution	23,220	A23	10,894	2,358	9,968
930-025	Environmental	53,824	A01	22,953	6,054	24,817
931-000	Software & Billing Service	57,820	A23	27,127	5,871	24,822
Total Operating Expense---Administrative & General		1,067,687		473,119	111,446	483,120
TOTAL OPERATING EXPENSE		1,699,882		786,338	181,289	732,254

BLOCK ISLAND UTILITY DISTRICT
Allocation of Maintenance Expense Accounts

ACCOUNT No	ACCOUNT DESCRIPTION	YEAR	Alloc	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
MAINTENANCE						
Power Production						
551-202	Maint. Of Gen & Elect Plt	8,568	A12	3,847	858	3,864
553-201	Small Tools	6,383	A12	2,866	639	2,878
553-202	Tank Testing & Fuel Maint	25,000	A12	11,224	2,503	11,273
553-204	Maint. Of Structures	4,718	A12	2,118	472	2,128
553-206	Maint General Plant	9,762	A12	4,383	977	4,402
553-209	General Maintenance	6,464	A12	2,902	647	2,915
549-114	SCR & Engine Maint Res.Exp.	90,000	A12	40,408	9,009	40,583
553-200	Major Engine Maintenance	2,405	A12	1,080	241	1,084
553-213	General Engine Maintenance	5,856	A09	2,776	601	2,479
553-221	Haz. Waste Store/Remove/Hd	5,210	A12	2,339	522	2,349
553-222	Cellular Tower Maint & Expense	9,328	A01	4,421	957	3,949
554-203	Misc.	1,006	A22	489	95	422
Total Power Production-Maintenance		174,700		78,854	17,521	78,326
Distribution						
593-202	Overhead Lines - P/R Only	130,083	A11	59,082	12,463	58,538
549-104	Truck Repair	26,546	A11	12,057	2,543	11,946
549-105	Supplies	20,663	A11	9,385	1,980	9,299
593-203	Tree Trimming	120,000	A01	51,174	13,498	55,329
593-206	Storm Damage Repairs	55,978	A01	23,872	6,296	25,810
554-201	Gasoline	10,125	A01	4,318	1,139	4,668
Total Distribution Maintenance		363,396		159,888	37,918	165,589
TOTAL MAINTENANCE EXPENSE		538,095		238,741	55,439	243,915

BLOCK ISLAND UTILITY DISTRICT
Allocation of Non-Operating Expenses

ACCOUNT No	ACCOUNT DESCRIPTION	YEAR	Alloc	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
TAXES						
408-030	Payroll Taxes	59,542	A23	27,935	6,046	25,561
408-071	Registrations	841	A24	385	89	366
TOTAL TAXES		60,383		28,321	6,135	25,926
DEPRECIATION						
	Depreciation Expense	0				
TOTAL DEPRECIATION						
OTHER EXPENSE						
426-052	Advertising	274	A01	117	31	126
426-054	Misc other expenses	112	A16	54	11	47
426-056	Bank Service Fees	2,142	A19	781	245	1,116
426-057	Finance Charges	147	A18	59	17	72
	Efficiency Program	120,000	A12	53,877	12,012	54,110
TOTAL OTHER EXPENSE		122,676		54,889	12,315	55,472
NON-OPERATING EXPENSE		183,058		83,209	18,450	81,398

BLOCK ISLAND UTILITY DISTRICT
Allocation of Debt Service and Capital

ACCOUNT No	ACCOUNT DESCRIPTION	ADJUSTED RATE YEAR	Alloc	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
DEBT SERVICE						
427-003	Interest - Other	14,476	A16	6,992	1,378	6,106
	Interest on CFC Loan	184,455	A16	89,097	17,559	77,799
	Principal Paid on CFC Loan	113,064	A16	54,613	10,763	47,688
TOTAL DEBT SERVICE		311,995		150,703	29,699	131,593
 CAPITAL ACCOUNTS						
	Net Operating Reserve	95,864	A16	46,305	9,125	40,433
	Inventory Used	93,000	A17	44,861	8,821	39,318
	Voltage Upgrade Capital Fund	62,441	A01	26,628	7,023	28,790
	Capitalized Expenditures	307,000	A10	144,754	26,930	135,316
TOTAL CAPITAL		558,305		262,548	51,900	243,858
TOTAL CAPITAL & DEBT		870,300		413,251	81,599	375,450

BLOCK ISLAND UTILITY DISTRICT
Allocation of Other Income

ACCOUNT No	ACCOUNT DESCRIPTION	ADJUSTED RATE YEAR	Alloc	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE
419-000	Interest Income	920	A19	335	105	479
421-002	Miscellaneous Income	1,418	A19	517	162	739
421-004	Pole Accidents	563	A05	414	92	58
421-007	Biller Penalty	21,378	A05	15,709	3,479	2,191
451-002	Connection Charge	925	A05	663	147	116
	Efficiency Grant	60,000	A12	26,939	6,006	27,055
456-006	Rent - Lease	260,000	A21	123,393	28,289	108,319
456-007	Rent -Office Apartment	18,000	A21	8,543	1,958	7,499
TOTAL OTHER INCOME		363,204		176,512	40,237	146,454

BLOCK ISLAND UTILITY DISTRICT
Allocation Table

	ALLOCATION	RESIDENTIAL	COMMERCIAL	GENERAL SERVICE	TOTAL
A01	Total kWh	0.42645	0.11248	0.46107	1.00000
A02	Pk kWh	0.40213	0.09738	0.50049	1.00000
A03	Shoulder kWh	0.39602	0.11170	0.49228	1.00000
A04	Off-Pk kWh	0.48249	0.12786	0.38965	1.00000
A05	# Customers	0.73481	0.16272	0.10247	1.00000
A06	Wtd # Customers	0.71637	0.15863	0.12500	1.00000
A07	Cust Demand-12 Mos	0.56827	0.08729	0.34445	1.00000
A08	Cust Demand-2 Mo Pk	0.57110	0.07207	0.35683	1.00000
A09	CP - 12 Mos	0.47399	0.10265	0.42337	1.00000
A10	CP - 2 Mo Peak	0.47151	0.08772	0.44077	1.00000
A11	CP - 6 Mo Pk&Sholder	0.45419	0.09581	0.45000	1.00000
A12	Peak & Average	0.44898	0.10010	0.45092	1.00000
A13	Production Plant	0.44898	0.10010	0.45092	1.00000
A14	Distribution Plant	0.52438	0.09220	0.38342	1.00000
A15	General Plant	0.56827	0.08729	0.34445	1.00000
A16	Plant in Service	0.48303	0.09519	0.42178	1.00000
A17	Net Plant	0.48238	0.09485	0.42278	1.00000
A18	Base Revenues	0.40006	0.11317	0.48677	1.00000
A19	Total Revenues	0.36468	0.11444	0.52088	1.00000
A20	Distribution Labor	0.48778	0.10392	0.40829	1.00000
A21	Distribution Operations	0.47459	0.10880	0.41661	1.00000
A22	Distribution Maintenance	0.48603	0.09454	0.41943	1.00000
A23	Total Labor	0.46917	0.10154	0.42929	1.00000
A24	Total O&M	0.45845	0.10579	0.43577	1.00000

BLOCK ISLAND UTILITY DISTRICT
CURRENT and PROPOSED RATES

CURRENT RATES		PROPOSED RATES	
RESIDENTIAL "R"		RESIDENTIAL "R"	
Rate:		Rate:	
Customer Chg	\$12.38 /Month	Customer Chg	\$10.00 /Month
Plt-Distr Chrg-Pk	\$0.2399 /kWh	Plt-Distr Chrg-Pk	\$0.2850 /kWh
Plt-Distr Chg-OffPk	\$0.0910 /kWh	Plt-Distr Chrg-Shoulder	\$0.1425 /kWh
System	\$22.51	Plt-Distr Chg-OffPk	\$0.0895 /kWh
		System	\$25.00
		Efficiency Chg -Shoulder	\$0.00395 /kWh
		Efficiency Chg -Peak	\$0.0100 /kWh
GENERAL SERVICE "G"		COMMERCIAL "C"	
Rate:		Rate:	
Customer Chrg	\$12.38 /Month	Customer Chrg	\$10.00 /Month
Plt-Distr Chrg-Pk	\$0.2652 /kWh	Plt-Distr Chrg-Pk	\$0.3410 /kWh
Plt-Distr Chg-OffPk	\$0.1205 /kWh	Plt-Distr Chrg-Shoulder	\$0.1710 /kWh
System	\$42.20	Plt-Distr Chg-OffPk	\$0.1070 /kWh
		System	\$25.00
		Efficiency Chg -Shoulder	\$0.00395 /kWh
		Efficiency Chg -Peak	\$0.0100 /kWh
STREET LIGHTING		STREET LIGHTING	
Rate:		Rate:	
Mercury Vapor 6000 Lumen	\$17.39/Month	Mercury Vapor 6000 Lumen	\$17.39/Month
73 Watt LED/6800 Lumen	\$ 7.37/Month	73 Watt LED/6800 Lumen	\$ 7.37/Month
125 Watt LED/11,800 Lumen	\$12.61/Month	125 Watt LED/11,800 Lumen	\$12.61/Month
GENERAL SERVICE DEMAND "D"		GENERAL SERVICE "GS"	
Rate:		Rate:	
Customer Chg	\$18.57 /Month	Customer Chg	\$32.00 /Month
Plt-Distr Chg-Pk	\$0.2185 /kWh	Plt-Distr Chg-Pk	\$0.2500 /kWh
Plt-Distr Chg-OffPk	\$0.1090 /kWh	Plt-Distr Chrg -Shoulder	\$0.1200 /kWh
kW -Pk	\$19.58 /kW	Plt-Distr Chg-OffPk	\$0.0800 /kWh
kW-OffPk	\$6.53 /kW	kW -Pk	\$9.25 /kW
		Efficiency Chg -Shoulder	\$0.00395 /kWh
		Efficiency Chg -Peak	\$0.0100 /kWh
Peak Months - June, July, August & September		Peak Months - July & August	
Off-Peak - All Other Months		Shoulder Months - May, June, September & October	
		Off-Peak - All Other Months	

BLOCK ISLAND UTILITY DISTRICT

Rate Year at Current Rates

		June & Sept	July-August	May-October	Jan-April, N&D	Annual
RESIDENTIAL						
Rate	kWh	1,064,174	1,677,939	776,929	2,091,319	5,610,361
	Customers	2,854	2,854	2,854	8,562	17,124
	System Units	1,186	1,849			3,035
	Rate Revenue					
12.38	Customer Chg	\$35,333	\$35,333	\$35,333	\$105,998	\$211,995
0.2399	Plt-Distr Chg-Pk	\$255,295	\$402,538			\$657,833
0.091	Plt-Distr Chg-OffPk			\$70,701	\$190,310	\$261,011
22.51	System Charge	26,697	41,621			\$68,318
	Total	\$317,325	\$479,491	\$106,033	\$296,308	\$1,199,156
COMMERCIAL						
	kWh	247,722	406,314	271,593	554,175	1,479,803
	Customers	632	632	632	1,896	3,792
	System Units	252	368			620
	Rate Revenue					
12.38	Customer Chg	\$7,824	\$7,824	\$7,824	\$23,472	\$46,945
0.2652	Plt-Distr Chg-Pk	\$65,696	\$107,755			\$173,450
0.1205	Plt-Distr Chg-OffPk			\$32,727	\$66,778	\$99,505
42.2	System Charge	\$10,634	\$15,530			\$26,164
	Total	\$84,154	\$131,108	\$40,551	\$90,251	\$346,064
STREET LIGHTING						
	kWh	3,433	3,370	3,894	13,450	
	Total	\$1,164	\$1,164	\$1,164	\$3,493	\$6,985
GENERAL SERVICE						
	kWh	1,423,390	2,088,335	865,243	1,688,898	6,065,865
	kW	5,225	6,068	3,674	6,242	21,209
	Customers	398	398	398	1194	2,388
	Rate Revenue					
18.57	Customer Chg	\$7,391	\$7,391	\$7,391	\$22,173	\$44,345
0.2185	Plt-Distr Chg-Pk	\$311,011	\$456,301			\$767,312
0.109	Plt-Distr Chg-OffPk			\$94,311	\$184,090	\$278,401
19.58	kW -Pk	\$102,306	\$118,811			\$221,117
6.53	kW-OffPk			\$23,991	\$40,760	\$64,751
	Total	\$420,707	\$582,503	\$125,694	\$247,023	\$1,375,927
	Total BIUD	\$823,350	\$1,194,267	\$273,442	\$637,073	\$2,928,132

BLOCK ISLAND UTILITY DISTRICT
Proposed Rates at Current Class Rate Revenues

Rate		June & Sept	July-August	May&October	Jan-April, N&D	Annual	
RESIDENTIAL							
	kWh	1,064,174	1,677,939	776,929	2,091,319	5,610,361	
	Customers	2,854	2,854	2,854	8,562	17,124	
	System Units	1,186	1,849			3,035	
	Rate Revenue						
10	Customer Chrg	\$28,540	\$28,540	\$28,540	\$85,620	\$171,240	
0.285	Plt-Distr Chrg-Pk		\$478,213			\$478,213	
0.1425	Plt-Distr Chrg-Shoulder	\$151,645		\$110,712		\$262,357	
0.0895	Plt-Distr Chg-OffPk				\$187,173	\$187,173	
25	System Charge	\$29,650	\$46,225			\$75,875	
0.00395	Efficiency Chg -Shoulder	\$4,203		\$3,069		\$7,272	
0.01	Efficiency Chg -Peak		\$16,779			\$16,779	
	Total (incl Efficiency \$)	\$214,038	\$569,757	\$142,321	\$272,793	\$1,198,910	
	Rate Revenue Target					\$1,199,156	-\$247
COMMERCIAL							
	kWh	247,722	406,314	271,593	554,175	1,479,803	
	Customers	632	632	632	1,896	3,792	
	System Units	252	368			620	
	Rate Revenue						
10	Customer Chrg	\$6,320	\$6,320	\$6,320	\$18,960	\$37,920	
0.341	Plt-Distr Chrg-Pk		\$138,553			\$138,553	
0.171	Plt-Distr Chrg-Shoulder	\$42,360		\$46,442		\$88,803	
0.107	Plt-Distr Chg-OffPk				\$59,297	\$59,297	
25	System Charge	\$6,300	\$9,200			\$15,500	
0.00395	Efficiency Chg -Shoulder	\$979		\$1,073		\$2,051	
0.01	Efficiency Chg -Peak		\$4,063			\$4,063	
	Total (incl Efficiency \$)	\$55,959	\$158,136	\$53,835	\$78,257	\$346,187	
	Rate Revenue Target					346,064	\$123
STREET LIGHTING							
	kWh	3,433	3,370	3,894	13,450	24,147	
	Total	\$1,164	\$1,164	\$1,164	\$3,493	\$6,985	
GENERAL SERVICE							
	kWh	1,423,390	2,088,335	865,243	1,688,898	6,065,865	
	kW	5,225	6,068	3,674	6,242	21,209	
	Customers	398	398	398	1194	2,388	
	Rate Revenue						
32	Customer Chrg	\$12,736	\$12,736	\$12,736	\$38,208	\$76,416	
0.25	Plt-Distr Chg-Pk		\$522,084			\$522,084	
0.12	Plt-Distr Chrg -Shoulder	\$170,807		\$103,829		\$274,636	
0.08	Plt-Distr Chg-OffPk				\$135,112	\$135,112	
9.25	kW -Pk		\$56,314			\$56,314	
	kW-Shoulder	\$56,314		\$56,314		\$112,628	
	kW-OffPk				\$168,942	\$168,942	
0.00395	Efficiency Chg -Shoulder	\$5,622		\$3,418		\$9,040	
0.01	Efficiency Chg -Peak		\$20,883			\$20,883	
	Total (incl Efficiency \$)	\$245,479	\$612,017	\$176,297	\$342,262	\$1,376,055	
	Rate Revenue Target					\$1,375,927	\$128
	Total BIUD	\$516,640	\$1,341,075	\$373,617	\$696,804	\$2,928,132	2,928,137 \$4

BLOCK ISLAND UTILITY DISTRICT

Exhibit RLC____3

Bill Comparisons

p.1 of 4

Current & Proposed Rates - Total; Average ; Peak High & Low Usage/Load Factor
Rate Revenue Requirement at Current Rate Revenue

	Total Class	Average Customer	High Peak Use Customer	Low Peak Use Customer
RESIDENTIAL				
Current Rate	\$1,199,156	\$837.48	\$965.11	\$687.33
Proposed Rate	\$1,198,910	\$836.99	\$970.95	\$678.03
Difference \$ over Current	(\$247)	(\$0.49)	\$5.83	(\$9.30)
Difference %	-0.02%	-0.06%	0.60%	-1.35%
COMMERCIAL				
Current Rate	\$346,064	\$1,096.74	\$1,251.36	\$891.89
Proposed Rate	\$346,187	\$1,096.48	\$1,267.72	\$886.77
Difference \$ over Current	\$123	(\$0.26)	\$16.36	(\$5.12)
Difference %	0.04%	-0.02%	1.31%	-0.57%
GENERAL SERVICE				
	Total Class	Average Customer	High Peak LF Customer	Low Peak LF Customer
Current Rate	\$1,375,927	\$6,914.20	\$6,810.58	\$7,082.74
Proposed Rate	\$1,376,055	\$6,914.85	\$6,637.74	\$7,414.74
Difference \$ over Current	\$128	\$0.64	(\$172.84)	\$332.00
Difference %	0.01%	0.01%	-2.54%	4.69%

BLOCK ISLAND UTILITY DISTRICT
Residential Bill Comparison
Current & Proposed Rates - Total; Average ; Peak High & Low Usage
Rate Revenue Requirement at Current Rate Revenues

Exhibit RLC____3
p.2 of 4

Total Rate Residential	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameter																
kWh	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361			
Customers	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	17,124			
kWh/Cust-Mo	280	212	233	234	267	360	543	633	386	277	253	254	3,932			
System Units						566	882	967	620				3,035			
Current Rates																
Customer	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$17,666	\$211,995	\$12.38		
Plt-Distribution	\$36,311	\$27,497	\$30,228	\$30,434	\$34,725	\$123,205	\$185,727	\$216,811	\$132,090	\$35,975	\$32,829	\$33,012	\$918,843	\$0.2399	\$0.0910	
System						\$12,741	\$19,854	\$21,767	\$13,956				\$68,318	\$22.51		
Monthly Bill	\$53,977	\$45,163	\$47,894	\$48,100	\$52,391	\$153,612	\$223,247	\$256,244	\$163,713	\$53,642	\$50,495	\$50,678	\$1,199,156			
Proposed Rates																
Customer	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$14,270	\$171,240	\$10.00		
Plt-Distribution	\$35,712	\$27,044	\$29,730	\$29,932	\$54,377	\$73,183	\$220,643	\$257,570	\$78,461	\$56,335	\$32,288	\$32,468	\$927,743	\$0.2850	\$0.1425	\$0.0895
System Charge						\$14,150	\$22,050	\$24,175	\$15,500				\$75,875	\$25.00		
Efficiency Surcharge					\$1,507	\$2,029	\$7,742	\$9,038	\$2,175	\$1,562			\$24,052	\$0.01	\$0.00395	
Monthly Bill	\$49,982	\$41,314	\$44,000	\$44,202	\$70,154	\$103,632	\$264,705	\$305,053	\$110,406	\$72,167	\$46,558	\$46,738	\$1,198,910			
Diff over Current \$	-\$3,995	-\$3,850	-\$3,895	-\$3,898	\$17,763	-\$49,980	\$41,458	\$48,808	-\$53,307	\$18,525	-\$3,937	-\$3,940	-\$247			
%	-7.4%	-8.5%	-8.1%	-8.1%	33.9%	-32.5%	18.6%	19.0%	-32.6%	34.5%	-7.8%	-7.8%	-0.02%			
without Sys Chrg \$	-\$3,995	-\$3,850	-\$3,895	-\$3,898	\$16,256	-\$53,418	\$31,519	\$37,363	-\$57,025	\$16,963	-\$3,937	-\$3,940	-\$31,856			
%	-7.4%	-8.5%	-8.1%	-8.1%	31.0%	-34.8%	14.1%	14.6%	-34.8%	31.6%	-7.8%	-7.8%	-2.66%			

Average Customer Residential	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameter																
kWh	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361			
Customers	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	17,124			
kWh/Cust-Mo	280	212	233	234	267	360	543	633	386	277	253	254	3,932			
System Units						566	882	967	620				3,035			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$25.45	\$19.27	\$21.18	\$21.33	\$24.33	\$86.34	\$130.15	\$151.93	\$92.57	\$25.21	\$23.01	\$23.13	\$643.90	\$0.2399	\$0.0910	
System						\$22.51	\$22.51						\$45.02	\$22.51		
Monthly Bill	\$37.83	\$31.65	\$33.56	\$33.71	\$36.71	\$98.72	\$165.04	\$186.82	\$104.95	\$37.59	\$35.39	\$35.51	\$837.48			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$25.03	\$18.95	\$20.83	\$20.98	\$38.11	\$51.28	\$154.62	\$180.50	\$54.98	\$39.48	\$22.63	\$22.75	\$650.14	\$0.2850	\$0.1425	\$0.0895
System Charge						\$0.00	\$25.00	\$25.00	\$0.00				\$50.00	\$25.00		
Efficiency Surcharge					\$1.06	\$1.42	\$5.43	\$6.33	\$1.52	\$1.09			\$16.85	\$0.01	\$0.00395	
Monthly Bill	\$35.03	\$28.95	\$30.83	\$30.98	\$49.16	\$62.71	\$195.05	\$221.83	\$66.51	\$50.57	\$32.63	\$32.75	\$836.99			
Diff over Current \$																
%	-2.80	-2.70	-2.73	-2.73	12.45	-36.01	30.00	35.01	-38.44	12.98	-2.76	-2.76	-0.49			
	-7.4%	-8.5%	-8.1%	-8.1%	33.9%	-36.5%	18.2%	18.7%	-36.6%	34.5%	-7.8%	-7.8%	-0.1%			

1.25X Peak Usage Customer	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameter																
kWh	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361	(1.25X kWh Pk & Shoulder)		
Customers	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	17,124			
kWh/Cust-Mo	280	212	233	234	334	450	678	792	482	346	253	254	4,548			
System Units						566	882	967	620				3,035			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$25.45	\$19.27	\$21.18	\$21.33	\$30.42	\$107.92	\$162.69	\$189.92	\$115.71	\$31.51	\$23.01	\$23.13	\$771.53	\$0.2399	\$0.0910	
System						\$0.00	\$22.51	\$22.51	\$0.00				\$45.02	\$22.51		
Monthly Bill	\$37.83	\$31.65	\$33.56	\$33.71	\$42.80	\$120.30	\$197.58	\$224.81	\$128.09	\$43.89	\$35.39	\$35.51	\$965.11			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$25.03	\$18.95	\$20.83	\$20.98	\$47.63	\$64.11	\$193.27	\$225.62	\$68.73	\$49.35	\$22.63	\$22.75	\$779.88	\$0.2850	\$0.1425	\$0.08950
System Charge						\$0.00	\$25.00	\$25.00	\$0.00				\$50.00	\$25.00		
Efficiency Surcharge					\$1.32	\$1.78	\$6.78	\$7.92	\$1.91	\$1.37			\$21.07	\$0.01	\$0.00395	
Monthly Bill	\$35.03	\$28.95	\$30.83	\$30.98	\$58.95	\$75.88	\$235.06	\$268.54	\$80.63	\$60.72	\$32.63	\$32.75	\$970.95			
Diff over Current \$	-\$2.80	-\$2.70	-\$2.73	-\$2.73	\$16.15	-\$44.42	\$37.48	\$43.73	-\$47.45	\$16.82	-\$2.76	-\$2.76	\$5.83			
	-7.4%	-8.5%	-8.1%	-8.1%	37.7%	-36.9%	19.0%	19.5%	-37.0%	38.3%	-7.8%	-7.8%	0.6%			

.75X Average Usage Customer	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameter																
kWh	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361	(0.75X kWh Pk & Shoulder)		
Customers	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	17,124			
kWh/Cust-Mo	280	212	233	234	201	270	407	475	289	208	253	254	3,315			
System Units						566	882	967	620				3,035			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$25.45	\$19.27	\$21.18	\$21.33	\$18.25	\$64.75	\$97.61	\$113.95	\$69.42	\$18.91	\$23.01	\$23.13	\$516.26	\$0.2399	\$0.0910	
System						\$0.00	\$0.00	\$22.51	\$0.00				\$22.51	\$22.51		
Monthly Bill	\$37.83	\$31.65	\$33.56	\$33.71	\$30.63	\$77.13	\$109.99	\$148.84	\$81.80	\$31.29	\$35.39	\$35.51	\$687.33			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$25.03	\$18.95	\$20.83	\$20.98	\$28.58	\$38.46	\$115.96	\$135.37	\$41.24	\$29.61	\$22.63	\$22.75	\$520.39	\$0.2850	\$0.1425	\$0.08950
System Charge						\$0.00	\$0.00	\$25.00	\$0.00				\$25.00	\$25.00		
Efficiency Surcharge					\$0.79	\$1.07	\$4.07	\$4.75	\$1.14	\$0.82			\$12.64	\$0.01	\$0.00395	
Monthly Bill	\$35.03	\$28.95	\$30.83	\$30.98	\$39.37	\$49.53	\$130.03	\$175.12	\$52.38	\$40.43	\$32.63	\$32.75	\$678.03			
Diff over Current \$	-\$2.80	-\$2.70	-\$2.73	-\$2.73	\$8.74	-\$27.60	\$20.04	\$26.28	-\$29.42	\$9.14	-\$2.76	-\$2.76	-\$9.30			
%	-7.4%	-8.5%	-8.1%	-8.1%	28.5%	-35.8%	18.2%	17.7%	-36.0%	29.2%	-7.8%	-7.8%	-1.4%			

BLOCK ISLAND UTILITY DISTRICT
Commercial Bill Comparison
Current & Proposed Rates - Total; Average ; Peak High & Low Usage
Rate Revenue Requirement at Current Rates

Exhibit RLC____3
p.3 of 4

Total Rate Commercial	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameters																
kWh	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803			
Customers	316	316	316	316	316	316	316	316	316	316	316	316	3,792			
kWh/Cust-Mo	296	280	275	258	551	370	646	640	414	308	308	337	4,683			
System Units						120	174	194	132				620			
Current Rates																
Customer	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$3,912	\$46,945	\$12.38		
Plt-Distribution	\$11,282	\$10,674	\$10,477	\$9,813	\$21,000	\$30,980	\$54,105	\$53,649	\$34,715	\$11,727	\$11,715	\$12,817	\$272,955	\$0.2652	\$0.1205	
System Charge						\$5,064	\$7,343	\$8,187	\$5,570				\$26,164	\$42.20		
Monthly Bills	\$15,194	\$14,586	\$14,389	\$13,725	\$24,912	\$39,957	\$65,360	\$65,748	\$44,198	\$15,639	\$15,627	\$16,730	\$346,064			
Proposed Rates																
Customer	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$3,160	\$37,920	\$10.00		
Plt-Distribution	\$10,018	\$9,478	\$9,303	\$8,714	\$29,800	\$19,976	\$69,570	\$68,984	\$22,384	\$16,642	\$10,403	\$11,381	\$286,653	\$0.3410	\$0.1710	\$0.1070
System Charge						\$3,000	\$4,350	\$4,850	\$3,300				\$15,500	\$25.00		
Efficiency Surcharge					\$688	\$461	\$2,040	\$2,023	\$517	\$384			\$6,114	\$0.01	\$0.00395	
Monthly Bills	\$13,178	\$12,638	\$12,463	\$11,874	\$33,649	\$26,598	\$79,120	\$79,016	\$29,361	\$20,186	\$13,563	\$14,541	\$346,187			
Diff over Current \$	-\$2,016	-\$1,948	-\$1,926	-\$1,851	\$8,737	-\$13,359	\$13,760	\$13,268	-\$14,836	\$4,547	-\$2,065	-\$2,188	\$123			
%	-13.3%	-13.4%	-13.4%	-13.5%	35.1%	-33.4%	21.1%	20.2%	-33.6%	29.1%	-13.2%	-13.1%	0.0%			

Average Customer Commercial	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameters																
kWh	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803			
Customers	316	316	316	316	316	316	316	316	316	316	316	316	3,792			
kWh/Cust-Mo	296	280	275	258	551	370	646	640	414	308	308	337	4,683			
System Units						120	174	194	132				620			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$35.70	\$33.78	\$33.15	\$31.05	\$66.45	\$98.04	\$171.22	\$169.78	\$109.86	\$37.11	\$37.07	\$40.56	\$863.78	\$0.2652	\$0.1205	
System Charge						\$0.00	\$42.20	\$42.20	\$0.00				\$84.40	\$42.20		
Monthly Bill	\$48.08	\$46.16	\$45.53	\$43.43	\$78.83	\$110.42	\$225.80	\$224.36	\$122.24	\$49.49	\$49.45	\$52.94	\$1,096.74			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$31.70	\$29.99	\$29.44	\$27.58	\$94.30	\$63.22	\$220.16	\$218.30	\$70.84	\$52.66	\$32.92	\$36.02	\$907.13	\$0.3410	\$0.1710	\$0.1070
System Charge						\$0.00	\$25.00	\$25.00	\$0.00				\$50.00	\$25.00		
Efficiency Surcharge					\$2.18	\$1.46	\$6.46	\$6.40	\$1.64	\$1.22			\$19.35	\$0.01	\$0.00395	
Monthly Bill	\$41.70	\$39.99	\$39.44	\$37.58	\$106.48	\$74.68	\$261.61	\$259.70	\$82.47	\$63.88	\$42.92	\$46.02	\$1,096.48			
Diff over Current \$	-\$6.38	-\$6.16	-\$6.09	-\$5.86	\$27.65	-\$35.74	\$35.81	\$35.35	-\$39.77	\$14.39	-\$6.53	-\$6.92	-\$0.26			
%	-13.3%	-13.4%	-13.4%	-13.5%	35.1%	-32.4%	15.9%	15.8%	-32.5%	29.1%	-13.2%	-13.1%	0.0%			

1.25X Peak Usage Customer	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameters																
kWh	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803			
Customers	316	316	316	316	316	316	316	316	316	316	316	316	3,792			
kWh/Cust-Mo	296	280	275	258	689	462	807	800	518	308	308	337	5,338	(1.25X kWh Pk & Shoulder)		
System Units						120	174	194	132				620			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$35.70	\$33.78	\$33.15	\$31.05	\$83.07	\$122.69	\$214.27	\$212.46	\$137.48	\$37.11	\$37.07	\$40.56	\$1,018.40	\$0.2655	\$0.1205	
System Charge						\$0.00	\$42.20	\$42.20	\$0.00				\$84.40	\$42.20		
Monthly Bill	\$48.08	\$46.16	\$45.53	\$43.43	\$95.45	\$135.07	\$268.85	\$267.04	\$149.86	\$49.49	\$49.45	\$52.94	\$1,251.36			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$31.70	\$29.99	\$29.44	\$27.58	\$117.88	\$79.02	\$275.20	\$272.88	\$88.55	\$52.66	\$32.92	\$36.02	\$1,073.83	\$0.3410	\$0.1710	\$0.1070
System Charge						\$0.00	\$25.00	\$25.00	\$0.00				\$50.00	\$25.00		
Efficiency Surcharge					\$2.72	\$1.83	\$8.07	\$8.00	\$2.05	\$1.22			\$23.88	\$0.01	\$0.00395	
Monthly Bill	\$41.70	\$39.99	\$39.44	\$37.58	\$130.60	\$90.84	\$318.27	\$315.88	\$100.59	\$63.88	\$42.92	\$46.02	\$1,267.72			
Diff over Current \$	-\$6.38	-\$6.16	-\$6.09	-\$5.86	\$35.16	-\$44.22	\$49.42	\$48.84	-\$49.27	\$14.39	-\$6.53	-\$6.92	\$16.36			
%	-13.3%	-13.4%	-13.4%	-13.5%	36.8%	-32.7%	18.4%	18.3%	-32.9%	29.1%	-13.2%	-13.1%	1.3%			

0.75X Peak Usage Customer	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
Billing Parameters																
kWh	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803			
Customers	316	316	316	316	316	316	316	316	316	316	316	316	3,792			
kWh/Cust-Mo	296	280	275	258	414	277	484	480	311	231	308	337	3,951	(0.75X kWh Pk & Shoulder)		
System Units						120	174	194	132				620			
Current Rates																
Customer	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$12.38	\$148.56	\$12.38		
Plt-Distribution	\$35.70	\$33.78	\$33.15	\$31.05	\$49.84	\$73.61	\$128.56	\$127.48	\$82.49	\$27.83	\$37.07	\$40.56	\$701.13	\$0.2655	\$0.1205	
System Charge						\$0.00	\$42.20	\$0.00	\$0.00				\$42.20	\$42.20		
Monthly Bill	\$48.08	\$46.16	\$45.53	\$43.43	\$62.22	\$85.99	\$183.14	\$139.86	\$94.87	\$40.21	\$49.45	\$52.94	\$891.89			
Proposed Rates																
Customer	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$120.00	\$10.00		
Plt-Distribution	\$31.70	\$29.99	\$29.44	\$27.58	\$70.73	\$47.41	\$165.12	\$163.73	\$53.13	\$39.50	\$32.92	\$36.02	\$727.26	\$0.3410	\$0.1710	\$0.1070
System Charge						\$0.00	\$25.00	\$0.00	\$0.00				\$25.00	\$25.00		
Efficiency Surcharge					\$1.63	\$1.10	\$4.84	\$4.80	\$1.23	\$0.91			\$14.51	\$0.01	\$0.00395	
Monthly Bill	\$41.70	\$39.99	\$39.44	\$37.58	\$82.36	\$58.51	\$204.96	\$178.53	\$64.35	\$50.41	\$42.92	\$46.02	\$886.77			
Diff over Current \$	-\$6.38	-\$6.16	-\$6.09	-\$5.86	\$20.14	-\$27.49	\$21.82	\$38.67	-\$30.51	\$10.20	-\$6.53	-\$6.92	-\$5.12			
%	-13.3%	-13.4%	-13.4%	-13.5%	32.4%	-32.0%	11.9%	27.7%	-32.2%	25.4%	-13.2%	-13.1%	-0.6%			

Exhibit RLC____3
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Low Pk Load Factor Customer (.36 v. .46 Average) Billing Parameter	January	February	March	April	May	June	July	August	September	October	November	December	Annual	Rate		
kWh	299,910	245,215	266,675	292,760	463,433	714,965	974,244	1,114,091	708,425	401,810	291,776	292,562	6,065,865			
kW	1,058	702	1,033	1,262	2,012	2,853	3,024	3,044	2,372	1,662	1,218	969	21,209			
Customers	199	199	199	199	199	199	199	199	199	199	199	199	2,388			
kWh/Mo	1,507	1,232	1,340	1,471	2,329	3,593	4,896	5,598	3,560	2,019	1,466	1,470	30,482			
kW/Mo	5.3	3.5	5.2	6.3	10.1	14.3	19.3	19.8	11.9	8.4	6.1	4.9	115			
Current Rates																
Customer	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$18.57	\$222.84	\$18.57		
PII-Distribution	\$164.27	\$134.31	\$146.07	\$160.36	\$253.84	\$785.02	\$1,069.71	\$1,223.26	\$777.84	\$220.09	\$159.82	\$160.25	\$5,254.84	\$0.2185	\$0.1090	
Demand	\$34.72	\$23.04	\$33.90	\$41.41	\$66.02	\$280.71	\$377.89	\$387.68	\$233.39	\$54.54	\$39.97	\$31.80	\$1,605.06	\$19.58	\$6.53	
Monthly Bill	\$217.56	\$175.92	\$198.54	\$220.34	\$338.43	\$1,084.31	\$1,466.17	\$1,629.51	\$1,029.80	\$293.19	\$18.35	\$210.61	\$7,082.74			
Proposed Rates																
Customer	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$32.00	\$384.00	\$32.00		
PII-Distribution	\$120.57	\$98.58	\$107.21	\$117.69	\$279.46	\$431.13	\$1,223.92	\$1,399.61	\$427.19	\$242.30	\$117.30	\$117.61	\$4,682.57	\$0.2500	\$0.1200	\$0.0800
Demand	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$183.15	\$2,197.80	\$9.25		
Efficiency Surcharge					\$9.20	\$14.19	\$48.96	\$55.98	\$14.06	\$7.98			\$150.37	\$0.01	\$0.00395	
Monthly Bill	\$335.72	\$313.73	\$322.36	\$332.84	\$503.81	\$660.48	\$1,488.03	\$1,670.75	\$656.40	\$465.42	\$332.45	\$332.76	\$7,414.74			
Diff over Current \$ %	\$118.16	\$137.81	\$123.82	\$112.51	\$165.37	-\$423.83	\$21.86	\$41.23	-\$373.40	\$172.23	\$114.09	\$122.15	\$332.00 4.7%			

BLOCK ISLAND UTILITY DISTRICT
Allocation Monthly Totals Worksheet

Appendix
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Service Class	January	February	March	April	May	June	July	August	September	October	November	December	Annual
kWh													
Residential	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361
Commercial	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803
General Service	299,910	245,215	266,675	292,760	463,433	714,965	974,244	1,114,091	708,425	401,810	291,776	292,562	6,065,865
Total kWh	792,555	635,957	685,791	708,632	1,019,298	1,345,351	1,952,445	2,220,143	1,389,934	894,467	749,758	761,699	13,156,030
Customers													
Residential	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	1,427	17,124
Commercial	316	316	316	316	316	316	316	316	316	316	316	316	3,792
General Service	199	199	199	199	199	199	199	199	199	199	199	199	2,388
Total	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	1,942	23,304
Customer kW													
Residential	1,906	1,032	2,050	2,238	2,919	3,400	4,718	4,993	3,596	3,380	2,446	2,311	34,990
Commercial	341	237	348	351	782	466	654	571	438	416	406	364	5,375
General Service	1,058	702	1,033	1,262	2,012	2,853	3,024	3,044	2,372	1,662	1,218	969	21,209
Total	3,305	1,971	3,431	3,851	5,713	6,720	8,396	8,609	6,406	5,458	4,070	3,644	61,574
Customer CP													
Residential	988	742	712	733	1,040	1,774	2,225	2,327	1,687	976	896	832	14,931
Commercial	183	193	164	157	413	337	456	391	310	208	215	207	3,234
General Service	579	553	496	565	1,086	2,065	2,143	2,113	1,679	850	645	563	13,337
Total	1,750	1,488	1,371	1,455	2,539	4,176	4,825	4,831	3,676	2,033	1,756	1,602	31,502

BLOCK ISLAND UTILITY DISTRICT
Allocation Annual Totals Worksheet

Appendix 1
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Service Class	Residential	General Service	General Service D	Total
ENERGY				
Total kWh	5,610,361	1,479,803	6,065,865	13,156,030
	0.42645	0.11248	0.46107	1.00000
Peak kWh	1,677,939	406,314	2,088,335	4,172,588
	0.40213	0.09738	0.50049	1.00000
Sholder kWh	1,841,103	519,314	2,288,633	4,649,050
	0.39602	0.11170	0.49228	1.00000
Off-peak kWh	2,091,319	554,175	1,688,898	4,334,392
	0.48249	0.12786	0.38965	1.00000
CUSTOMER				
No. of Customers	17,124	3,792	2,388	23,304
	0.73481	0.16272	0.10247	1.00000
No. of Customers-Wtd	17,124	3,792	2988	23,904
	0.71637	0.15863	0.12500	1.00000
DEMAND				
Max Demands -12 Mo	34,990	5,375	21,209	61,574
	0.5683	0.0873	0.3444	1.0000
Max Demand - J&A	9,712	1,226	6,068	17,005
	0.5711	0.0721	0.3568	1.0000
COINCIDENT DEMAND				
12 Mo CP	14,931	3,234	13,337	31,502
	0.47399	0.10265	0.42337	1.00000
2 Mo Pk CP	4,553	847	4,256	9,656
	0.47151	0.08772	0.44077	1.00000
6 Mo Pk CP	10,028	2,115	9,936	22,080
	0.45419	0.09581	0.45000	1.00000

BLOCK ISLAND UTILITY DISTRICT
Coincident Peak Worksheet

Appendix 1
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kWh

Service Class	January	February	March	April	May	June	July	August	September	October	November	December	Annual
Residential	399,020	302,164	332,174	334,434	381,594	513,567	774,185	903,754	550,606	395,335	360,759	362,768	5,610,361
Commercial	93,625	88,578	86,943	81,438	174,271	116,819	204,017	202,298	130,902	97,322	97,223	106,369	1,479,803
General Service	299,910	245,215	266,675	292,760	463,433	714,965	974,244	1,114,091	708,425	401,810	291,776	292,562	6,065,865
Total	792,555	635,957	685,791	708,632	1,019,298	1,345,351	1,952,445	2,220,143	1,389,934	894,467	749,758	761,699	13,156,030

kW

Residential	1,906	1,032	2,050	2,238	2,919	3,400	4,718	4,993	3,596	3,380	2,446	2,311	34,990
Commercial	341	237	348	351	782	466	654	571	438	416	406	364	5,375
General Service	1,058	702	1,033	1,262	2,012	2,853	3,024	3,044	2,372	1,662	1,218	969	21,209
Total	3,305	1,971	3,431	3,851	5,713	6,720	8,396	8,609	6,406	5,458	4,070	3,644	61,574

Lf

Residential	0.2814	0.4356	0.2178	0.2076	0.1757	0.2098	0.2205	0.2433	0.2127	0.1572	0.2048	0.2110	
Commercial	0.3687	0.5569	0.3358	0.3222	0.2996	0.3481	0.4191	0.4761	0.4148	0.3145	0.3327	0.3927	
General Service	0.3810	0.5198	0.3470	0.3222	0.3096	0.3481	0.4330	0.4919	0.4148	0.3250	0.3327	0.4058	

Cf

Residential	0.5051397	0.6634164	0.4199027	0.4048699	0.3555221	0.4670248	0.4839973	0.5179871	0.4716355	0.2697612	0.3361068	0.3442081	
Commercial	0.5216598	0.7515062	0.5680632	0.5531304	0.5271636	0.6480166	0.7155419	0.7602558	0.7118929	0.4668412	0.4859452	0.5440791	
General Service	0.5332746	0.727336	0.5799823	0.5531304	0.5388227	0.6480166	0.727216	0.7714017	0.7118929	0.4779022	0.4859452	0.5558607	

CP-kW est

Residential	963	685	861	906	1,038	1,588	2,284	2,587	1,696	912	822	796	15,136
Commercial	178	178	198	194	412	302	468	434	312	194	197	198	3,266
General Service	564	511	599	698	1,084	1,849	2,199	2,348	1,689	794	592	539	13,466
	1,705	1,373	1,657	1,798	2,534	3,739	4,951	5,369	3,697	1,900	1,611	1,532	31,867

System Peak	1,750	1,488	1,371	1,455	2,539	4,176	4,825	4,831	3,676	2,033	1,756	1,602	31,502
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Diff	-45	-115	286	343	-5	-437	126	538	21	-133	-145	-70	365
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CP-kW

Residential	988	742	712	733	1,040	1,774	2,225	2,327	1,687	976	896	832	14,931
General Service	183	193	164	157	413	337	456	391	310	208	215	207	3,234
General Service D	579	553	496	565	1,086	2,065	2,143	2,113	1,679	850	645	563	13,337

System Peak	1,750	1,488	1,371	1,455	2,539	4,176	4,825	4,831	3,676	2,033	1,756	1,602	31,502
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M J J A S O
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BLOCK ISLAND UTILITY DISTRICT
Customer Demands Worksheet

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	Residential	Maximum Customer Demands		Total
		Commercial	General Service	
January	1,906	341	1,058	3,305
February	1,032	237	702	1,971
March	2,050	348	1,033	3,431
April	2,238	351	1,262	3,851
May	2,919	782	2,012	5,713
June	3,400	466	2,853	6,720
July	4,718	654	3,024	8,396
August	4,993	571	3,044	8,609
September	3,596	438	2,372	6,406
October	3,380	416	1,662	5,458
November	2,446	406	1,218	4,070
December	2,311	364	969	3,644
	34,990	5,375	21,209	61,574

	Residential	Partial R -kWh	Lf	Total kWh	Imputed kW	GS		Lf	GS kWh	Imputed kW
	Partial R -kW					kW	kWh			
J	437	94,538	0.2908	399,020	1,905.9	1,058	299,910	0.3810	93,625	341.3
F	275	75,126	0.4065	302,164	1,032.3	702	245,215	0.5198	88,578	236.7
M	512	85,741	0.2251	332,174	2,049.7	1,033	266,675	0.3470	86,943	348.0
A	555	82,953	0.2076	334,434	2,237.5	1,262	292,760	0.3222	81,438	351.1
M	826	111,591	0.1816	381,594	2,918.7	2,012	463,433	0.3096	174,271	781.8
J	1,026	154,954	0.2098	513,567	3,400.5	2,853	714,965	0.3481	116,819	466.2
J	1,348	228,563	0.2279	774,185	4,718.1	3,024	974,244	0.4330	204,017	654.4
A	1,391	260,144	0.2514	903,754	4,993.5	3,044	1,114,091	0.4919	202,298	571.2
S	1,031	157,859	0.2127	550,606	3,596.1	2,372	708,425	0.4148	130,902	438.3
O	868	104,897	0.1624	395,335	3,380.4	1,662	401,810	0.3250	97,322	416.0
N	677	99,836	0.2048	360,759	2,446.4	1,218	291,776	0.3327	97,223	405.9
D	607	98,445	0.2180	362,768	2,311.3	969	292,562	0.4058	106,369	364.1
	9,553	1,554,647		5,610,361	34,990.5		6,065,865		1,479,803	5,374.7

RICHARD LA CAPRA

Richard La Capra is consulting engineer providing professional services in wide range issues faced by regulated industries. He founded La Capra Associates in 1980 with a goal of providing state-of-the art, innovative technical solutions for electric and gas industries, users and regulators.

Mr. La Capra has over forty years of experience of consulting experience the areas of financial analysis, power supply contacting and pricing issues. Mr. La Capra has negotiated comprehensive restructuring settlements, provided expert reports on power contract pricing, generation valuation, new project financial feasibility, bidding and procurement activities and the siting of new power facilities. His primary interest has been in the energy-related industries, but he has also presented expert testimony on telecommunications, water resources, and transportation. Mr. La Capra has been a well sought-after lecturer, expert witness and negotiation advisor for Cities and Towns, State Energy Offices, the Power Industry, Energy Regulators and Law Firms with energy practices.

ACCOMPLISHMENTS

Mr. La Capra has provided expert testimony in 28 states and federal jurisdictions in the areas of transitioning to competitive markets, mergers and acquisitions, pricing and terms of power supply contracts, and wholesale and retail rate making.

Some of his major assignments have included:

Assisting in the financial reorganization of cooperative utilities, including reconfiguring their power supply assets and contracts, and restructuring over \$100 million in debt;

Managing several generation asset bids for the potential purchasers or sellers;

Managing the planning and siting of the first undersea cable for an island utility;

Providing expert testimony in the siting and approval of conventional and wind farm generation;

Providing expert opinion on damages related to generation and service contract disputes;

Designing and managing the auction process for the sale of a small electric utility;

Designing and managing the auction process for the sale of the power supply infrastructure of a major university.

Negotiating transmission contracts, wheeling rates, and distribution leases for a number of utilities and independent power producers.

Providing advice to numerous State jurisdictions on the developmental rules and codes of conduct for emerging wholesale markets;

Providing advisory services to public and private utilities in the areas of pricing, power supply procurement strategies, negotiation of inter-utility contracts, and market hedging strategies;

Directing feasibility studies assessing privatization potential for publicly owned energy facilities;

Serving as Special Advisor to several cities in the development of hackney carriage service standards and pricing, and the establishment of a market-based number of hackney medallions.

Mr. La Capra has presented professional development programs for the Electric Council of New England, the Center for Professional Advancement, the New England Rate Forum, the Electric Power Research Institute, the American Gas Association, the University of Michigan and the University of Missouri; and served as Principal Consultant to the Electric Power Research Institute in the areas of electric utility pricing and customer research;

PREVIOUS EMPLOYMENT

Founder-President La Capra Associates

Charles T. Main, Parsons Inc.
Group Manager - Rates, Financial Services and
Utility Management Consulting Groups

American Electric Power Service Corporation
Rate and Load Research Supervisor

Pennsylvania-New Jersey-Maryland Power Pool
Planning Engineer

EDUCATION

Certificate in Advanced Finance, New York University

M.B.A., Fairleigh Dickinson University
Finance

B.E., Stevens Institute of Technology
Electrical and Mechanical Engineering

The direct testimony of Jeffery Wright, President, and Exhibit

Direct Testimony

of

Jeffery M. Wright

For

Block Island Utility District d/b/a Block Island Power Company

September, 2019

INTRODUCTION

Q. Please state your name and business address for the record.

A. My name is Jeffery M. Wright. My principal business address is 100 Ocean Avenue, Block Island, Rhode Island 02807.

Q. By whom are you employed and in what capacity?

A. I am the President of the Block Island Utility District d/b/a Block Island Power Company (BIUD).

Q. Can you please describe your education and experience?

A. I have an Associate Degree in Accounting and have worked for electric utilities since 1984 in various roles.

Prior to coming to Block Island, I was the Chief Operating Officer at the Vermont Electric Cooperative (VEC), the state's second largest utility and largest electric cooperative which served approximately 40,000 electric meters across nearly 1/3 of the State of Vermont. I was responsible for all of the company's operations including transmission and distribution operations, substations, system operations and engineering. I worked closely with the company's CFO in developing long range capital plans and long range financial forecasting. I also supported several rate cases.

Prior to working for VEC, I worked at the Vermont Electric Power Company (VELCo). In 1999 I became a member the company's Senior Leadership Team and was responsible for managing the company's assets which included over 35 high voltage transmission substations, more than 700 miles of high voltage transmission lines, all rights of way, and the company's facilities and fleet assets. I also managed the assets of the Vermont Electric Transmission Company (VETCo) which owns and maintains Vermont's portion of the 450 kV DC "Phase One" line.

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to sponsor BIUD's rate filing. Richard LaCapra and David
3 Bebyn have also submitted testimony as it pertains to their work on our revenue
4 requirements, cost of service study and rate design.
5

6 **CONVERSION SAVINGS**
7

8 **Q. How are you utilizing the savings realized from the conversion to a not-for-profit
9 utility?**

10 A. The immediate savings that BIUD has realized since becoming a not-for-profit include
11 the following (using BIPCo's 2018 audited financials (June 1, 2017 – May 31, 2018) as a
12 comparison):

13	1. Taxes	\$269,973
14	2. Depreciation	\$269,124
15	3. Income Taxes	\$179,557
16	4. Dividends	\$15,000
17	5. Sales Tax	<u>\$15,000</u>
18	Total	\$748,654

19 These savings, along with additional savings found within the BIPCo organization, will
20 fund our operations and the incremental costs from (1) the acquisition debt service, (2)
21 an annual capital plan of \$400,000, (3) an annual storm reserve, (4) an operating reserve
22 of 3%, and (5) an efficiency plan that is intended to be funded at \$60,000 with a match
23 from the RI Office of Energy using REGGI funds.
24

25 BIUD's revenue requirements are fully detailed in David Bebyn's testimony and exhibits.
26

27 **Q. Considering these savings, is BIUD asking for an increase in rates?**

28 A. No. These savings, along with better than expected acquisition debt interest rates and
29 loan terms, are allowing us to file a revenue neutral rate case despite the addition of

1 several new programs. In fact, the favorable loan terms and interest rate have left BIUD
2 with a surplus that we are recommending be placed in a restricted reserve account to
3 be used for major capital upgrades such as a voltage conversion which is presently being
4 engineered. This is also further explained in David Bebyn's testimony.

5
6 **Q. Can you further explain the change in loan terms since the RI DPUC approved the long**
7 **term debt?**

8 A. The original effective interest rate after discounts and patronage estimated by our
9 lender CFC was 4.18%. Upon closing on the loan, the effective interest rate had dropped
10 100 bps to 3.18%. CFC also restructured the loan, terming out the entire \$5.8M loan
11 over 30 years rather than front loading the payments in years 1-7 as CFC originally
12 proposed. This change levelized our debt service payments to approximately \$300,000
13 per year for all 30 years compared to \$540,000-\$570,000 in years 1-7. This change will
14 allow us to engineer and address the imminent voltage conversion sooner.

15
16 **OWNERSHIP AND MANAGEMENT CHANGES**

17
18 **Q. Can you explain the recent Block Island Power Company ("BIPCo") ownership and**
19 **management changes?**

20 A. There have been three ownership changes since November, 2016. They all involve
21 changes in management and boards.

22
23 On November 8, 2016, the Town of New Shoreham (Town) purchased the shares of two
24 of BIPCo's three shareholders. The company immediately appointed a new Board of
25 Directors (BOD) which largely consisted of past Town Energy Taskforce members.
26 Immediate policy and management changes began to take place as the company was
27 faced with a level of uncertainty from its employees, a level of initial skepticism from its
28 customers, and a pending deadline to connect the distribution system to the newly
29 installed submarine cable from the mainland, which is owned by National Grid. The new

1 BOD immediately hired a technical consultant, Howell Conant, to act as BIPCo's Chief
2 Operating Officer. He was charged with overseeing the short-term initiatives that lay
3 before the company.

4
5 The new Board then contracted with the National Rural Electric Cooperative Association
6 (NRECA) to conduct an executive search. This search resulted in the company hiring me
7 as their President and CEO. I started work on February 2, 2017.

8
9 The company accomplished a lot in a small amount of time. It secured a cost effective
10 power supply, it completed the interconnection to the submarine cable, it submitted its
11 first standard offer and transmission rate case, it shut down the diesel generations, it
12 rebuilt the fire damaged generation plant which was damaged in August, 2016, and it
13 took significant steps in improving BIPCo's systems, property and its distribution
14 infrastructure. During this time, most BIPCo board meetings were open to the public as
15 we made an intentional effort to be as transparent and inclusive as possible.

16
17 During the 2017 legislative session, Senate Bill No. 729 was passed by the Rhode
18 General Assembly and the Block Island Utility District Act of 2017 became effective on
19 July 26, 2017 without the Governor's signature. See R.I.G.L. § 45-67-1 et seq.

20
21 The Town was charged with holding the first Block Island Utility District Commissioners
22 election to elect five commissioners to govern the new entity. This was done during the
23 summer of 2017. On October 25, 2017, following the election, three members of the
24 BIPCo Board of Directors resigned in order to fill their newly elected roles as utility
25 district commissioners. They set off to begin organizing the new quasi-municipal utility.

26
27 BIPCo appointed me as an interim director on December 6, 2017 and BIPCo continued
28 with its efforts to improve customer service, continue with capital upgrades, implement

1 maintenance programs to address years of neglected maintenance, and negotiate the
2 sale of BIPCo's assets to the BIUD.

3
4 On March 25, 2019, BIUD purchased the assets of BIPCo for \$5.8M, including the
5 business names "Block Island Power Company" and "BIPCo." BIUD also hired me as its
6 President on this same date. Since March 25, 2019, - BIUD has been operating as Block
7 Island's electric distribution provider.

8
9 **RATE CASE TIMING**

10
11 **Q. Can you explain the timing of BIUD's rate case?**

12 A. The last rate case submitted by BIPCo was in 2008. Since then, BIPCo's base rates and
13 rate design have not changed. To comply with the Utility Restructuring Act ("URA"), this
14 Commission ordered BIPCo to file a full cost of service study and new rate design within
15 six months after connecting to the National Grid submarine cable. The cable provided
16 BIPCo with access to the New England wholesale power markets and enabled the
17 shutdown of BIPCo's diesel generators (except for back up purposes). This significantly
18 changed BIPCo's business model.

19
20 The ownership change from a for-profit utility to a not-for-profit utility had a material
21 effect on revenue requirements, due to changes in tax obligations, finance costs and
22 other major changes. BIPCo was granted several extensions of the filing deadline. The
23 last extension granted BIPCo, and subsequently BIUD, was an extension- until 90 days
24 after the closing when BIUD purchased BIPCo's assets and began operating as Block
25 Island's distribution provider, and after BIPCo (now known as Island Light and Power
26 Company), ended the litigation with its minority shareholder. There is the possibility
27 that BIUD could have to pay up to \$300,000 to the minority shareholder. This is a
28 condition of the Asset Sale Agreement that was executed between BIUD and Island Light
29 and Power Company. This litigation is ongoing, but BIUD is no longer a party.

1 BIUD is submitting this rate case before the minority shareholder litigation is ended
2 because we wish to have our newly designed rates go into effect on June 1, 2020. If
3 BIUD is required to pay any portion or all of the contingency payment, BIUD has a
4 commitment from its lender to finance that debt over 30 years and the debt service will
5 be paid from BIUD's capital fund. The testimony of David Bebyn will further explain
6 BIUD's revenue requirements and capital fund.

7
8 **POLICY GOALS**
9

10 **Q. Can you explain BIUD's rate case goals and how it will support BIUD's future**
11 **strategies?**

12 **A.** Some of the major goals that BIUD seeks to achieve with this rate case are:

- 13 1) To ensure adequate revenues to (a) finance the recent acquisition debt service
14 expense, (b) fund a new capital improvement plan, (c) fund new maintenance
15 programs such as tree trimming, protective relay testing, infra-red testing, meter
16 audit programs and others which helps us keep the lights on, and (d) to fund a
17 new efficiency program;
 - 18 2) Minimize any rate increase that could have a negative effect on the island's
19 economy;
 - 20 3) Support and encourage beneficial electrification through rate design;
 - 21 4) Support renewable distributed generation projects that are priced fairly and
22 equitably amongst all utility district members;
 - 23 5) Properly allocate expenses among it different rate classes;
 - 24 6) Provide full transparency throughout this process so that the utility district
25 members are informed, educated and empowered to help make decisions that
26 affect BIUD's future strategies; and
 - 27 7) Ensure our revenues fund BIUD's operations and future capital investments.
- 28

1 **Q. Can you briefly explain how BIUD's rate case aligns with Rhode Island's policy goals**
2 **outlined in Docket 4600A?**

3 A. BIUD's rate case supports the goals outlined in Docket 4600A by:

- 4 1) Ensuring all utility district members are receiving the same value for their money
5 and that our costs are properly allocated – a particular challenge with such as
6 seasonal load profile serving a tourism-based economy that is so dependent on
7 weather,
- 8 2) simplifying our current rate design, making it easier to understand, while
9 considering gradualism,
- 10 3) empowering consumers to make decisions that affect their overall energy costs,
11 such as considering electric heating options, efficiency options or possibly
12 installing distributed generation,
- 13 4) providing opportunity for public input and discussion during open board
14 meetings,
- 15 5) providing opportunities to reduce energy burdens by promoting efficiency and
16 beneficial electrification, specifically targeting winter consumers through rate
17 design and future incentive programs,
- 18 6) ensuring revenue stability yet contemplating future opportunities for pilot
19 programs such as time of use rates,
- 20 7) supporting innovation with a goal of maximizing the benefits of BIUD's smart
21 meter infrastructure, and
- 22 8) evaluating rate structures in terms of future investments by BIUD and its
23 consumers as the electric infrastructure evolves, such as considering demand
24 response programs and battery storage systems with a goal of maximizing the
25 benefits of renewable energy.

PROPOSED RATE DESIGN CHANGES

Q. Can you briefly explain the major changes in your proposed rate design?

1. Eliminate Public Rate Classes

A. BIUD is proposing one change to its current rate classes. BIUD is proposing to eliminate the “Public” and “Public Demand” rate classes because the current rate differences with General Service and Demand service are very minor. This will ensure fair treatment of consumers based on usage and would simplify our rate structure.

2. Three-Tiered Rates

We are also proposing several changes to the rate design. The most significant change is a proposed shift from the existing two-tier seasonal rates to three-tier seasonal rates. The current two-tier seasonal periods and proposed three-tier seasonal periods are shown below:

CURRENT											
OFF PEAK					PEAK				OFF PEAK		
J	F	M	A	M	J	J	A	S	O	N	D

PROPOSED											
OFF PEAK				SHOULDER		PEAK		SHOULDER		OFF PEAK	
J	F	M	A	M	J	J	A	S	O	N	D

The shift from a two-tier seasonal rate to a three-tier seasonal rate will allow us to more appropriately allocate our costs among our members/consumers based on when they use energy.

1 **Q. The shift to a three-tier seasonal rate structure would be a big change for your**
2 **consumers. How do you see this as meeting Rhode Island’s goals as outlined in Docket**
3 **4600?**

4 A. In addition to more appropriately aligning our costs with usage periods, we feel that this
5 change will encourage the use of efficient electric heating with the goal of reducing our
6 members’ overall energy costs. It will give our members an electric heating option to
7 seriously consider instead of just relying on fossil fuels. We are optimistic that this
8 would increase winter period sales and help to smooth out our annual load profile,
9 which would better utilize the available capacity in the distribution system. This shift
10 addresses many of the goals outlined in Docket 4600, specifically the challenge of
11 climate change and other forms of pollution in addition to prioritizing and facilitating
12 increasing customer investment in their facilities. These investments will be specific
13 targets for incentives provided by our proposed efficiency program.

14
15 **Q. The three-tier seasonal rates could be viewed as creating a significant price variation**
16 **from period to period. Does BIUD have the capability and willingness to promote**
17 **budget billing for its non-commercial members?**

18 A. Yes. Our new billing system is very efficient in supporting our budget billing feature.
19 This helps smooth out a member’s monthly expense and helps BIUD smooth out cash
20 flow. However, we currently only have two members who utilize this feature and both
21 are employees. Regardless of what rate structure is approved, we intend to more
22 aggressively promote budget billing for our members.

23 24 **3. Eliminate Residential Demand Rate**

25
26 We are also proposing to eliminate of the 8kW Residential Rate demand trigger. This
27 trigger currently causes approximately 170 residential class consumers to pay higher
28 rates. However, it runs counter to BIUD’s goal to empower our members to make
29 decisions that could reduce their overall energy costs and reduce their reliance on fossil

1 fuels. We believe that a three-tier seasonal rate (which would lower the present winter
2 rate) would promote beneficial electrification by encouraging our members to switch
3 away from carbon emitting heating fuels such as oil and propane during the heating
4 season. It would make electric heat more cost effective. These approximately 170
5 consumers would be switched from Demand back to Residential.

7 **4. Revised Demand Rate for Large Users**

9 The last major change we are proposing is to the Demand Rate for large users which is
10 currently adjusted monthly based on usage during the billing month. We are proposing
11 to set the Demand Charge based on the member's highest demand during the new peak
12 period in July and August. This will provide more stable costs month-to-month for the
13 member and will also provide some amount of revenue smoothing for BIUD.

14
15 **Q. Is BIUD proposing any time of use, real time or dynamic pricing rates to leverage their
16 smart meter technology?**

17 **A.** BIUD is not proposing to implement any time of use, real time or dynamic pricing rates
18 at this time. We have recently made a lot of change to the organization. We do not want
19 to implement a substantially different rate structure that could result in uncertain
20 revenues. BIUD also does not yet have a full year of smart meter data in its system and
21 does not feel ready to conduct the proper analysis to develop these types of rates at this
22 time. We do however plan to file rate cases more frequently than BIPCo did and will be
23 prepared to consider this in our next filing.

24
25 **Q. What is the status of BIUD's net metering program? Do you plan to file a new Net
26 Metering Tariff?**

27 **A.** BIUD is currently at its 3% cap and has stopped accepting interconnection applications.
28 The BIUD BOD will be holding public input sessions at future BOD meetings with the goal

1 of creating a new net metering tariff that supports the development of renewables and
2 considers the economics of the program.

3 4 **ORGANIZATIONAL STRUCTURE**

5
6 **Q. Can you please describe the present management and organizational structure at**
7 **BIUD?**

8 A. As President, I oversee the activities of the office/billing administrator, a line crew of
9 three, and two plant operators/utility workers. In total there are seven employees at
10 BIUD, including myself. BIUD does rely on several consultants to assist in certain key
11 management aspects of the company; David Bebyn of B&E Consulting handles financial,
12 book-keeping and regulatory accounting, Mike McElroy of Schacht & McElroy handles
13 legal and regulatory matters, Ronald Schroder of Quonset Environmental LLC handles
14 environmental issues, and Workplace Safety Solutions provides engineering and safety
15 consulting services.

16
17 The Block Island Utility District (BIUD) has a Board of Commissioners that consists of five
18 elected commissioners who will eventually all have four-year staggered terms. The
19 current Board of Commissioners consists of Barbara MacMullan who is the Chairperson,
20 John Savoie who is Vice-Chair, William Penn who is Treasurer, Clyde Everett Shorey III
21 who is Secretary and Mary Jane Balser. The current election in process right now will
22 replace Jack Savoie and Mary Jane Balser, who are the Commissioners holding initial
23 two-years terms. There are two candidates running unopposed; Mary Jane Balser and
24 Elliot Taubman. The election results will be determined on October 1, 2019.

25
26 **Q. Can you please briefly describe some of the major changes that occurred since the**
27 **ownership change in 2016 and since the BIUD purchased the assets of BIPCo in 2019?**

28 A. Almost immediately after the ownership change in 2016, there was a new level of
29 transparency directed by the new Board that opened up all Board meetings to the

1 public. We also made public all financials and audits that the company subsequently
2 performed. We placed a new and higher focus on customer service than ever before. In
3 February 2017, when I joined the company, we prioritized public outreach,
4 communications and presence in the community.

5
6 BIPCo spent a great deal of time (1) rebuilding the fire damaged generation plant, which
7 was funded mostly with insurance proceeds, (2) assessing the distribution system, and
8 (3) finding savings and redirecting those savings to O&M programs such as tree
9 trimming and distribution line maintenance.

10
11 The BIUD Board of Commissioners were involved in the BIPCo discussions that would
12 affect BIUD after the sale such as the cost of service study, rate design, regulatory
13 filings, and other strategic initiatives.

14
15 Since March 25, 2019 there has not been a lot of operational changes. There has been a
16 great deal of effort spent focusing on the long-term debt financing, organizing the new
17 company and addressing policy issues such as net metering, peak shaving and of course,
18 this rate case.

19
20 **CAPITAL PROJECTS**

21
22 **Q. Can you please briefly describe some of the major capital projects that BIPCO and/or**
23 **BIUD have undertaken since the ownership change?**

24 **A.** There have been several major capital projects completed since November 2016,
25 including, but not limited to, the National Grid Interconnection, the post fire generation
26 plant rebuild, and the underground storage tank replacement project.

1. National Grid Interconnection

On May 1, 2017, BIUD successfully commissioned its interconnection to the National Grid Block Island Substation. This enabled the shutdown of the diesel generators (except for backup) and opened access to the ISO-NE wholesale power markets. The change in power supply drastically increased reliability, improved power quality, stabilized power supply rates, reduced engine maintenance expenses and allowed BIUD to reduce staffing levels that had previously been required when running generation 24X7. Additionally, and most importantly to many Block Island residents, we are proud of the environmental benefits of no longer burning roughly a million gallons of diesel fuel per year, resulting in a reduction of our NOx emissions from 19.0 tons per year to 0.4 tons in 2018.

2. Underground Tank Removal

Prior to a Federal EPA deadline of December 22, 2017, BIUD removed its last five underground fuel storage tanks (20,000 gallons each) together with all the piping and other equipment. Under RI-DEM oversight, the five tanks, piping, equipment and 177 yards of contaminated soil were removed and disposed of off-Island. Prior to the removal of the underground tank farm, BIUD successfully installed an above tank farm consisting of two 12,000 gallon double walled outdoor fuel tanks and two 400 gallon indoor “day tanks” to supply the generators with diesel.

3. Rebuilt Generation Plant

In the spring of 2018, the fire damaged generation plant was fully restored and made available for service. The 7.250 MW of installed capacity is adequate to serve Block Island with back-up power into the foreseeable future. Our latest load forecast, which does not take into account peak reductions from future demand response and efficiency programs, is shown below:

<u>Block Island Power Company</u>		
Annual Seasonal Peak Load Forecast		
January 16, 2019		
Year	Summer	Winter
2012		2.180
2013	4.160	2.410
2014	3.880	2.275
2015	4.210	2.300
2016	4.775	2.350
2017	4.193	2.377
2018	4.831	2.539
2019	5.024	2.641
2020	5.175	2.720
2021	5.278	2.774
2022	5.380	2.827
2023	5.479	2.878
2024	5.576	2.927
2025	5.671	2.975
2026	5.763	3.021
2027	5.853	3.065
2028	5.941	3.108
2029	6.027	3.149
2030	6.111	3.189

Insurance proceeds paid for (1) a new 2.5 MW generator (Engine 27) to replace the destroyed engine, (2) the repair of the damaged Engine 23, (3) 67% of a switchgear package that controls all four generators, and (4) the new building and most of the contents. The insurance claim is in the process of being closed now.

4. Billing/Operational Systems Upgrade

In late 2017, BIPCo selected the National Information Solutions Cooperative (NISC) as the software vendor for its billing system upgrade. BIPCo implemented the full NISC suite including Customer Care and Billing (including the SmartHub Application), Accounting (ABS), Document Vault, MapWise Mapping, Outage Management System (OMS) and Meter Database Management System (MDMS). The software modules are fully integrated, providing efficiencies and improving accuracy while improving internal controls. All components are fully implemented.

5. Distribution System

Major distribution system upgrades are currently being studied using the system data we gathered during the mapping project. BIUD has purchased the rights to use the Milsoft WindMil engineering modeling software which integrated with NISC's MapWise to ensure updated modeling and with MDMS to allow for peak and non-peak system analysis. We are in the early stages of performing a cost/benefit analysis of a voltage upgrade. This study will help BIUD develop a long-range (ten-year) capital plan that will address the system capacity and loading concerns related to our existing 2,400V Delta system.

6. Poles

BIUD's short term focus is now on its pole plant. An analysis of the mapping data in the spring of 2018 indicated that more than 70% of the pole plant is older than 40 years old, which many industry experts consider to be the average life expectancy of wooden poles in the northeast. BIUD's pole plant consists of roughly 2,000 poles. A replacement program targeting a 40 year life cycle would require that 50 poles per year must be changed. There were many years that no poles were changed. As a result, BIUD has launched a pole replacement program that is targeting a goal of replacing between 125-150 poles per year for at least the next five years. Between March, 2018 and June, 2019, we changed approximately 250 poles.

BIUD has revised most all of its material standards such as upgrading its pole standard from Class 3 and 4 poles to more robust Class 2 poles. Pole heights are being increased where appropriate in anticipation of installing an island wide communications network and a neutral conductor as part of a future Delta-Wye voltage conversion. Pole height standards have changed from 30-35' to 35-40' and, in areas of heavy communications

1 congestion, 45'. Additionally, a shift has been made to purchasing as many coastal grade
2 materials as possible such as stainless-steel transformers and regulators.

4 **8. Short-Term Capital Plan (2019-2024)**

6 **Q. Can you please further explain BIUD's short term capital plan and how BIUD plans to**
7 **fund its capital program?**

8 A. BIPCo and BIUD have funded their capital improvements mostly by pay-as-you-go since
9 the change in ownership in November 2016, with the exception of the tank replacement
10 project. \$450,000 for tank replacement was funded by a line of credit intended as short-
11 term funding that was eventually rolled into the long-term financing of the utility
12 district. The short-term capital plan that BIUD is seeking to fund extends out five years
13 to 2025. It is comprised of mostly distribution system improvements, such as pole
14 replacements, regulator installations, re-conductoring and other miscellaneous
15 upgrades. It does not include a system wide voltage conversion or major facilities
16 projects such a new ADA compliant office building, or a new field operations facility, all
17 of which are under some level of consideration.

18
19 BIUD's short term capital improvement plan is shown in Attachment JMW-1.

21 **9. System Wide Voltage Conversion**

23 **Q. Can you explain BIUD's need for a system voltage conversion and the timing of such a**
24 **project?**

25 A. BIUD has two distribution circuits that are currently at capacity during peak periods. A
26 substation and sequenced (circuit by circuit) voltage conversion could solve any
27 immediate and long-term capacity limitations. The project is complex in the fact that the
28 work will need to be completed while maintain continuity of service power to the island

1 except for short duration outages. We are currently studying the feasibility of the
2 project, developing a estimate and evaluating the cost:benefit analysis.

3
4 Work on constructing the project could start in the next 12-24 months. At this time, a
5 budget has not been fully been developed and therefore is not factored into this rate
6 case with the exception of proposing that any rate surplus is applied to a restricted fund
7 intended to fund the engineering and initial project development. Any short-term
8 capital work will be coordinated with the future voltage conversion steps in mind.

9 10 **DISTRIBUTION AND PLANT MAINTENANCE**

11
12 **Q. Can you please briefly describe some of the new distribution and plant maintenance**
13 **programs that BIUD has implemented since you joined the company?**

14 **A.** BIUD has and still is in the process of implementing several new maintenance programs
15 that will improve system reliability, power quality and public safety.

16
17 The most visible and effective program aimed at improving power quality and reliability
18 that has been implemented is vegetation management. In the fall of 2017/winter of
19 2018, BIUD trimmed 18 of its 50 miles of line. During this first cycle, BIUD managed to
20 trim all of it main three phase circuits. In the 2018 fiscal year, BIUD spent roughly
21 \$90,000 on trimming. In the fall 2018/winter 2019, BIUD spent nearly \$180,000 on
22 trimming an additional 12 miles. The majority of the trimming done during this last cycle
23 was the heaviest trimming needed on the island. It was actually right of way reclaiming
24 in which most of the line was ground cut, establishing a new cleared right of way 20'-25'
25 in width. The benefits are clearly evident and the work is regularly applauded by our
26 members. BIUD plans to budget \$120,000 per year until a full cycle has been finished (3
27 more years). The long-term goal is a four-year trim cycle. In the spring of ~~2023~~ 2022
28 (after a 5 years reclamation period), the vegetation management program will be
29 reevaluated and a new budget will be established for ongoing annual maintenance.

Other maintenance programs that are being developed or in various stages of implementation are distribution breaker relay testing (5-year cycle), distribution fuse coordination studies and labeling, pole testing (10-year cycle) starting in 2019, infra-red testing (twice annually) and regular line patrols. BIUD recently completed its first infra-red inspection in which three imminent failures were discovered that would have failed as loads increased in June and July. Other inspections will target the marinas in New Harbor which normally don't have much load on them until the week prior to July 4th. Power failures at the marinas on or around July 4th due to over/excessive loading have become an annual occurrence that we successfully avoided this year.

Q. What major maintenance items are needed to ensure long term availability of the generation plant?

A. With the exception of the new Engine #27, all engines are overdue for major overhauls. BIUD plans to overhaul Engine #24 in Q1 2020, Engine #25 in Q1 2022 and #23 in Q1 2024. The cost of each overhaul is expected to be roughly \$180,000 which will be funded with the SCR & Engine Maintenance Reserve Fund.

CUSTOMER SERVICE

Q. Can you please briefly describe what recent customer service improvement initiatives have been put into place and provide a magnitude of budget impact?

A. Several customer service initiatives have been implemented. To date, they have been funded within our existing budgets and current rates.

The implementation of a customer interface called SmartHub provides customers with online access to their bills, daily usage both in kWH and kW Demand, opt-in outage notifications, paperless billing and online bill pay. The efficiencies gained from online bill pay have offset any third-party vendor fees.

1 BIUD recently contracted with an external back up call center, Call Response
2 Cooperative (CRC) to handle 24X7 outage reporting, customer service and billing
3 inquiries. CRC provides back-up customer care and call services for approximately 500
4 cooperatives and municipals across the country. They utilize proprietary software to
5 gain full access to each member and associate company's customer information and
6 outage management software. They have capacity enough to guarantee that every call
7 with either be met by a front-end greeting, IVR (Interactive Voice Response) system or
8 member service representative that can handle any of their needs. They are PCI
9 (Payment Card Industry data security standard) compliant and can handle taking after
10 hour payments if asked to. BIUD utilizes them for outage management, customer care
11 and emergency call services with the goal of our customers never getting a busy signal.
12 The cost for this service is less than \$1,000 per month and can be used for back up
13 coverage during the day as well which is very important for our small office staff.

14
15 BIUD has also taken steps to better communicate with its members using social media,
16 community bulletin boards and the local newspaper to convey real time and future
17 news.

18 BIUD has greatly improved the efficiency of its billing process. BIUD now utilizes the
19 NISC mailroom to process, print, stuff and mail its monthly bills. Their mailroom can also
20 do special mailings such as election correspondence and bill stuffers. The cost of
21 processing our monthly bills, including postage, is roughly \$900/month, a significant
22 savings from when this was all done in-house.

23 24 ENERGY EFFICIENCY

25
26 **Q. Can you please briefly describe what BIUD is doing to address energy efficiency as part**
27 **of its long-range distribution planning?**

28 A. BIUD is working with the Rhode Island Office of Energy Resources (RI-OER) to develop
29 the program. Despite gaining BIPCo Board approval in 2018, I have chosen to wait for

1 the BIUD Board to establish themselves so they can be involved in the development of
2 the program. We have earmarked funding for the program in this rate case, subject to
3 approval of the efficiency plan in a separate Commission docket. OER expects to have
4 the proposed program for us by the end of 2019.

5 6 **SMART METERS** 7

8 **Q. Can you further explain your AMI (“Smart Meter”) system and back office applications**
9 **provided by NISC and others?**

10 **A.** In 2015, BIPCo installed an AMI system provided by GE. The meters are radio-frequency
11 meters with each communicating point to point with five collector sites strategically
12 located around the island. They are positioned to allow for one collector outage to occur
13 and still provide the system with near 100% read performance. The five collectors then
14 transit the meter data to GE’s head metering office in Atlanta using cellular modems for
15 backhaul. The system has proven to be extremely resilient during the island’s weather
16 events and routinely provides 100% read performance for its daily indexes and the five-
17 minute interval readings it captures. The data is housed at GE’s data center with
18 unlimited storage capability.

19
20 The AMI project was initially justified on the basis of improving power quality,
21 monitoring system voltage, and other power quality parameters such as power factor,
22 demand and interval data. However, it quickly became an invaluable tool in identifying
23 outages by alerting everyone via text message and by displaying meters that were out
24 based on GPS coordinates/locations.

25
26 The 5-minute interval data has also become a valuable tool for identifying unusual usage
27 such as bad well pumps that are running continuously, electrical appliances left on
28 during the off season, net metering systems that are not working properly, etc.
29

1 The power quality data is very helpful in addressing voltage problems and helps to
2 improve the company's outage response, but the system was never really intended as a
3 front-end system for use by an office manager or line workers.

4
5 BIPCo had been pursuing a front-end system with mostly billing improvements in mind
6 before the ownership change. They received several quotes from the National
7 Information Solutions Cooperative (NISC) but never committed to the purchase. The
8 pending interconnection to National Grid in the spring of 2017 brought the challenge of
9 charging Standard Offer, Transmission and Fuel Adjustment all in the same month. As a
10 result, we solicited bids from NISC again and from SEDC; both are vendors who provide
11 comprehensive software suites to cooperatives and municipal utilities. The decision was
12 made to purchase the NISC suite due to their ability to integrate with the GE system.
13 The following software packages were implemented beginning with a customer
14 information/billing system that went live June 1, 2018:

- 15
- 16 • Customer Information System (CIS)
- 17 • Meter Data Management System (MDM)
- 18 • SmartHub (Member Interface available on mobile device or PC)
- 19 • Accounting (ABS)
- 20 • Outage Management System (OMS)
- 21 • GIS Mapping (MapView)
- 22

23 The following modules were also included but not yet implemented:

- 24 • Staking for New Services and Mapping Maintenance
- 25 • Distribution Analytics (load flow analysis using available data from MDM)
- 26

27 All modules are fully integrated, meaning that when CIS is updated with new customer
28 information, it transfers to the map and OMS automatically. When our map is updated
29 with a new line extension or mainline fuse/switch changed, the OMS system is updated.

1 This is critical for a small office because it limits time spent on updates and keeps data
2 current.

3
4 All data and applications are hosted on NISC's servers in St Louis, MO which makes
5 disaster recovery possible at little or no expense. It also allows for access to the systems
6 using an iPad on a cellular data plan which is extremely helpful during broadband
7 outages on the island, which occur almost daily during the summer months.

8
9 GE does not automatically integrate with the NISC applications, but NISC has a
10 proprietary communication protocol called Multi-Speak which allows the GE systems to
11 send live meter data and outage triggers to NISC.

12
13 Finally, the accounting systems are fully integrated with the CIS so that all transactions
14 made are logged and recorded to the general ledger, including billing adjustments,
15 payments, customer ACH and credit card payments and returns of deposits. All
16 transactions are reviewed and required to be approved as set up in the administration
17 settings. The controls built into this system are completely auditable and the records
18 will be stored for an infinite period of time.

19
20 **Q. Can you further explain the MDM system and what its capabilities are?**

21 A. The MDM system is the repository for all of the AMI data that is sent to NISC from GE.
22 We store an infinite amount of 5-minute interval data (the most granular level of data of
23 any AMI system) that is used for plotting usage in kilo-watt hours and demand in kilo-
24 watts. This data is then used by SmartHub so it can be viewed by the member. BIUD
25 staff can utilize this same data in a similar format which can be detailed further to
26 provide a variety of information, such as AMI system performance, build and monitor
27 virtual meters to compile data from a certain service area (such as a pad mount
28 transformer with several services/meters fed from it) and to compile and analyze

1 system wide data by any combination of meters, rate classes, circuits or fuse points. This
2 information can be valuable for both engineering and rate setting purposes.

3
4 From an engineering standpoint, it provides load data specific to coincident and non-
5 coincident peaks for fuse coordination, conductor sizing or transformer selection. This
6 can be accomplished with any desired level of granularity.

7
8 From a rate making perspective it provides an exact measurement of usage by
9 rate/revenue class at coincident and non-coincident peak periods. It can also be used to
10 help identify usage patterns and trends by rate/revenue class by time of use. The system
11 went live in September 2018 so we are unable to accurately identify usage by rate class
12 for last year's peak day/hour. We will however be able to accurately measure
13 coincidental usage by rate class during the hour that the ISO-NE peaks and during our
14 non-coincidental peak, which usually occurs an hour or two later than the ISO-NE peak.

15
16 **Q. Can the AMI system facilitate two-way communication for demand response control**
17 **and price signaling?**

18 A. No. Our meters do not presently have the ability to support load control devices using
19 AMI two-way communications. If BIUD was to implement such a program we would
20 need to rely on local home area networks or Wi-Fi.

21
22 **Q. Can you explain the customer interface with these systems?**

23 A. The customer/member interface is done using the SmartHub application which accesses
24 CIS data, MDM data available from the last MDM upload and from the outage
25 management system. Each member can log into the application and view their billing
26 information, make payments on line, set up auto-payments, change their billing address,
27 request paperless billing, access their monthly/daily/hourly kilo-watt hour usage, and
28 access kW demand in both day after format or historical. NISC is fully PCI compliant as is
29 our staff. We do not however take credit card payments at the office to limit the

1 amount of personal information we have access to. Members can make credit card
2 payments on an IVR line set up for us through NISC if they do not have access to
3 SmartHub. Additionally, the new bills have much more information on them then they
4 ever did, including usage charts, month-to-month and annual comparisons, and a listing
5 of all of the resources available to them to pay their bill.

6
7 SmartHub is also integrated with OMS as well which allows members to opt in for
8 outage and restoration notifications. This is not fully set up yet but will be before the
9 end of year.

10 11 **BROADBAND**

12
13 **Q. What does BIUD have available to them for broadband service that supports all of this**
14 **technology?**

15 A. BIUD is now connected to the Town of New Shoreham's fiber infrastructure at a cost of
16 less than what we were paying Verizon for cellular 4G service. BIUD will keep the
17 Verizon service as back-up.

18 **MOBILE DEVICES**

19
20 **Q. How is all of this technology helping the BIUD employees in performing their daily**
21 **tasks?**

22 A. Each employee has the appropriate level of access to the CIS and operational
23 applications using an iPad provided by the company. The most useful aspect of this is
24 that everyone has live access to OMS for outage response, and the GIS mapping system
25 for help with daily tasks. It also provides redundant CIS access during broadband
26 outages at the office. The iPads we use include an ATT data plan while their company
27 issued cell phones use Verizon cellular voice and data plan. Using different providers is a
28 safety feature that I have been a proponent of since cellular communications have
29 become so important in utility operations. In the event of an accident, interruption of

1 normal operations, or during disaster recovery, the employees have several options to
2 communicate. Not all providers have 100% coverage and neither do our radios so this
3 feature has proven worthwhile many times before.

4 5 **OTHER SAVINGS**

6
7 **Q. What other efficiency gains, cost savings or customer service program changes have**
8 **been made that are worth noting as they pertain to this filing?**

9 A. Immediately following the ownership change, savings were discovered in several areas.
10 Historically the past owners and General Manager received free electric service; this
11 practice was stopped in November 2016. The previous owners, General Manager and
12 the Chief Operating Officer all drove company vehicles for personal and business use
13 because of their on-call responsibilities; that has ceased. The company had a mainland
14 vehicle parked at the Point Judith state parking lot which was used regularly by
15 employees and the owners; that vehicle no longer exists. A company credit card used to
16 be kept at the local gas station for convenience; this practice has stopped and tighter
17 controls have been put into place that have resulted in reduced fuel expenses.

18 19 **VEHICLES**

20
21 **Q. Can you detail what BIUD currently has for vehicles?**

22 **A.** Our vehicle fleet has been reduced to a digger truck, two bucket trucks, two pick-up
23 trucks for use by the line crew and plant staff, one pool vehicle, and one retired/spare
24 bucket truck.

25
26 BIUD currently has the following vehicles in its fleet:

Year	Manufacturer	Model	Purpose	Leased/Owned
2018	Ford	F150 P/U	Pool Vehicle	3 Year Lease
2017	Ford	F250 P/U	Line Crew	5 Year Lease
2007	Ford	Ranger	On Call P/U	Own
2018	Dodge	5500	Bucket Truck	7 Year Lease
2008	Ford	550	Bucket Truck	Own
2005	Sterling		Digger Truck	Own
2012	Ford	550	Bucket Truck/Retired/Spare	Own

With the exception of the 2012 bucket truck, all vehicles are used daily for operations. Our long-range plan for bucket trucks is to retire/sell the 2012 F550 by the end of year, replace the 2008 Ford 550 with a new leased bucket truck starting in 2021 and maintain the digger truck as long as it is cost effective (planning on an additional 7-10 years). It is important with a small fleet and with Block Island being so isolated that we maintain a healthy fleet and a good relationship with our lease company to ensure timely service for maintenance and break downs.

TERMS AND CONDITIONS

Q. Has BIUD modified its Terms and Conditions?

A. Yes, several minor changes have been made to our terms and conditions which are included as part of this filing.

Section O - Demand Metering: Changes have been made to reflect the changes in rate design pertaining to Demand Metering.

Section Q – Reconnection of Service: Reconnect fees were adjusted to from \$25 to \$40 during normal business hours and from \$50 to \$75 outside of normal business hours.

1 Section R – Line Extensions (Overhead and Underground): Changes were made to reflect
2 adherence to construction standards such as the National Electrical Safety Code (NESC)
3 and the Rural Utilities Service (RUS) construction standards.

4
5 Section S – Contributions in Aid of Construction: Changes were made to reflect customer
6 reimbursement of actual costs and overheads without reference to a true up for income
7 tax liability.

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

10 **A.** Yes, it does.

**Block Island Utility District
Short Term Capital Plan
2019-2024
(Excludes Voltage Conversion Engineerign and Construction)**

		2019				2020				2021			
	PROJECT TOTAL	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TECHNOLOGY													
NISC Software Implementation (Capital Payments Through 7/19)	\$ 31,521.00	\$ 13,509.00	\$ 13,509.00	\$ 4,503.00									
Fiber Connection to Town of New Shoreham Project	\$ 8,000.00			\$ 8,000.00									
	\$ -												
	\$ -												
DISTRIBUTION SYSTEM													
Pole Replacements (125-150/year)	\$ 1,990,000.00	\$ 100,000.00	\$ 85,000.00		\$ 150,000.00	\$ 100,000.00	\$ 120,000.00		\$ 45,000.00	\$ 100,000.00	\$ 125,000.00		\$ 60,000.00
<Verizon Joint Ownership Contribution>	\$ (490,000.00)			\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)	
Coast Guard Road Regulators	\$ 35,000.00					\$ 35,000.00							
Reconductor East Circuit to Bridge Gate Square	\$ 50,000.00						\$ 50,000.00						
Reconductor East Circuit from Bridge Gat Sq to Rotary	\$ 100,000.00												
Reconductor New Harbor Circuit - Extend to Champlain's Marina	\$ 130,000.00						\$ 30,000.00			\$ 100,000.00			
Reconductor High Street Circuit to Town Hall	\$ 100,000.00										\$ 100,000.00		
Reconductor West Side Circuit to Gracies Cove	\$ 100,000.00												
Reconductor Corn Neck to Beach Ave - to Bridge Gate Square	\$ 150,000.00												
Capacitor Bank Installations	\$ 25,000.00					\$ 25,000.00							
Fuse Coord Study/Implementation	\$ 67,500.00		\$ 2,500.00	\$ 5,000.00	\$ 10,000.00	\$ 50,000.00							
Distribution Substation Breaker Controls Upgrades	\$ 35,000.00				\$ 25,000.00	\$ 10,000.00							
	\$ -												
New Services and Line Extensions													
	\$ -												
(2 year Average) Construction Costs	\$ 300,000.00				\$ 50,000.00				\$ 50,000.00				\$ 50,000.00
Member Contribution	\$ (300,000.00)				\$ (50,000.00)				\$ (50,000.00)				\$ (50,000.00)
GENERATION PLANT													
	\$ -												
Video Surveillance for Tank Farm	\$ 20,000.00	\$ 20,000.00											
New Control Room Set Up	\$ 12,500.00	\$ 12,500.00											
SCADA System	\$ 25,000.00	\$ 12,500.00	\$ 12,500.00										
	\$ -												
	\$ -												
FACILITIES, TOOLS AND EQUIPMENT													
	\$ -												
Demolish Original Gen Building	\$ 20,000.00				\$ 20,000.00								
EMPLOYEE HOUSING													
	\$ -												
Architectural, Scoping and Permitting Work	\$ 30,000.00				\$ 10,000.00	\$ 10,000.00	\$ 10,000.00						
	\$ -												
Quarterly Totals	\$ 2,400,000.00	\$ 145,000.00	\$ 100,000.00	\$ (60,000.00)	\$ 215,000.00	\$ 210,000.00	\$ 210,000.00	\$ (65,000.00)	\$ 45,000.00	\$ 180,000.00	\$ 225,000.00	\$ (65,000.00)	\$ 60,000.00
ANNUAL TOTALS		\$400,000.00				\$400,000.00				\$400,000.00			

Block Island Utility District
Short Term Capital Plan
2019-2024
(Excludes Voltage Conversion Engineerign and Construction)

		2022				2023				2024			
	PROJECT TOTAL	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TECHNOLOGY													
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DISTRIBUTION SYSTEM													
Pole Replacements (125-150/year)	\$ 1,990,000.00	\$ 150,000.00	\$ 150,000.00		\$ 85,000.00	\$ 150,000.00	\$ 100,000.00		\$ 85,000.00	\$ 150,000.00	\$ 150,000.00		\$ 85,000.00
<Verizon Joint Ownership Contribution>	\$ (490,000.00)	\$ (20,000.00)		\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)	
Coast Guard Road Regulators	\$ 35,000.00												
Reconductor East Circuit to Bridge Gate Square	\$ 50,000.00												
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	\$ -												
Quarterly Totals	\$ 2,400,000.00	\$ 130,000.00	\$ 250,000.00	\$ (65,000.00)	\$ 85,000.00	\$ 130,000.00	\$ 250,000.00	\$ (65,000.00)	\$ 85,000.00	\$ 230,000.00	\$ 150,000.00	\$ (65,000.00)	\$ 85,000.00
ANNUAL TOTALS		\$400,000.00				\$400,000.00				\$400,000.00			