

List of Issues for Decision in Providence Water Case -- Docket 4994

Brief References

Numbered for Reference	Issue	Description	Bristol Water -- Brief	Providence Water	KCWA Brief	Division Post-Hearing Letter
<u>WHOLESALE RATE ISSUES raised by BCWA</u>						
(1)	Individual v. Uniform Wholesale Rates	Main issue in the case.	pp. 12-38 of BCWA Brief	PW Brief pp. 9-14	Not opposed to Individual Rates, but impacts need to be studied.	Determination of Individual Rates should be deferred to next rate case, citing testimony of Providence Water and DPUC response to PUC-1
(2) Allocations to Entire Wholesale Rate Class						
(2)(a)	Transmission & Distribution Labor	BCWA points to evidence that 5% of T&D labor attributed to transmission, but allocation to transmission (wholesale) is larger. BCWA asserts that allocation be at 5%.	p. 40 of BCWA Brief	H.Smith rebuttal, p. 13 (No disagreement with principle if there are individual wholesale rates)	N/A	N/A
(2)(b)	Central Operations Facility Allocation	10% of Commercial Services Costs (meter, billing, and collection activity) allocated to wholesale. Only seven wholesale customers compared to 77,000 retail. BCWA asserts that wholesale do not contribute toward 10% of cost.	p. 41 of BCWA Brief	PW Brief, p. 6(F) & p. 8; Div 4-10, BCWA 5-4.	N/A	Mierzwa p. 12-13.
(2)(c)	Non-Revenue Water	47.4% of water used for testing allocated to wholesale. 90% of non-revenue water used for testing benefits both wholesale and retail customers. Should wholesale be allocated 47% of all the water? But no alternative offered by BCWA.	p. 42 of BCWA Brief	PW Brief, p. 5(A) & p. 8; Div 4-1, 4-2, and BCWA 10-1;	N/A	Mierzwa p. 9 & Sch. JDM-15b
(3) Allocations to BCWA and Others in Class						
(3)(a)	Pumping Costs	Gravity fed systems are allocated share of pumping cost. BCWA argues that BCWA and some other wholesale customers should not be allocated any of these costs. NOTE: Only applicable if there are individual wholesale rates.	p. 43 of BCWA Brief	H.Smith rebuttal, p. 13 (No disagreement with principle if there are individual wholesale rates)	N/A	N/A
(3)(b)	Unidirectional Flushing	Flushing occurs for systems 12" and below. System serving BCWA is larger than 12". BCWA asserts that these costs should not be allocated to BCWA. NOTE: Only applicable if there are individual wholesale rates.	p. 43 of BCWA Brief	H.Smith rebuttal, p. 13 (No disagreement with principle if there are individual wholesale rates)	N/A	N/A
(4) REVENUE REQUIREMENT ISSUES raised by BCWA						
(4)(a)	Funding level for Infrastructure Replacement Fund (IFR)	Division originally recommended \$2 million reduction, but then Settlement compromised at \$1 million. BCWA questions the compromise.	p. 44 of BCWA Brief	PW Brief Exhibit A, pp. 1-4	N/A	Settlement Resolves all Issues.
(4)(b)	Insurance Funding	BCWA questions Division's compromise at 50% of original recommended reduction.	p. 44 of BCWA Brief	PW Brief Exhibit A, pp. 5-8	N/A	Settlement Resolves all Issues.
(4)(c)(1)	RECs	BCWA argues that PW should be selling its RECs. There also was a question raised by PUC whether there is another alternative to advancing PW's renewable goals. PW offers a plan to support a study to determine monetary benefit of selling RECs and buying others, but requests funding for study.	p. 45 of BCWA Brief	PW Brief Exhibit A, pp. 9-11	N/A	Settlement Resolves all Issues.
(4)(c)(2)	Calculation of Net Metering Site Usage Limit	Question raised by Commissioner Anthony regarding determination of production eligible for net metering.	N/A	N/A	N/A	N/A
(5) OTHER REVENUE REQUIREMENT ISSUE raised by PUC at hearing.						
(5)(a)	Funded Vacancies	Division and PW compromised on funded vacancy level. No other party has opposed. Question raised whether PW can meet its commitment. In Brief, PW offers adjustment in Yr 2 or 3 if commitments cannot be met.	N/A	PW Brief Exhibit A	N/A	Settlement Resolves all Issues.
(5)(b)	Discrepancy in Cost of Electricity Estimate	During PUC review of schedules, a discrepancy was found in the estimate of the cost of electricity. Response to data request did not fully resolve it.	N/A	N/A	N/A	N/A