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March 12, 2020

Ms. Luly Massaro, Clerk
RI Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

RE: Kent County Water Authority – Docket No. 5012

Dear Ms. Massaro:

Please find enclosed herewith an original and nine (9) copies of the Kent County Water Authority's Responses to the Rhode Island Public Utilities Commission First Set of Data Requests in Docket # 5012. An electronic copy has been provided to the service list. Should you have any questions, please contact me. Thank you.

Sincerely,

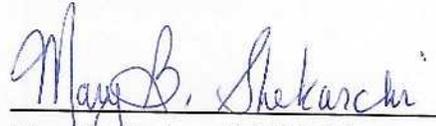

Mary B. Shekarchi
Attorney at Law

MBS/mdc
Enclosure

Cc: Docket 5012 Service List (via electronic mail)

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
DOCKET NO. 5012

Respectfully submitted,



Mary B. Shekarchi (#4767)

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Warwick, RI 02886

Tel. (401) 828-5030

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marybali@aol.com

Dated: March 12, 2020

CERTIFICATION OF SERVICE

I hereby certify on this 12th day of March, 2020, I sent a copy of the within to the Parties listed on the attached service list.



**Docket No. 5012 - Kent County Water Authority – Abbreviated Rate Filing
Service List 2/11/2020**

Name/Address	E-mail Address	Phone
Kent County Water Authority (KCWA) Mary B. Shekarchi, Esq. 33 College hill Rd., Suite 15-E Warwick, RI 02886	marybali@aol.com ;	401-828-5030
David L. Simmons, P.E. Executive Director/Chief Engineer Kent County Water Authority 1072 Main St. West Warwick, RI 02893-0192	dsimmons@kentcountywater.org ;	401-821-9300
David Bebyn, CPA B&E Consulting, LLC 21 Dryden Lane Providence, RI 02904	dbeyn@gmail.com ;	
Division of Public Utilities & Carriers (Division) Tiffany Parenteau, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	Tparenteau@riag.ri.gov ;	401-274-4400
	Chetherington@riag.ri.gov ;	Ext. 2218
	John.bell@dpuc.ri.gov ;	
	Al.mancini@dpuc.ri.gov ;	
	Pat.smith@dpuc.ri.gov ;	
	Hakeem.ottun@dpuc.ri.gov ;	
	Robert.Bailey@dpuc.ri.gov ;	
	Mfolcarelli@riag.ri.gov ;	
	Dmacrae@riag.ri.gov ;	
Jerome Mierzwa Layfayette Morgan Exeter Associates, Inc. 10480 Little Patuxent Parkway, Suite 300 Columbia, MD 21044	jmierzwa@exeterassociates.com ;	
	lmorgan@exeterassociates.com ;	
Original & nine (9) copies file w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Cynthia.WilsonFrias@puc.ri.gov ;	
	Margaret.hogan@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Sharon.ColbyCamara@puc.ri.gov ;	
Kathleen Crawley Water Resources Board	Kathleen.crawley@wrb.ri.gov ;	401-222-6696

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY:
ABBREVIATED RATE FILING: DOCKET NO. 5012

PUBLIC UTILITIES COMMISSION'S FIRST SET OF DATA REQUESTS
DIRECTED TO KENT COUNTY WATER AUTHORITY (KCWA)
(Issued March 3, 2020)

1-1. Referencing page 14 of Mr. Simmons' testimony, KCWA has projected that it will need approximately \$8 million to replace all of the meters again in 15 to 20 years. KCWA calculated this amount by taking the present value of \$5.2 million and compounding it for 20 years at 2.25% annually.

a. Will the proposed annual funding of \$396,000 be deposited into an interest-bearing account?

RESPONSE:

Yes. It would be deposited into the same account that is being managed for the current meter change out program.

b. At what interest rate did KCWA assume the account would accrue?

RESPONSE:

1.48%. See attached account statement.

c. Does the requested funding take into account the accrual of compounded interest over the 20-year period? If not, why not?

RESPONSE:

The requested funding did not consider anticipated accrued interest. The original calculations were based solely upon a straight-line inflation rate of 2.25% to determine a present value conservative funding level that was reasonable.

d. If it did not, please recalculate the annual request to take into account interest.

RESPONSE:

Attached herein is an adjusted schedule that shows an adjusted funding level and utilization rate accounting for interest at an interest rate of 1.48 % (0.01233% monthly periodic rate). Account for interest would shift the annual funding level from \$396,000 to \$378,540.

Witness responsible: David L. Simmons, P.E.

**BNY MELLON**

The Bank of New York Mellon Trust Company, N.A.

KENT COUNTY WATER AUTHORITY
ATTN: FINANCE DIRECTOR
1072 MAIN STREET
WEST WARWICK, RI 02893-3724

Account Statement

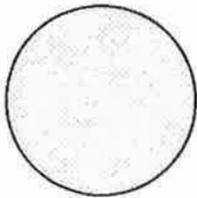
Statement Period 01/01/2020 Through 01/31/2020

Account 667674 Base Currency = USD
 KCWA METER REPLACE D 4611

CLIENT SERVICE MANAGER: MICHAEL JONES
 BNYM CORPORATE TRUST
 500 ROSS STREET
 PITTSBURGH, PA 15262
 412-234-8492
 MICHAEL.JONES1@BNYMELLON.COM

Go Paperless.

Securely access your accounts online to view your statements. Ask your BNY Mellon contact how we can help you access your account balances and activity in real time, receive your reports, enter your own transactions or submit an audit confirmation online. Also be sure to ask how NEXEN(SM) Gateway, our new cloud-based ecosystem, can help you.

Visit us at www.bnymellon.com**Account Overview**

Percent of all Investments	Asset Classification	Market Value
100% ☺	CASH AND SHORT TERM	5,586,049.31
100%	TOTAL OF ALL INVESTMENTS	5,586,049.31

Summary of Assets Held by Asset Classification

Asset Classification	Market Value	Cost	Accrued Income	Estimated Annual Income	Market Yield
CASH AND SHORT TERM	5,586,049.31	5,586,049.31	0.00	82,400.43	1.48 %
ACCOUNT TOTALS	5,586,049.31	5,586,049.31	0.00	82,400.43	1.48 %

Summary of Cash Transactions by Transaction Category

Transaction Category	Current Period			Year-to-Date	
	Income	Principal	Realized Gains/Losses	Income	Principal
OPENING BALANCE	0.00	0.00		0.00	0.00
DIVIDENDS	7,085.67	0.00	0.00	7,085.67	0.00
SALES AND REDEMPTIONS	0.00	262,378.33	0.00	0.00	262,378.33
OTHER CASH ADDITIONS	0.00	198,752.34	0.00	0.00	198,752.34
OTHER CASH DISBURSEMENTS	7,085.67 -	269,464.00 -	0.00	7,085.67 -	269,464.00 -

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Jan		\$ 221,907.05	\$ 606,802.03	\$ 997,432.27	\$ 1,393,883.21	\$ 1,796,241.59	\$ 2,105,289.06	\$ 2,248,537.59	\$ 2,444,869.14	\$ 2,559,787.73	\$ 2,083,171.03	\$ 1,876,934.53	\$ 1,667,624.93	\$ 1,455,196.46	\$ 1,239,602.63	\$ 1,020,796.27	\$ 798,729.53	\$ 573,353.81	\$ 344,619.81	\$ 112,477.49
Feb		\$ 253,764.64	\$ 639,134.33	\$ 1,030,246.34	\$ 1,427,186.24	\$ 1,830,040.86	\$ 2,139,469.49	\$ 2,282,894.70	\$ 2,479,468.38	\$ 2,594,528.70	\$ 2,117,324.18	\$ 1,910,833.32	\$ 1,701,265.58	\$ 1,488,575.11	\$ 1,272,715.38	\$ 1,053,639.16	\$ 831,298.53	\$ 605,644.85	\$ 376,628.75	\$ 144,200.12
Mar		\$ 285,661.52	\$ 671,506.50	\$ 1,063,100.88	\$ 1,460,530.34	\$ 1,863,881.82	\$ 2,173,692.07	\$ 2,317,294.17	\$ 2,514,110.30	\$ 2,629,312.53	\$ 2,151,519.45	\$ 1,944,773.92	\$ 1,734,947.71	\$ 1,521,994.92	\$ 1,305,868.96	\$ 1,086,522.55	\$ 863,907.71	\$ 637,975.72	\$ 408,677.16	\$ 175,961.87
Apr		\$ 317,597.74	\$ 703,918.60	\$ 1,095,995.95	\$ 1,493,915.57	\$ 1,897,764.51	\$ 2,207,956.86	\$ 2,351,736.07	\$ 2,548,794.94	\$ 2,664,139.25	\$ 2,185,756.90	\$ 1,978,756.38	\$ 1,768,671.38	\$ 1,555,455.95	\$ 1,339,063.44	\$ 1,119,446.50	\$ 896,557.10	\$ 670,346.46	\$ 440,765.10	\$ 207,762.80
May		\$ 349,573.35	\$ 736,370.67	\$ 1,128,931.58	\$ 1,527,341.97	\$ 1,931,688.99	\$ 2,242,263.91	\$ 2,386,220.45	\$ 2,583,522.36	\$ 2,699,008.93	\$ 2,220,036.57	\$ 2,012,780.75	\$ 1,802,436.65	\$ 1,588,958.25	\$ 1,372,298.86	\$ 1,152,411.06	\$ 929,246.76	\$ 702,757.13	\$ 472,892.62	\$ 239,602.94
Jun	\$ -	\$ 381,588.39	\$ 768,862.76	\$ 1,161,907.83	\$ 1,560,809.59	\$ 1,965,655.31	\$ 2,276,613.28	\$ 2,420,747.36	\$ 2,618,292.61	\$ 2,733,921.61	\$ 2,254,358.52	\$ 2,046,847.08	\$ 1,836,243.56	\$ 1,622,501.87	\$ 1,405,575.26	\$ 1,185,416.27	\$ 961,976.73	\$ 735,207.77	\$ 505,059.76	\$ 271,482.36
Jul	\$ 31,583.91	\$ 413,642.93	\$ 801,394.93	\$ 1,194,924.76	\$ 1,594,318.50	\$ 1,999,663.53	\$ 2,311,005.01	\$ 2,455,316.86	\$ 2,653,105.74	\$ 2,768,877.35	\$ 2,288,722.80	\$ 2,080,955.43	\$ 1,870,092.17	\$ 1,656,086.87	\$ 1,438,892.71	\$ 1,218,462.19	\$ 994,747.08	\$ 767,698.43	\$ 537,266.57	\$ 303,401.09
Aug	\$ 63,206.76	\$ 445,736.99	\$ 833,967.23	\$ 1,227,982.41	\$ 1,627,868.73	\$ 2,033,713.68	\$ 2,345,439.15	\$ 2,489,928.99	\$ 2,687,961.81	\$ 2,803,876.21	\$ 2,323,129.46	\$ 2,115,105.85	\$ 1,903,982.52	\$ 1,689,713.28	\$ 1,472,251.25	\$ 1,251,548.87	\$ 1,027,557.84	\$ 800,229.16	\$ 569,513.11	\$ 335,359.19
Sep	\$ 94,868.62	\$ 477,870.64	\$ 866,579.69	\$ 1,261,080.82	\$ 1,661,460.34	\$ 2,067,805.84	\$ 2,379,915.77	\$ 2,524,583.81	\$ 2,722,860.87	\$ 2,838,918.23	\$ 2,357,578.56	\$ 2,149,298.39	\$ 1,937,914.67	\$ 1,723,381.16	\$ 1,505,650.93	\$ 1,284,676.35	\$ 1,060,409.07	\$ 832,800.02	\$ 601,799.41	\$ 367,356.71
Oct	\$ 126,569.54	\$ 510,043.92	\$ 899,232.38	\$ 1,294,220.06	\$ 1,695,093.38	\$ 2,101,940.03	\$ 2,414,434.90	\$ 2,559,281.36	\$ 2,757,802.97	\$ 2,874,003.47	\$ 2,392,070.15	\$ 2,183,533.09	\$ 1,971,888.67	\$ 1,757,090.57	\$ 1,539,091.81	\$ 1,317,844.69	\$ 1,093,300.81	\$ 865,411.04	\$ 634,125.54	\$ 399,393.69
Nov	\$ 158,309.54	\$ 542,256.88	\$ 931,925.34	\$ 1,327,400.17	\$ 1,728,767.90	\$ 2,136,116.33	\$ 2,448,996.61	\$ 2,594,021.72	\$ 2,792,788.17	\$ 2,909,131.97	\$ 2,426,604.27	\$ 2,217,810.02	\$ 2,005,904.57	\$ 1,790,841.56	\$ 1,572,573.93	\$ 1,351,053.94	\$ 1,126,233.12	\$ 898,062.29	\$ 666,491.53	\$ 431,470.18
Dec	\$ 190,088.70	\$ 574,509.57	\$ 964,658.62	\$ 1,360,621.20	\$ 1,762,483.95	\$ 2,170,334.78	\$ 2,483,600.94	\$ 2,628,804.92	\$ 2,827,816.51	\$ 2,944,303.81	\$ 2,461,180.99	\$ 2,252,129.23	\$ 2,039,962.43	\$ 1,824,634.17	\$ 1,606,097.34	\$ 1,384,304.14	\$ 1,159,206.05	\$ 930,753.80	\$ 698,897.44	\$ 463,586.23
Collections	\$ 190,088.70	\$ 574,509.57	\$ 964,658.62	\$ 1,360,621.20	\$ 1,762,483.95	\$ 2,170,334.78	\$ 2,483,600.94	\$ 2,628,804.92	\$ 2,827,816.51	\$ 2,944,303.81	\$ 2,461,180.99	\$ 2,252,129.23	\$ 2,039,962.43	\$ 1,824,634.17	\$ 1,606,097.34	\$ 1,384,304.14	\$ 1,159,206.05	\$ 930,753.80	\$ 698,897.44	\$ 463,586.23
Utilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,184.05	\$ 269,378.13	\$ 218,492.40	\$ 302,726.97	\$ 895,243.86	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 618,103.50	\$ 462,858.90
Balance	\$ 190,088.70	\$ 574,509.57	\$ 964,658.62	\$ 1,360,621.20	\$ 1,762,483.95	\$ 2,071,150.73	\$ 2,214,222.81	\$ 2,410,312.52	\$ 2,525,089.54	\$ 2,049,059.95	\$ 1,843,077.49	\$ 1,634,025.73	\$ 1,421,858.93	\$ 1,206,530.67	\$ 987,993.84	\$ 766,200.64	\$ 541,102.55	\$ 312,650.30	\$ 80,793.94	\$ 727.33

15 Series Meter Install Year (meters left in system during first round of installations)

Install Year	No. of installs
2015	345
2016	937
2017	760
2018	1053
2019	3114
2020 Projected	15435
6/30/2021	5525
Total	27169

Monthly Allocation	Market Yield	Market Yield (monthly)
\$ 31,545.00	1.48%	0.1233%

Funding Year	Restricted Collection	Cumulative
6-30 to 12/31/2020	\$ 189,270.00	\$ 189,270.00
2021	\$ 378,540.00	\$ 567,810.00
2022	\$ 378,540.00	\$ 946,350.00
2023	\$ 378,540.00	\$ 1,324,890.00
2024	\$ 378,540.00	\$ 1,703,430.00

Install Year Next	Generation	No of installs	Install Year	Age	Installs per wk	Annual funding needs	Restricted Collection	Cumulative
2025		345	2015	10	7	\$ 99,184.05	\$ 378,540.00	\$ 2,081,970.00
2026		937	2016	10	18	\$ 269,378.13	\$ 378,540.00	\$ 2,460,510.00
2027		760	2017	10	15	\$ 218,492.40	\$ 378,540.00	\$ 2,839,050.00
2028		1053	2018	10	20	\$ 302,726.97	\$ 378,540.00	\$ 3,217,590.00
2029		3114	2019	10	60	\$ 895,243.86	\$ 378,540.00	\$ 3,596,130.00
2030		2150	2020	10	41	\$ 618,103.50	\$ 378,540.00	\$ 3,974,670.00
2031		2150	2020	11	41	\$ 618,103.50	\$ 378,540.00	\$ 4,353,210.00
2032		2150	2020	12	41	\$ 618,103.50	\$ 378,540.00	\$ 4,731,750.00
2033		2150	2020	13	41	\$ 618,103.50	\$ 378,540.00	\$ 5,110,290.00
2034		2150	2020	14	41	\$ 618,103.50	\$ 378,540.00	\$ 5,488,830.00
2035		2150	2020	15	41	\$ 618,103.50	\$ 378,540.00	\$ 5,867,370.00
2036		2150	2020	16	41	\$ 618,103.50	\$ 378,540.00	\$ 6,245,910.00
2037		2150	2021	16	41	\$ 618,103.50	\$ 378,540.00	\$ 6,624,450.00
2038		2150	2021	17	41	\$ 618,103.50	\$ 378,540.00	\$ 7,002,990.00
2039		1610	2021	18	31	\$ 462,858.90	\$ 378,540.00	\$ 7,381,530.00
TOTALS		27169				\$ 7,810,815.81	\$ 7,381,530.00	

Shortfall if account earns no interest \$ (429,285.81)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY:
ABBREVIATED RATE FILING: DOCKET NO. 5012

PUBLIC UTILITIES COMMISSION'S FIRST SET OF DATA REQUESTS
DIRECTED TO KENT COUNTY WATER AUTHORITY (KCWA)
(Issued March 3, 2020)

- 1-2. Does the \$1,904,000 reflected on Schedule DGB-RY-1, page 3 of 3 take into account collections through the effective date of rates?
- a. What is the expected additional revenues that will be deposited into the meter replacement account prior to the effective date of rates?

RESPONSE:

No. The adjustment is adjusting for the difference between the current funding of \$2,300,000 and the projected ongoing funding of \$396,000. See attached for a projected collection of the meter replacement program revenue through the effective dates. The supporting pages of that schedule provide an update to the attachment to the response to Div. 1-17. Certain assumptions have to be made in order to project the collection to the effective date for the change in rates for this filing. The schedule assumes that sales for the future Feb 2020 thru the end of the filing will be the same as FY 2019. The schedule shows that the initial projected elective date of January 1st 2020 as having an under collection of around \$300,000. If the rates don't change until October 1st in line with the procedural schedule then the over collection would be around \$1.4 million. If, however, the proceeding could end and allow for a July 1st effective date then the overage could be more than half.

Witness responsible: David G. Bebyn, CPA

Collections from the Meter Replacement Account
Kent County Water Authority

	Small (5/8-2" meters)	Medium (3&4" meters)	Large (6" & up meters)	
Recovery of Meter Replacement Program				
JANUARY 2017	\$ 114,541.28	\$ -	\$ -	\$ 114,541.28
FEBRUARY 2017	\$ 109,727.03	\$ -	\$ -	\$ 109,727.03
MARCH 2017	\$ 154,598.92	\$ -	\$ -	\$ 154,598.92
APRIL 2017	\$ 122,810.47	\$ -	\$ -	\$ 122,810.47
MAY 2017	\$ 111,339.20	\$ -	\$ -	\$ 111,339.20
JUNE 2017	\$ 171,773.98	\$ -	\$ -	\$ 171,773.98
JULY 2017	\$ 158,094.13	\$ -	\$ -	\$ 158,094.13
AUGUST 2017	\$ 143,716.47	\$ -	\$ -	\$ 143,716.47
SEPTEMBER 2017	\$ 277,712.89	\$ -	\$ -	\$ 277,712.89
OCTOBER 2017	\$ 181,104.89	\$ -	\$ -	\$ 181,104.89
NOVEMBER 2017	\$ 143,503.40	\$ -	\$ -	\$ 143,503.40
DECEMBER 2017	\$ 209,539.76	\$ -	\$ -	\$ 209,539.76
JANUARY 2018	\$ 163,977.23	\$ -	\$ -	\$ 163,977.23
FEBRUARY 2018	\$ 131,833.90	\$ -	\$ -	\$ 131,833.90
MARCH 2018	\$ 167,340.28	\$ -	\$ -	\$ 167,340.28
APRIL 2018	\$ 127,549.17	\$ -	\$ -	\$ 127,549.17
MAY 2018	\$ 118,656.74	\$ -	\$ -	\$ 118,656.74
JUNE 2018	\$ 192,299.71	\$ -	\$ -	\$ 192,299.71
JULY 2018	\$ 195,063.25	\$ -	\$ -	\$ 195,063.25
AUGUST 2018	\$ 189,679.27	\$ -	\$ -	\$ 189,679.27
SEPTEMBER 2018	\$ 397,869.36	\$ -	\$ -	\$ 397,869.36
OCTOBER 2018	\$ 215,263.60	\$ -	\$ -	\$ 215,263.60
NOVEMBER 2018	\$ 141,433.45	\$ -	\$ -	\$ 141,433.45
DECEMBER 2018	\$ 192,549.01	\$ -	\$ -	\$ 192,549.01
JANUARY 2019	\$ 146,867.03	\$ -	\$ -	\$ 146,867.03
FEBRUARY 2019	\$ 129,786.90	\$ -	\$ -	\$ 129,786.90
MARCH 2019	\$ 168,049.71	\$ -	\$ -	\$ 168,049.71
APRIL 2019	\$ 138,508.69	\$ -	\$ -	\$ 138,508.69
MAY 2019	\$ 122,303.45	\$ -	\$ -	\$ 122,303.45
JUNE 2019	\$ 193,989.67	\$ -	\$ -	\$ 193,989.67
JULY 2019	\$ 183,668.70	\$ -	\$ -	\$ 183,668.70
AUGUST 2019	\$ 171,301.70	\$ -	\$ -	\$ 171,301.70
SEPTEMBER 2019	\$ 330,598.24	\$ -	\$ -	\$ 330,598.24
OCTOBER 2019	\$ 214,042.52	\$ -	\$ -	\$ 214,042.52
NOVEMBER 2019	\$ 157,560.94	\$ -	\$ -	\$ 157,560.94
DECEMBER 2019	\$ 226,186.68	\$ -	\$ -	\$ 226,186.68
			Initial Termination Date	\$ 6,314,841.63
			Funding requested per Docket 4611	\$ 6,600,000.00
				\$ (285,158.37)
JANUARY 2020	\$ 146,906.86	\$ -	\$ -	\$ 146,906.86
FEBRUARY 2020	\$ 131,833.90	\$ -	\$ -	\$ 131,833.90
MARCH 2020	\$ 167,340.28	\$ -	\$ -	\$ 167,340.28
APRIL 2020	\$ 127,549.17	\$ -	\$ -	\$ 127,549.17
MAY 2020	\$ 118,656.74	\$ -	\$ -	\$ 118,656.74
JUNE 2020	\$ 192,299.71	\$ -	\$ -	\$ 192,299.71
			Overfunding if rates go into effect for July 1	\$ 599,428.29
JULY 2020	\$ 195,063.25	\$ -	\$ -	\$ 195,063.25
AUGUST 2020	\$ 189,679.27	\$ -	\$ -	\$ 189,679.27
SEPTEMBER 2020	\$ 397,869.36	\$ -	\$ -	\$ 397,869.36
			Over funding if rates go into effect for October 1	\$ 1,382,040.17

MONTHLY
BILLING REPORT

	TOTAL CUSTOMERS	Small (5/8-2" meters)	Medium (3&4" meters)	Large (6" & up meters)
BILLED CONSUMPTION (CF)				
JANUARY 2019	20,405,965	18,770,785	100,536	1,534,644
FEBRUARY 2019	18,168,672	16,587,807	60,925	1,519,940
MARCH 2019	24,058,279	21,478,102	691,205	1,888,972
APRIL 2019	19,610,517	17,702,522	56,530	1,851,465
MAY 2019	17,831,885	15,631,362	70,198	2,130,325
JUNE 2019	27,890,819	24,793,437	813,524	2,283,858
JULY 2019	25,896,785	23,474,333	156,358	2,266,094
AUGUST 2019	23,777,117	21,893,732	108,131	1,775,254
SEPTEMBER 2019	46,387,063	42,253,108	1,223,165	2,910,790
OCTOBER 2019	29,834,642	27,356,352	116,969	2,361,321
NOVEMBER 2019	21,852,975	20,137,553	106,049	1,609,373
DECEMBER 2019	31,656,986	28,908,473	772,877	1,975,636

Metered Volume Revenue					
JANUARY 2019		\$1,156,280.36	\$4,936.32	\$68,752.05	\$1,229,968.72
FEBRUARY 2019		\$1,021,808.91	\$2,991.42	\$68,093.31	\$1,092,893.64
MARCH 2019		\$1,323,051.08	\$33,938.17	\$84,625.95	\$1,441,615.19
APRIL 2019		\$1,090,475.36	\$2,775.62	\$82,945.63	\$1,176,196.61
MAY 2019		\$962,891.90	\$3,446.72	\$95,438.56	\$1,061,777.18
JUNE 2019		\$1,527,275.72	\$39,944.03	\$102,316.84	\$1,669,536.59
JULY 2019		\$1,446,018.91	\$7,677.18	\$101,521.01	\$1,555,217.10
AUGUST 2019		\$1,348,653.89	\$5,309.23	\$79,531.38	\$1,433,494.50
SEPTEMBER 2019		\$2,602,791.45	\$60,057.40	\$130,403.39	\$2,793,252.25
OCTOBER 2019		\$1,685,151.28	\$5,743.18	\$105,787.18	\$1,796,681.64
NOVEMBER 2019		\$1,240,473.26	\$5,207.01	\$72,099.91	\$1,317,780.18
DECEMBER 2019		\$1,780,761.94	\$37,948.26	\$88,508.49	\$1,907,218.69

Percentage of Rate for Meter Replacement Program			
	12.70168%	0.00000%	0.00000%

Recovery of Meter Replacement Program				
JANUARY 2019	\$146,867.03	\$0.00	\$0.00	\$146,867.03
FEBRUARY 2019	\$129,786.90	\$0.00	\$0.00	\$129,786.90
MARCH 2019	\$168,049.71	\$0.00	\$0.00	\$168,049.71
APRIL 2019	\$138,508.69	\$0.00	\$0.00	\$138,508.69
MAY 2019	\$122,303.45	\$0.00	\$0.00	\$122,303.45
JUNE 2019	\$193,989.67	\$0.00	\$0.00	\$193,989.67
JULY 2019	\$183,668.70	\$0.00	\$0.00	\$183,668.70
AUGUST 2019	\$171,301.70	\$0.00	\$0.00	\$171,301.70
SEPTEMBER 2019	\$330,598.24	\$0.00	\$0.00	\$330,598.24
OCTOBER 2019	\$214,042.52	\$0.00	\$0.00	\$214,042.52
NOVEMBER 2019	\$157,560.94	\$0.00	\$0.00	\$157,560.94
DECEMBER 2019	\$226,186.68	\$0.00	\$0.00	\$226,186.68

MONTHLY
BILLING REPORT

BILLED CONSUMPTION (CF)	TOTAL	Small (5/8-2" meters)	Medium (3&4" meters)	Large (6" & up meters)	
	CUSTOMERS				
JANUARY 2020	20,405,965	18,770,785	100,536	1,534,644	
FEBRUARY 2020	18,044,906	16,849,430	152,629	1,042,847	Est Based upon FY 2019
MARCH 2020	23,935,136	21,387,430	508,426	2,039,280	Est Based upon FY 2019
APRIL 2020	18,160,423	16,301,808	364,266	1,494,349	Est Based upon FY 2019
MAY 2020	16,683,843	15,165,284	146,626	1,371,933	Est Based upon FY 2019
JUNE 2020	26,684,397	24,577,446	781,578	1,325,373	Est Based upon FY 2019
JULY 2020	27,560,830	24,930,648	151,153	2,479,029	Est Based upon FY 2019
AUGUST 2020	26,417,108	24,242,533	165,584	2,008,991	Est Based upon FY 2019
SEPTEMBER 2020	56,303,596	50,850,897	1,628,004	3,824,695	Est Based upon FY 2019

Metered Volume Revenue					
JANUARY 2020		\$1,156,593.90	\$3,613.07	\$94,377.38	\$1,254,584.36
FEBRUARY 2020		\$1,037,924.89	\$7,494.08	\$46,719.55	\$1,092,138.52
MARCH 2020		\$1,317,465.69	\$24,963.72	\$91,359.74	\$1,433,789.15
APRIL 2020		\$1,004,191.37	\$17,885.46	\$66,946.84	\$1,089,023.67
MAY 2020		\$934,181.49	\$7,199.34	\$61,462.60	\$1,002,843.43
JUNE 2020		\$1,513,970.67	\$38,375.48	\$59,376.71	\$1,611,722.86
JULY 2020		\$1,535,727.92	\$7,421.61	\$111,060.50	\$1,654,210.03
AUGUST 2020		\$1,493,340.03	\$8,130.17	\$90,002.80	\$1,591,473.00
SEPTEMBER 2020		\$3,132,415.26	\$79,935.00	\$171,346.34	\$3,383,696.59

Percentage of Rate for Meter Replacement Program				
	12.70168%	0.00000%	0.00000%	

Recovery of Meter Replacement Program					
JANUARY 2020		\$146,906.86	\$0.00	\$0.00	\$146,906.86
FEBRUARY 2020		\$131,833.90	\$0.00	\$0.00	\$131,833.90
MARCH 2020		\$167,340.28	\$0.00	\$0.00	\$167,340.28
APRIL 2020		\$127,549.17	\$0.00	\$0.00	\$127,549.17
MAY 2020		\$118,656.74	\$0.00	\$0.00	\$118,656.74
JUNE 2020		\$192,299.71	\$0.00	\$0.00	\$192,299.71
JULY 2020		\$195,063.25	\$0.00	\$0.00	\$195,063.25
AUGUST 2020		\$189,679.27	\$0.00	\$0.00	\$189,679.27
SEPTEMBER 2020		\$397,869.36	\$0.00	\$0.00	\$397,869.36

February 2020 through September 2020

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY:
ABBREVIATED RATE FILING: DOCKET NO. 5012

PUBLIC UTILITIES COMMISSION'S FIRST SET OF DATA REQUESTS
DIRECTED TO KENT COUNTY WATER AUTHORITY (KCWA)
(Issued March 3, 2020)

- 1-3. Referencing pages 9-10 of Mr. Simmons' testimony, what is the timeline for the 19 customers to change out the single register meters?

RESPONSE:

KCWA is currently engaging seven (7) single register customers that are required to install backflow prevention/cross connection control to come into compliance with state law and RI Department of Health regulatory requirements concerning containment backflow protection. KCWA, as the water purveyor, is charged with ensuring that the water system is protected from backflow via a containment backflow device. In these seven instances, both domestic and fire service requirements will be combined in a single service connection coupled with a UL/FM approved meter and reduced pressure principal backflow assembly. Two of these customers have completed engineered designs and will be installing Protectus III meters and backflow preventers before summer. The remaining five will be in various phases of design and installation. If the expanded meter change out program is approved to include large meters, KCWA will provide a credit to all single register metered customers with the equivalent to the installation of a similarly sized Truflo compound or UL/FM approved Mach 10 ultrasonic meter. Please note that the cost estimates provided under the expanded large meter programming were based on TruFlo compound meters and installation cost.

The remaining twelve (12) single register meters would get evaluated and installed as soon as the program was given approval. We offer the following schedule:

Three (3) single register meters that are servicing domestic only will be replaced with UL/FM approved Neptune Mach 10 ultrasonic or Truflo compound meters.

The remaining nine (9) single register meters that are providing both fire domestic use will be replaced with Neptune Mach 10 ultrasonic meters once the UL/FM certifications are completed. KCWA was informed by the manufacturer (Neptune) that they have passed

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the factory audits by both FM and UL and were waiting on the official reports which will take 4-6 weeks. UL/FM approval is required for services requiring fire flow. If these customers want to purchase and install a UL/FM approved Protectus III prior to the installation of the ultrasonic, KCWA will provide a credit to those customers that is equivalent to the installation of a similarly sized Mach 10 ultrasonic.

Witness responsible: David L. Simmons, P.E.

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- 1-4. Please explain how KCWA is working with the 19 affected customers to effectuate the changeout of the single register meters.

RESPONSE:

Please see the response to Commission 1-3.

Witness responsible: David L. Simmons, P.E.

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- 1-5. Referencing page 11, lines 20-22 of Mr. Simmons' testimony, what is the definition of "neglect" of the meter?
- a. Please provide a copy of the tariff language or language from KCWA's rules and regulations that defines neglect.

RESPONSE:

The KCWA rules and regulations do not define neglect explicitly. The term was used to convey the notion of a failure by an owner to maintain reasonable care based on the following sections of the rules and regulations.

KCWA Rule and Regulations

Section 1.13.2:

Meters are purchased and maintained by the property owner. The Kent County Water Authority shall either install or observe the installation of all meters.

Section 2.5.6.3

Meters must not be exposed to danger from frost, vandalism, flooding or contamination. All discrepancies must be immediately corrected by the customer.

Section 2.5.8.1

Meters damaged by frost, hot water, or any other external causes, shall be replaced with a new meter. Kent County Water Authority personnel shall either accomplish or oversee the installation. The property owner shall reimburse the Kent County Water Authority for all material and labor costs incurred by the Authority.

- b. Please provide a copy of the tariff language or language from KCWA's rules and regulations that addresses the meter replacement referenced on page 11.

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The same sections as presented in PUC-1-5a apply with the caveat that under the current change out program if a meter has not been replaced and it is damaged, the first meter will be replaced for no charge to the owner. If the meter has been changed under the currently funded program, or was replaced within the last five years and of the latest generation, then the customer will be required to pay for a new meter if it is damaged as provided under Sections 2.5.6.3 and 2.5.8.1 KCWA rules and regulations. These actions are in conformance to Division Order D-18-37.

Witness responsible: David L. Simmons, P.E.

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- 1-6. Referencing pages 5 and 16 of Mr. Simmons' testimony, when does KCWA plan to transition to monthly billing?

RESPONSE:

KCWA would like to shift to monthly billing for the large meters starting FY 2021, then transition to monthly billing for all customers once the AMR meter system is installed. The customer information and utility billing systems are integrated, and a filing will need to be submitted to the commission at that time.

Witness responsible: David L. Simmons, P.E.

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- 1-7. Has the current filing taken into account the various costs/savings related to monthly billing?

RESPONSE:

It does not. KCWA would like to start monthly billing on large and medium sized meters so we performed an analysis of cost doing so as explained below.

The cost of printing and mailing one bill is \$0.62 (\$0.20 for printing and 0.42 for postage). The current cost and printing and mailing bills for compound meters with two registers is \$1.24.

There are 15 large and medium compound meter accounts that are currently being billed monthly at an annual cost of \$111.60. The 19 single register meter customers that are currently being billed quarterly have an annual cost of \$47.12. There are 265 large and medium compound meters receiving quarterly bills at an annual cost of \$1,314.40 because two bills are sent per compound meter customer, one for the main meter and one for the bypass, respectively. The overall cost of billing all large and medium customers under the current billing configuration is \$1,473.12.

If the blended rate is approved for compound meters, then each customer would only receive one bill rather than the current two at a cost of \$1,971.60 annually. In summary, the cost for all large and medium meters to be billed monthly is \$2,112.96 vs the current quarterly billing cost of \$1,473.12. The increase of \$639.84 billing is de minimis when compared to the benefits of monthly billing of large and medium customers that provide 20% of the annual revenues to the Authority.

Witness responsible: David L. Simmons, P.E.

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- 1-8. Referencing page 16 of Mr. Simmons' testimony, when will KCWA be deploying cloud-based utility billing customer information systems? Are those costs accounted for in this filing?

RESPONSE:

No they are not. KCWA will be deploying the cloud-based utility billing customer service information systems during FY2021. This was budgeted through our computer and software expense line in our FY2020 annual budget which is \$100,000. Muni-link is a software-as-a-service (SaaS) with no hardware costs. There is an upfront integration cost of \$27,000 and an ongoing monthly cost of \$3,500 once deployed and live. The overall cost in year 1 is \$69,000. In year 2, the cost is \$42,000. The authority is currently incurring and annual expense on the hardware server and software maintenance for utility billing, CIS, GL, accounting, and inventory of approximately \$25,000. The UB/CIS expense will roll off as we onboard the new technology. The new software will also provide better service to the customers with additional benefits including integrated e-Billing and automatic bill payment features, customer portal, backflow preventer testing tracking and management, large meter testing tracking and management, and a work orders. Backflow monitoring software that is needed to be in conformance to RIDOH regulatory reporting requirements if purchased separately would be \$24,000 plus ongoing maintenance fees of \$2,050. These along with other savings offsets the expenses to a degree where rates are not affected.

Witness responsible: David L. Simmons, P.E.

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- 1-9. Will the connection to QDC result in increased wholesale purchases from Providence Water Supply Board?

RESPONSE:

The QDC will receive water from KCWA's own production. Since the overall consumption QDC was projected to receive of about 1% of total water sales, all water cost expenditures were adjusted for this 1% increase in water sales since the impact between the cost of water purchased vs water produced for this 1% increase would be de minimis.

Witness responsible: David G. Bebyn, CPA