

## Massaro, Luly (PUC)

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**From:** Forgue, Julia <jforgue@CityofNewport.com>  
**Sent:** Thursday, May 21, 2020 2:48 PM  
**To:** Massaro, Luly (PUC)  
**Cc:** Yost Jr., William  
**Subject:** [EXTERNAL] : Dkt 5022- Requested Information

Luly,

The following are Newport Water's responses to the following questions:

- 1) *Have collections have dropped off for residential and non-residential customers over the past eight weeks compared to prior months and prior years?*

Collections during the last eight weeks have been comparable to prior months and prior years. The number of past due accounts has also been comparable to past periods.

However, delinquent dollars in the 60+ day and in the 90+ day categories have both increased compared to previous months and years

- 2) *If so, please quantify the extend of the reduction.*

While collections are comparable to prior periods, the increase in delinquent dollars indicates that collections will be negatively impacted over the next several months. The buildup in delinquent dollars is approximately \$150,000.

- 3) *What effect has any such reduction had on the utility's cash flow*

Cash Flow has been generally positive and Newport Water has been able to meet its day to day obligations. We also implemented essential only purchasing controls which had helped alleviate cash flow demands.

- 4) *Has the Utility been unable to meet its obligation or expect to be unable to meet its obligations in the next two weeks if it cannot commence termination of service as a collection option?*

Newport Water is currently up to date with its accounts payable obligations and should be able to meet its obligations in the next two weeks without termination of service as a collection option.

The concern is that non-residential consumption has dropped dramatically in April and was offset only partially by an increase in residential sales. If that trend continues into the summer it will have a negative impact on the Newport Water's ability to meet its obligations without termination of service as a collection option at some point in the future.

- 5) *Provide any information on plans for termination of service for nonpayment absent an extension of this order.*

Newport Water has no plans to start termination of services for non-payment in June with or without the extension of the moratorium. In June we plan to issue individual letters to customers in arrears to encourage contacting us to setup payment plans. Termination of services would be considered in July, but customers who

were 60+ days past due as of March 1, 2020 and have not responded to us would be the first group to receive shutoff notices.

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