



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

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*Patrick C. Lynch, Attorney General*

September 25, 2007

Luly Massaro, Clerk  
Division of Public Utilities and Carriers  
89 Jefferson Boulevard  
Warwick, RI 02888

**Re: Rules And Regulations Prescribing  
Standards For Water Utilities – DPUC  
Docket No. D-07-35**

Dear Ms. Massaro:

I am enclosing for filing and consideration by the Rhode Island Division of Public Utilities and Carriers the pre-filed testimony of Mr. Alberico Mancini on behalf of the Advocacy Section of the Division of Public Utilities and Carriers.

Copies of this letter and its enclosures will be filed with you electronically, and provided to all persons on the service list for this docket.

Sincerely,

William K. Lueker (#6334)  
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Copy to:  
Service List, DPUC Docket D-07-35

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Docket No. D-07-35  
Direct Testimony of Alberico Mancini**

1 Q. PLEASE STATE YOUR NAME AND ADDRESS.

2

3 A. My name is Alberico Mancini and my business address is the Division of Public  
4 Utilities and Carriers (“Division”), 89 Jefferson Boulevard, Warwick, RI 029888.

5

6 Q. WHAT IS YOUR POSITION AT THE DIVISION?

7

8 A. I am a Public Utilities Engineering Specialist II for the Division. I have been  
9 employed in this position since February of 1999.

10

11 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.

12

13 A. I graduated from the University of Rhode Island in 1994 with a Bachelor of  
14 Science degree in Civil Engineering.

15

16 Q. PLEASE INDICATE YOUR CERTIFICATIONS AND PROFESSIONAL  
17 MEMBERSHIPS.

18

19 A. I am a member of the American Water Works Association (AWWA), New  
20 England Water Works Association (NEWWA), and the Rhode Island Water  
21 Works Association (RIWWA).

22

23 Q. PLEASE DESCRIBE YOUR EMPLOYMENT BACKGROUND.

24

25 A. Prior to accepting my current position with the Division, I was employed with  
26 Pare Engineering Corporation from 1997 to 1999 as an environmental engineer  
27 assisting in the evaluation and design of water distribution systems and storage  
28 facilities throughout Rhode Island. I also inspected several capital improvement

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1 projects that involved the installation of 12” and 16” water transmission mains,  
2 and its interconnections.

3  
4 Prior to my employment at Pare Engineering Corporation, I was employed with  
5 R. Zoppo Corporation from 1995 to 1997 as a field engineer inspecting and  
6 supervising water, sewer, and drainage projects throughout Rhode Island and  
7 Massachusetts. I also estimated utility contracts involving water and sewer main  
8 installation.

9  
10  
11 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

12  
13 A. The purpose of my testimony is to present details of the comprehensive rewrite of  
14 the existing Rules and Regulations Prescribing Standards for Water Utilities.

15  
16 Q. WHY DOES THE DIVISION NEED TO ISSUE NEW RULES GOVERNING  
17 WATER UTILITIES?

18  
19 As you know, the Division has been charged with the regulation of water utilities  
20 since the passage of the first regulatory act in the year 1912. In spite of that, the  
21 Division did not issue its first set of rules and regulations for that purpose until  
22 1966. Those rules and regulations have not been modified since, yet our  
23 experience in executing the rules and regulations shows that there has been plenty  
24 of room for improvement, particularly given changes in the way the business of  
25 providing water to ratepayers is carried out. To give you just one example, the  
26 standard in the industry for reading meters has changed. Previously, a meter  
27 reader would go door to door to physically inspect meters one at a time, and often  
28 failing to get access to many of the meters on his or her route for many billing  
29 periods in succession. Today’s technology is at a level whereby it is now possible  
30 for a single operator to drive over many routes in a single day, reading each and

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1 every meter remotely, without access problems. Through improved data  
2 handling, this new meter reading capability not only reduces the number of  
3 estimated reads each billing cycle, it allows the utility to identify and respond to  
4 problem meters (and accounts) more quickly. Where access is a continuing  
5 problem, the Division will allow the water service to be turned off until access to  
6 the meter is granted. Our rules have had to be changed to reflect this new reality,  
7 and to ensure that improvements in such technology as meter reading are reflected  
8 in higher services standards with respect to more accurate meter readings (that is,  
9 fewer estimated reads) and lead to improved services to ratepayers.

10  
11 I think in many ways the better question to ask here, given our legislative  
12 mandate to issue appropriate regulatory guidance to water utilities, is why we  
13 haven't updated our rules and regulations sooner. The General Assembly has  
14 required us to regulate this industry (among others), and the only fair inference is  
15 that it wants the regulations to be meaningful and timely. We are not seeking to  
16 expand our regulatory mandate beyond our statutory charter, or even beyond the  
17 reach of the existing rules and regulations. The need for regulation has not  
18 changed in the last 40 or more years, nor have our justifications changed at all.  
19 Changes in technology, practices, and standards of construction and materials, all  
20 argue that it is time to look at these regulations and update them. We have done  
21 that with the proposed new rules.

22  
23  
24 Q. HAVE THERE BEEN ANY SUBSTANTIVE CHANGES IN THE  
25 DEFINITIONS LISTED IN SECTION II?

26  
27 A. Yes. We have added several terms including, Actual Read, Administrator, AMR,  
28 Commission, Curb Stop, Estimated Read, Inactive, Main, Non-Registering-Meter,  
29 and Water Utility. These are all terms used throughout the proposed rules, terms  
30 which we have, in fact, been using for years. Given that, it is very important that

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1 we all have the same understanding of these terms. For that reason, they have  
2 been added to the definition section.

3  
4 Q. HAVE THERE BEEN ANY CHANGES TO THE SECTION ENTITLED  
5 “SERVICE PROVISIONS” (SECTION II)?

6  
7 A. There are wording and formatting updates throughout the section. In addition, a  
8 new sub-section was added (E.) – Liability for Water Charges Including Past Due  
9 Charges.

10  
11 Q. WHAT IS THE INTENT OF THAT ADDITION?

12  
13 A. The intent was to include a definition of customer liability for water charges and  
14 to include provisions for liens placed on properties for water charges. The intent  
15 was also to provide a mechanism for water companies to collect past due charges.  
16 Specifically, the rule would bar utility companies from collecting new or  
17 corrected charges for past use that was made more than three years from the date  
18 on which the bill for those charges should have been properly presented to the  
19 customer.

20  
21 Q. WHY DID THE DIVISION PROPOSE A THREE-YEAR TIME LIMIT IN THIS  
22 MATTER?

23  
24 A. The Division determined that the three-year period allowed the company  
25 sufficient time to collect new or corrected charges for past use, while at the same  
26 time providing customers protection from unexpected liability. It should be noted  
27 that water utilities retain the ability to seek amendment or waiver of this provision  
28 to address special circumstances as addressed in these rules (Section I. C).

29

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1 Q. DOES THE THREE-YEAR PROVISION APPLY TO ADJUSTMENTS THAT  
2 TAKE THE FORM OF CREDITS THAT MAY BE APPLIED TO A  
3 CUSTOMER'S BILL?  
4

5 A. No. The company is responsible for issuing correct bills. The rules allow a  
6 reasonable time for the company to recover costs from billing errors. At the same  
7 time, the customer is not responsible for the issuance of bills, and should not then  
8 be held to the same standard, should that customer be owed a refund.  
9

10 Q. ARE THERE ADDITIONAL CHANGES TO THE SECTION ENTITLED  
11 "SERVICE PROVISIONS" (SECTION III)?  
12

13 A. Yes. There has been language added to (F) Meter Reading and Bill Forms.  
14

15 Q. WHAT IS THE INTENT OF THOSE CHANGES IN (F)?  
16

17 A. The amended language in (2) takes into account the current use of remote meter  
18 reading devices and aims at the reduction of the number of estimated readings. To  
19 accomplish this, water utilities would be barred from utilizing fewer than two  
20 actual reads each year, and they would be required to verify readings at least once  
21 every six months. In (3), companies are required to maintain customer records for  
22 10 years. In (4) companies would be required to provide consumers with  
23 additional billing information including the type of meter reading and  
24 consumption history. Collectively, these changes will give water customers  
25 information similar to that provided to electric and gas customers, and will allow  
26 the Division to better mediate billing disputes.  
27

28 Q. IS THERE NEW LANGUAGE IN (H) "TERMINATION OF SERVICE"?  
29

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1 A. The rule would require a customer to provide a water utility at least five business  
2 days notice of his/her intent to terminate service. This is intended to provide the  
3 water utility with reasonable notice to schedule a service termination. The rest of  
4 the changes incorporate the Rhode Island Public Utilities Commission's Rules  
5 Governing the Termination of Residential Electric, Gas and Water Utility Service.  
6

7 Q. IN THIS SECTION, HAS THE COMPANY BEEN GIVEN AUTHORITY TO  
8 TERMINATE SERVICE IN THE EVENT THEY ARE UNABLE TO ACCESS  
9 THE PROPERTY TO CONDUCT A METER READING?  
10

11 A. Yes. In paragraph III.H.2(d), language allows water companies to terminate  
12 service after issuing ten days notice. We believe this is important, as it gives the  
13 companies some leverage to access the property and repair or replace their  
14 meters. This is critical if they are to keep down the number of estimated reads.  
15

16 Q. WHAT ARE THE CHANGES IN SECTION IV, ENTITLED "QUALITY OF  
17 WATER SERVICE, SUBSECTION A- WATER PPRESSURE  
18 REQUIREMENTS"??  
19

20 A. Language referring to water quality standards and cross connection control was  
21 removed to reflect these provisions as being superseded by other regulations,  
22 including those of the Rhode Island Department of Health. The Division is also  
23 maintaining a minimum pressure standard of 20 psi for new service connections,  
24 while eliminating a provision in the current rules that allowed for connections  
25 with pressure below 20 psi providing the customer had been fully advised of the  
26 level of expected service. We believe this is the minimum allowable pressure for  
27 an effective water system. Pressure surveys and record keeping provisions in the  
28 current rule have been eliminated to reflect current technology.  
29

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1 Q. WHAT CHANGES, IF ANY, APPEAR IN SECTION V, ENTITLED “METER  
2 INSTALLATION, ACCURACY AND TESTING”?

3  
4 A. There are changes. In Section V. D, the Division proposes to increase the time  
5 interval for testing or replacement of meters sized 2 inches and below from 10  
6 years in the current rule to 20 years. For larger meters, testing and/or replacement  
7 intervals have increased from one year to two years in the proposed rule.  
8 Experience has shown that the longer intervals are sufficient and should save  
9 money for ratepayers.

10 In paragraph V. D .4, The Division proposes to increase the water utilities’ record  
11 retention requirement to ten years and include a provision that meters removed  
12 from service be retained by the water utility for inspection by the Division for a  
13 minimum of six months. This is intended to help the Division, and the companies,  
14 resolve billing disputes.

15 Additional substantive changes appear in V.E.2. The proposed rule establishes  
16 time limits on the period in which utilities may collect charges from customers for  
17 slow or non-registering meters as referenced in III.E.3. Non-AMR meters would  
18 be subject to a three-year time limitation. In the case of AMR meters, the water  
19 utility may make a charge to the customer for the unbilled amount for only the  
20 previous six months. We believe that this should greatly reduce the number of  
21 billing disputes, and the frequency of large “catch-up” bills.

22 In addition I should point out, there is a typographical error in V.E.2.(b) the  
23 phrase “...the amount *refunded*” should read, “...the amount *billed*”.

24  
25 Q. WHY WOULD UTILITIES BE SUBJECT TO A SIX-MONTH PERIOD TO  
26 RECOVER UNBILLED CHARGES FOR AMR METERS AS OPPOSED TO  
27 NON-AMR METERS?

28

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1 A. The Division contends, that with new AMR technology, water utilities would  
2 have sufficient time to correct any billing errors and anomalies. We believe that  
3 estimated reads, particularly over extended periods, lead to a great deal of  
4 customer dissatisfaction over large “catch-up” bills. With AMR’s, these should no  
5 longer occur.

6  
7 Q. ARE THERE SIGNIFICANT CHANGES IN THE REMAINING SECTIONS OF  
8 THE DOCUMENT?

9  
10 A: Yes, however these changes largely take the form of deletions of references and  
11 reporting requirements in Sections VI-VII that were driven by changes in  
12 technology, and/or a demonstrated lack of necessity through the application of the  
13 current rules. In short, the Division directs water utilities to maintain records for  
14 the various reporting requirements prescribed throughout the new rule. The  
15 Division would have the opportunity to review this data as it sees fit. By contrast,  
16 the current rule requires companies to file those reports with the Division, a  
17 requirement that would be eliminated in the proposed new rules. As a result, all  
18 six appendices that appear in the current rules that outline reporting requirements  
19 have been deleted. The Division has added Appendix A, which outlines water  
20 utilities notification requirements for service failures.

21  
22 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

23  
24 A. Yes, it does.  
25  
26  
27  
28