



STATE OF RHODE ISLAND
OFFICE OF THE ATTORNEY GENERAL

150 South Main Street • Providence, RI 02903
(401) 274-4400 • www.riag.ri.gov

Peter F. Neronha
Attorney General

January 19, 2024

Via Electronic Mail

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

RE: Docket No. 5254
City of Newport Water Division –Electronic Payment Fees Compliance Filing

Dear Ms. Massaro:

On behalf of the Division of Public Utilities and Carriers, please accept for filing the attached Memoranda from Patricia Smith, Utility Analyst, that provides the Division's comments regarding its review of the above entitled compliance filing.

Thank you for your attention to this submission.

Very truly yours,

/s/ Gregory S. Schultz

Gregory S. Schultz
Special Assistant Attorney General
On behalf of the Division of Public Utilities and Carriers

Enclosure

cc: 5254 Service List
Linda George, Esq., Division Administrator
Christy Hetherington, Esq., Division Chief Legal Counsel
Paul Roberti, Esq., Division Chief Economic and Policy Analyst



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

Accounting Section
89 Jefferson Boulevard
Warwick, Rhode Island 02888
(401) 941-4500
(401) 941-9248 - Fax

**To: Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission**

**From: Patricia Smith, Utility Analyst
Division of Public Utilities & Carriers**

Date: January 19, 2024

Re: Docket 5254 - Newport Water – Electronic Payment Fees Compliance Filing

On December 14, 2023, the City of Newport, Utilities Department, Water Division (“Newport”), submitted a Compliance filing in conformance with the Public Utilities Commission’s (“PUC”) Order issued on August 18, 2023 (No. 24788) in Docket 5254. In general, the PUC’s Order allowed for an annual rate allowance of \$74,400 to cover Electronic Payment Fees subject to a true-up mechanism at the end of each fiscal year. The true-up mechanism compares the actual Electronic Payment Fees paid to the amount recovered both in rates and from the City of Newport Water Pollution Control Division (“WPC”), with any difference settled through Newport’s restricted Revenue Reserve Account.

Exhibit 1 of the Compliance filing shows the true-up calculation for fiscal year 2023. The actual Electronic Payment Fees incurred in FY 2023 were \$86,886.84. Newport recovered \$74,400 through rates and \$27,456.24 from WPC for total recoveries of Electronic Payment Fees of \$101,856.24 resulting in an over recovery of \$14,969.40. In accordance with the PUC’s order in this docket, Newport proposes to transfer the over recovery to the restricted Revenue Reserve Account.

The Division reviewed the calculations included in Exhibit I and found them to be accurate and made in accordance with the “true-up” mechanism set forth in the PUC’s Order. Therefore, the Division recommends that the PUC approve Newport Water’s request to transfer the \$14,969.40 over recovery of Electronic Payment Fees for FY 2023 to the restricted Revenue Reserve Account.