

# McElroy & Donaldson

Michael R. McElroy  
Leah J. Donaldson

Attorneys at Law

Michael@McElroyLawOffice.com  
Leah@McElroyLawOffice.com

Members of the Rhode Island  
and Massachusetts Bars

Office: 21 Dryden Lane  
Providence, RI 02904  
Mail: 3 Cedar Meadows Drive  
Smithfield, RI 02917

(401) 351-4100  
fax (401) 421-5696

May 1, 2024

Luly Massaro, Clerk  
Public Utilities Commission  
78 Jefferson Boulevard  
Warwick, RI 02888


**Re: Docket No. 4994  
In Re Providence Water Supply Board Multi-Year Rate Filing**

Dear Luly:

As you know, our office represents Providence Water Supply Board (“Providence Water”). Enclosed for filing please find an original and nine (9) copies of Providence Water’s Motion to End the Multi-Year Rate Plan authorized in PUC Report and Order No. 23928.

If you need any further information, please do not hesitate to contact me.

Very truly yours,

  
Leah J. Donaldson

Cc: Service List

**Docket No. 4994 - Providence Water Supply Board – General Rate Filing  
Service List updated 8/1/2023**

<b>Parties</b>	<b>E-mail</b>	<b>Phone</b>
<b>Providence Water Supply Board (PWSB)</b> Leah Donaldson, Esq. Michael McElroy, Esa. McElroy & Donaldson 3 Cedar Meadows Drive Smithfield, RI 02917	<a href="mailto:leah@mcelroydonaldson.com">leah@mcelroydonaldson.com</a> ;	401-351-4100
	<a href="mailto:Michael@McElroyDonaldson.com">Michael@McElroyDonaldson.com</a> ;	
Ricky Caruolo, General Mgr. Providence Water Supply Board 552 Academy Avenue Providence, RI 02908  Cheryl McCreight, Finance Director	<a href="mailto:RickyC@provwater.com">RickyC@provwater.com</a> ;	401-521-6300
	<a href="mailto:cherylm@provwater.com">cherylm@provwater.com</a> ;	
	<a href="mailto:Greggg@provwater.com">Greggg@provwater.com</a> ;	
	<a href="mailto:ikuti@provwater.com">ikuti@provwater.com</a> ;	
	<a href="mailto:joed@provwater.com">joed@provwater.com</a> ;	
	<a href="mailto:Davidti@provwater.com">Davidti@provwater.com</a> ;	
	<a href="mailto:ALICIAM@provwater.com">ALICIAM@provwater.com</a> ;	
Harold Smith Raftelis Financial Consulting, PA 1031 S. Caldwell Street, Suite 100 Charlotte, NC 28203	<a href="mailto:Hsmith@raftelis.com">Hsmith@raftelis.com</a> ;	704-373-1199
	<a href="mailto:cdrat@raftelis.com">cdrat@raftelis.com</a> ;	
<b>Division of Public Utilities (Division)</b> Leo Wold, Esq. Division of Public Utilities and Carriers  John Bell, Chief Accountant	<a href="mailto:Leo.wold@dpuc.ri.gov">Leo.wold@dpuc.ri.gov</a> ;	401-780-2177
	<a href="mailto:john.bell@dpuc.ri.gov">john.bell@dpuc.ri.gov</a> ;	
	<a href="mailto:Pat.smith@dpuc.ri.gov">Pat.smith@dpuc.ri.gov</a> ;	
	<a href="mailto:Ellen.Golde@dpuc.ri.gov">Ellen.Golde@dpuc.ri.gov</a> ;	
	<a href="mailto:Margaret.L.Hogan@dpuc.ri.gov">Margaret.L.Hogan@dpuc.ri.gov</a> ;	
	<a href="mailto:Steven.Parrillo@dpuc.ri.gov">Steven.Parrillo@dpuc.ri.gov</a> ;	
	<a href="mailto:Robert.Bailey@dpuc.ri.gov">Robert.Bailey@dpuc.ri.gov</a> ;	
Jerome Mierzwa Exeter Associates, Inc. 10480 Little Patuxent Pkwy, Suite 300 Columbia, MD 21044	<a href="mailto:jmierzwa@exeterassociates.com">jmierzwa@exeterassociates.com</a> ;	410-992-7500
Ralph Smith Larkin & Associates, PLLC 15728 Farmington Road Livonia, Michigan 48154	<a href="mailto:rsmithla@aol.com">rsmithla@aol.com</a> ;	734-522-3420
	<a href="mailto:dawn.bisdorf@gmail.com">dawn.bisdorf@gmail.com</a> ;	
	<a href="mailto:ssdady@gmail.com">ssdady@gmail.com</a> ;	
	<a href="mailto:mcranston29@gmail.com">mcranston29@gmail.com</a> ;	
<b>Kent County Water Authority (KCWA)</b> Mary B. Shekarchi, Esq. 33 College hill Rd., Suite 15-E Warwick, RI 02886	<a href="mailto:marybali@aol.com">marybali@aol.com</a> ;	401-828-5030
David Bebyn, Consultant	<a href="mailto:dbebyn@gmail.com">dbebyn@gmail.com</a> ;	
David L. Simmons, P.E. Executive Director/Chief Engineer Kent County Water Authority	<a href="mailto:dsimmons@kentcountywater.org">dsimmons@kentcountywater.org</a> ;	401-821-9300

<b>Bristol County Water Authority (BCWA)</b> Joseph A. Keough, Jr., Esq. Keough & Sweeney 41 Mendon Ave. Pawtucket, RI 02861	<a href="mailto:jkeoughjr@keoughsweeney.com">jkeoughjr@keoughsweeney.com</a> ;	401-724-3600
Stephen Coutu, Executive Director/Chief Engineer Bristol County Water Authority	<a href="mailto:scoutu@bcwari.com">scoutu@bcwari.com</a> ;	
Michael Maker, Consultant	<a href="mailto:mmaker@newgenstrategies.net">mmaker@newgenstrategies.net</a> ;	
<b>City of East Providence</b> Michael Marcello, City Solicitor City of East Providence Legal Department 145 Taunton Avenue East Providence, RI 02914	<a href="mailto:mmarcello@eastprovidenceri.gov">mmarcello@eastprovidenceri.gov</a> ;	401-435-7523
<b>City of Warwick</b> Michael Ursillo, City Solicitor Gia A. DiCenso, Asst. City Solicitor Ursillo, Teitz & Ritch, Ltd. 2 William St. Providence, RI 02903-2918	<a href="mailto:mikeursillo@utrlaw.com">mikeursillo@utrlaw.com</a> ;  <a href="mailto:ginadicenso@utrlaw.com">ginadicenso@utrlaw.com</a> ;	401-331-2222
<b>Smithfield Water Supply</b> Marisa Desautel, Esq. Desautel Browning Law 33 Bellevue Ave. - Unit H Newport, RI 02840  Gene Allen, Director John Guastella Gary White	<a href="mailto:marisa@desautelbrowning.com">marisa@desautelbrowning.com</a> ;  <a href="mailto:gallen@smithfieldri.com">gallen@smithfieldri.com</a> ; <a href="mailto:jfg@guastella.com">jfg@guastella.com</a> ; <a href="mailto:Guastella_NewYork@msn.com">Guastella_NewYork@msn.com</a> ;	401-477-0023
<b>Greenville Water/Lincoln Water</b> Adam M. Ramos, Esq. Hinckley, Allen & Snyder 100 Westminster St., Suite 1500 Providence, RI 02903	<a href="mailto:aramos@haslaw.com">aramos@haslaw.com</a> ; <a href="mailto:agarganese@hinckleyallen.com">agarganese@hinckleyallen.com</a> ; <a href="mailto:cwhaley@hinckleyallen.com">cwhaley@hinckleyallen.com</a> ;	
<b>File original and nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ; <a href="mailto:Todd.bianco@puc.ri.gov">Todd.bianco@puc.ri.gov</a> ; <a href="mailto:Cynthia.wilsonfrias@puc.ri.gov">Cynthia.wilsonfrias@puc.ri.gov</a> ; <a href="mailto:Alan.nault@puc.ri.gov">Alan.nault@puc.ri.gov</a> ; <a href="mailto:Emma.Rodvien@puc.ri.gov">Emma.Rodvien@puc.ri.gov</a> ;	401-780-2107
Kathleen Crawley Water Resources Board	<a href="mailto:Kathleen.Crawley@doa.ri.gov">Kathleen.Crawley@doa.ri.gov</a> ;	401-222-6696

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

<b>IN RE: PROVIDENCE WATER SUPPLY BOARD</b>	:	<b>DOCKET NO. 4994</b>
<b>MULTI-YEAR RATE FILING</b>	:	
	:	
	:	

**PROVIDENCE WATER SUPPLY BOARD'S  
MOTION TO END MULTI-YEAR RATE PLAN**

Pursuant to R.I.G.L. § 39-15.1-4(d), Providence Water Supply Board (“Providence Water”) hereby moves to end the multi-year rate plan (“Rate Plan”) approved in the above-captioned docket.<sup>1</sup> Since the Public Utilities Commission (“PUC”) approved the Rate Plan, significant and material changes in economic and operational circumstances have occurred, rendering Step Three of the Rate Plan outdated and impractical. As a result, Providence Water seeks to end the Rate Plan. In support of its Motion, Providence Water states as follows:

*A. Providence Water’s Rate Plan anticipated three rate increases over a three-year period.*

Providence Water filed an application in December 2019 seeking approval of a multi-year increase in its rates under R.I.G.L. § 39-15.1-4. In August 2020, the PUC authorized a multi-year rate plan that allowed Providence Water to increase rates in three steps over a three-year period. *See* PUC Order 23928. Step One of the Rate Plan was implemented in 2020. Step Two of the Rate Plan was implemented in 2021. Step Three was originally approved for implementation in 2022 but has been delayed, with PUC approval, for two years.

*B. Step One and Step Two of the Rate Plan were successfully implemented in 2020 and 2021.*

For Step One of the Rate Plan, the PUC authorized additional revenues of \$12,200,091

---

<sup>1</sup> R.I.G.L. § 39-15.1-4(d) states: “A water supplier may petition the commission for a modification to an approved plan, and the commission in hearing and deciding the petition need only consider those portions or elements of the plan affected by the proposed modification. The commission shall approve or reasonably modify the proposed modification. An approved modification shall become part of the plan for purposes of subsection (c) of this section.”

(an increase of 17.59%) for total pro forma revenues of \$83,456,144. *See* PUC Order 23928. Step One was implemented by Providence Water in 2020.

For Step Two of the Rate Plan, the PUC originally authorized additional revenues of \$4,310,146 (an increase of 5.17%) for total pro forma revenues of \$87,766,290. *See* PUC Order 23928. In April 2021, prior to implementing the increase for Step Two, Providence Water submitted a compliance filing as required by the Rate Plan. Following discovery and an evidentiary hearing, the PUC ordered a reduction of the Step Two revenues by \$950,966, for a revised total pro forma revenue of \$86,815,324. *See* PUC Order 24871. The revised Step Two was then implemented by Providence Water in 2021. These rates remain in effect today.

*C. Step Three of the Rate Plan was delayed in 2022 and 2023 due to changed circumstances.*

For Step Three, the PUC originally authorized additional revenues of \$3,437,650 (an increase of 3.92%) for total pro forma revenues of \$91,203,939. *See* PUC Order 23928.

In May 2022, due to revised consumption projections and the availability of federal funds, Providence Water requested to postpone Step Three of the Rate Plan for one year (until July 2023). The PUC granted Providence Water's petition to delay the Step Three rate increase. *See* PUC Order 24871.

In May 2023, Providence Water requested to postpone Step Three of the Rate Plan for another year (until July 2024). The PUC again granted Providence Water's petition to postpone the Step Three rate increase. *See* PUC Order 24871.

*D. Material changes in circumstances have occurred since the Rate Plan was approved in 2020.*

Termination of the current multi-step Rate Plan is appropriate. The passage of time and changed circumstances have significantly impacted the usefulness of the data originally used to formulate the rate increase authorized for Step Three. The revenue increase approved for Step

Three is no longer sufficient to meet Providence Water’s operational and economic needs.

*E. Providence Water is preparing to file a rate case in the fall of 2024.*


Rather than implement Step Three of the current multi-year Rate Plan, Providence Water seeks to end the Rate Plan. Providence Water is working on a new rate filing for submission in the coming months. Providence Water will reassess its operational and financial data and adjust the proposed rates accordingly.

WHEREFORE, Providence Water respectfully requests that the PUC grant Providence Water’s motion to end the multi-year Rate Plan authorized in Report and Order No. 23928.

Respectfully submitted,

PROVIDENCE WATER SUPPLY BOARD

By its attorneys,



Leah J. Donaldson, Esq. #7711

Michael R. McElroy, Esq. #2627

**McElroy & Donaldson**

Office: 21 Dryden Lane, Providence, RI 02904

Mail: 3 Cedar Meadows Dr, Smithfield, RI 02917

leah@mcelroydonaldson.com / 401-374-0236

michael@mcelroydonaldson.com / 401-749-2612

**CERTIFICATE OF SERVICE**

I hereby certify that on the 1st day of May, 2024, I sent a copy of the foregoing to the attached service list.

