

REBUTTAL TESTIMONY OF

NICHOLAS R. WEAVER, CPA

BEFORE THE

RHODE ISLAND PUBLIC UTILITIES COMMISSION

NARRAGANSETT BAY COMMISSION

APPLICATION TO INCREASE RATES

DOCKET NO. 25-32-WW

ON BEHALF OF

THE NARRAGANSETT BAY COMMISSION

April 9, 2026

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1 **I. INTRODUCTION**

2 **Q. Are you the same Nicholas Weaver who filed direct testimony in this Docket?**

3 A. Yes.

4
5 **Q. What is the purpose of your rebuttal testimony?**

6 A. The purpose of my testimony is to respond to the recommendations made in the Direct
7 Testimony of the Division of Public Utilities and Carriers (“Division”) witness Ralph Smith,
8 CPA.

9
10 **II. SUMMARY OF DIVISION POSITION**

11 **Q. Please summarize the adjustments recommended by the Division.**

12 A. Mr. Smith recommends that:

- 13 1. For debt service, Mr. Smith recommends that \$56,348,371 in principal and interest
14 expense be used in place of the \$56,623,570 originally included in NBC’s rate filing.
- 15 2. That NBC’s Debt Service Coverage Ratio (DSCR) of 1.25 be maintained in place of NBC’s
16 proposed 1.30 DSCR.
- 17 3. That NBC provide a more detailed explanation of the proposed level of biosolids expense
18 for the rate year and tie those amounts back to specific provisions of the contract with
19 Synagro.
- 20 4. That the use of the two-year average 10,294 dry tons of biosolids proposed by NBC is
21 reasonable for ratemaking purposes, and that it be used in calculating NBC’s biosolids
22 disposal expense.
- 23 5. That \$250,000 of expense related to a long-term biosolids disposal contract be excluded
24 from the revenue requirement.
- 25 6. That an adjustment to remove \$13,428 in payroll expense and employee benefits be made
26 to recognize the impact of turnover that occurred in FY 2025.
- 27 7. That the amount of miscellaneous revenue included in the Test Year be increased from
28 \$121,759 to \$213,263.

- 1 8. That the amortization period for rate case expenses incurred in Docket 24-41-WW be
2 increased to 2 years, reducing expense by \$58,846.
3 9. That the Operating Allowance included in the calculation of rates be reduced by \$4,633 to
4 reflect the Division's proposed operating adjustments.
5 10. That NBC's proposed removal of Biosolids expense from the OMR fund be approved.
6 11. That NBC's proposal to allow the OMR fund to be used to pay insurance deductibles be
7 denied.

8
9 The table below compares NBC's as filed revenue requirement with the Division's
10 recommended revenue requirement:
11

12 **Table 1 - Comparison of NBC Direct Position and Division Revenue Requirements**

Line No.	Description	NBC Direct		Division-Proposed
		Revenue Requirement (a)	Division Adjustments (c)	Revenue Requirement (d)
1	User Fee Revenues	\$ 124,278,616	\$ -	\$ 124,278,616
2	Other Revenues	3,118,290	99,504	3,217,794
3	Total Revenue	127,396,906	-	127,496,410
4	Payroll, Pension, and Employee Benefits	34,650,934	(13,428)	34,637,506
5	Biosolid and Grit Disposal	11,986,181	(250,000)	11,736,181
6	Net Electric Expense	3,716,853	-	3,716,853
7	Chemicals Expense	2,222,811	-	2,222,811
8	Insurance Expense	2,447,965	-	2,447,965
9	Regulatory, Legal, Mgmt and Audit Expense	1,063,900	(58,846)	1,005,054
10	Contractual and Service Agreement Expense	3,158,137	-	3,158,137
11	Operations Fuel and Gas Expense	1,397,968	-	1,397,968
12	General and Misc. Expense	6,808,064	-	6,808,064
13	Total Expenses	67,452,814	(322,274)	67,130,540
14	Net Operating Revenue Before Allowance	59,944,092	322,274	60,365,870
15	Less: Operating Allowance	436,275	(4,633)	431,643
16	Available for Debt Coverage	59,507,817	326,907	59,934,227
17	Principal and Interest Expense	56,623,570	(275,199)	56,348,371
18	Debt Service Coverage	16,987,071	(2,899,978)	14,087,093
19	Total Debt Service and Required Coverage	73,610,641	(3,175,177)	70,435,464
20	Increase Required - \$	\$ 14,102,824		\$ 10,501,236
21	Increase Required - % of User Fees	11.35%		8.45%

13

1 **III. NBC'S REBUTTAL POSITION**

2 **Q. Can you please summarize NBC's rebuttal position?**

3 A. Yes. NBC's rebuttal position can be summarized as follows:

- 4 1. NBC accepts the adjustment to debt service and coverage to the level approved by the
5 Commission in Docket 25-40-WW.
- 6 2. NBC proposes an update of Health Insurance expense included in the application based
7 on the actual increase, resulting in a \$383,547 reduction in overall revenue requirement.
- 8 3. NBC continues to support that the DSCR be increased to 1.30 to increase NBC's cash-
9 funded capital (PAYGO).
- 10 4. NBC proposes an adjustment to biosolids disposal expense to reflect the final contract
11 terms agreed with Synagro.
- 12 5. NBC's disagrees with Mr. Smith's recommendation to disallow the \$250,000 of expense
13 related to a long-term biosolids disposal contract.
- 14 6. NBC disagrees with Mr. Smith's proposed adjustment to remove \$13,428 in payroll
15 expense and employee benefits to recognize the impact of turnover that occurred in FY
16 2025.
- 17 7. NBC disagrees with Mr. Smith's proposal that the amount of miscellaneous revenue
18 included in the Test Year be increased from \$121,759 to \$213,263.
- 19 8. NBC disagrees with Mr. Smith's position that the amortization period for rate case
20 expenses incurred in Docket 24-41-WW be increased to two years, reducing expense by
21 \$58,846.
- 22 9. NBC disagrees that the Operating Allowance included in the calculation of rates be
23 reduced by \$4,633 to reflect the Division's proposed operating adjustments.
- 24 10. NBC and Mr. Smith agree that Biosolids expense should be removed from the OMR fund.
- 25 11. NBC continues to support that the OMR fund should be used to pay insurance
26 deductibles.

1 **Q. Please summarize NBC’s rebuttal position for the revenue requirement and required rate**
 2 **increase for FY 2027.**

3 A. The revenue requirement, as compared to NBC’s as filed revenue requirement, is provided
 4 on the table below. NBC’s rebuttal revenue requirement is \$141,025,009, which is an
 5 increase of \$13,628,103 over the revenue produced by current rates. User fees must be
 6 increased by 10.97% to recover this amount.

7 **Table 2 - NBC Rebuttal Revenue Requirement Comparison**

Line No.	Description	(a)	(b)	(c)	(d)
			NBC Direct Revenue Requirement	Rebuttal Adjustments	NBC Rebuttal Revenue Requirement
1	User Fee Revenues		\$ 124,278,616	\$ -	\$ 124,278,616
2	Other Revenues		3,118,290	-	3,118,290
3	Total Revenue		127,396,906	-	127,396,906
4	Payroll, Pension, and Employee Benefits		34,650,934	(379,797)	34,271,136
5	Biosolid and Grit Disposal		11,986,181	262,645	12,248,827
6	Net Electric Expense		3,716,853	-	3,716,853
7	Chemicals Expense		2,222,811	-	2,222,811
8	Insurance Expense		2,447,965	-	2,447,965
9	Regulatory, Legal, Mgmt and Audit Expense		1,063,900	-	1,063,900
10	Contractual and Service Agreement Expense		3,158,137	-	3,158,137
11	Operations Fuel and Gas Expense		1,397,968	-	1,397,968
12	General and Misc. Expense		6,808,064	-	6,808,064
13	Total Expenses		67,452,814	(117,152)	67,335,662
14	Net Operating Revenue Before Allowance		59,944,092	117,152	60,061,244
15	Less: Operating Allowance		436,275	190	436,465
16	Available for Debt Coverage		59,507,817	116,963	59,624,779
17	Principal and Interest Expense		56,623,570	(275,199)	56,348,371
18	Debt Service Coverage		16,987,071	(82,560)	16,904,511
19	Total Debt Service and Required Coverage		73,610,641	(357,759)	73,252,882
20	Increase Required - \$		\$ 14,102,824	\$ (474,721)	\$ 13,628,103
21	Increase Required - % of User Fees		11.35%	-0.38%	10.97%
22	Total Revenue Requirement - Line 1 + Line 20		\$ 141,499,731	\$ (474,721)	\$ 141,025,009

8
9

10 **Q Have you prepared any schedules that set forth NBC’s rebuttal position?**

11 A. Yes. Attached to my testimony is Exhibit NRW-R1, which contains the rebuttal schedules, and
 12 a summary of NBC’s rebuttal position.

1 **Q. What topics are you covering in your rebuttal testimony?**

2 A. First, I will briefly touch on NBC's request for Debt Service and Debt Service Coverage. Next,
3 I will address issues raised by Mr. Smith about NBC's Biosolid Disposal Expense. Then, I will
4 address Payroll Expense, Amortization of Rate Case Expense, Miscellaneous Revenues and
5 Operating Allowance. Finally, I will address the User Charge Calculations that result from
6 NBC's rebuttal adjustments. It should also be noted that Mr. McDonald's rebuttal testimony
7 will address NBC's request for Debt Service Coverage, the \$250,000 expense related to the
8 long-term biosolids contract, and NBC's proposal to use the OMR fund to pay insurance
9 deductibles. I will also address a refinement to health insurance expense based on actual
10 2027 insurance cost information that became available after the filing of direct testimony.

11

12

IV. DEBT SERVICE AND COVERAGE

13 **Q. Can you please address the amount of principal and interest payments NBC will make in**
14 **the rate year?**

15 A. As noted in response to Div. 2-10, NBC closed on its \$75 million borrowing from the Rhode
16 Island Infrastructure Bank on February 25, 2026. This borrowing was the subject of NBC's
17 Debt Service Compliance Filing in Docket 25-40-WW. The total amount approved in that
18 Docket, for principal and interest payments was \$56,623,570. The Commission's approval in
19 that Docket was prior to the closing on the \$75 million loan. Now that the amount of actual
20 principal and interest payments is known, the actual amount of NBC's debt service obligation
21 in FY 2027 will be \$56,348,371, which is \$275,199 lower than originally anticipated.

22

23 **Q. Does NBC's proposed increase in its debt service coverage ratio account for the lower**
24 **principal and interest payments?**

25 A. Yes. The \$56,348,371 in principal and interest payments and \$16,904,511 in coverage
26 available for cash-funded capital (PAYGO) are incorporated into the revenue requirement
27 calculation in Exhibit NRW-R-1.

1 **V. BIOSOLIDS DISPOSAL**

2 **Q. What is Mr. Smith’s recommendation regarding biosolids disposal costs?**

3 A. As noted above, Mr. Smith recommends that NBC further explain its proposed biosolid
4 disposal costs. He also requested that NBC account for certain credits in its new biosolids
5 disposal contract with Synagro, and he recommends removing a \$250,000 expense for a new
6 Long-Term Biosolids Disposal Contract. I will address each of these topics in order.

7
8 **1. Biosolids Disposal Costs**

9 **Q. Can you please begin by providing an overview of NBC’s request for biosolid expense in**
10 **this rate filing?**

11 A. NBC has executed a new biosolids management contract with Synagro (“New Synagro
12 Contract”) commencing on May 6, 2026. NBC’s previous testimony was based on several
13 estimates and assumptions in advance of execution of the New Synagro Contract, which have
14 since been superseded.

15
16 The cost of disposal under the New Synagro Contract for a given dry ton will vary based on
17 which facility the biosolids originate from due to differing treatment processes used at
18 Bucklin Point and Field’s Point. In addition, the cost per dry ton also depends on where
19 disposal occurs. The rate for disposal at the Woonsocket incinerator is lower than the so-
20 called “EPIC” rate, because disposal by EPIC involves the shipment of NBC biosolids by truck
21 to Worcester, then via rail to alternate disposal sites outside New England.

22
23 As such, the New Synagro Contract does not contain a single flat across-the-board rate per
24 dry ton but instead includes four different rates¹:

25 **Table 3 - New Synagro Contract Rates per Dry Ton**

	EPIC	Woonsocket
Bucklin Point	\$1,377	\$1,310
Field’s Point	\$1,077	\$1,014

¹ See Exhibit 1, page 3 of the agreement. These amounts are also reproduced on page 20 of Mr. Smith’s direct testimony.

1 Although the Woonsocket disposal rate is lower than the EPIC rate, the facility suffers from
2 unreliability due to deferred maintenance and other operational issues. In addition, given
3 the City of Woonsocket's stated desire to close the facility within the term of the New
4 Synagro Contract with NBC, both parties acknowledged the need for an alternate secured
5 disposal option. As a result, for purposes of NBC's overall biosolids management costs under
6 the New Synagro Contract, NBC has assumed 75% of the biosolids generated from Bucklin
7 Point and Field's Points will be disposed of at EPIC and 25% disposed of via Woonsocket. To
8 determine the volume of dry tons produced and processed by Synagro, NBC has utilized a
9 two-year average at each facility.

10
11 The rates under the New Synagro Contract are subject to adjustment, including an annual
12 CPI adjustment, pass through costs, fuel surcharge and the ability to adjust for unforeseen
13 disposal costs which may affect NBC's total FY 2027 biosolid disposal cost.² Of most
14 significance, the CPI adjustment to the disposal rate is made each January 1, in the middle of
15 each NBC fiscal year.³

16
17 During negotiations of the New Synagro Contract, Synagro and NBC agreed to increase the
18 fee NBC pays under the Existing Synagro Contract for period starting December 1, 2025, and
19 concluding May 5, 2026 in exchange for a reduction in fees under the New Synagro Contract.
20 For this period, NBC pays a Service Fee of \$950 per dry ton. The difference paid between the
21 \$950 rate and the rate paid under the Existing Synagro Agreement constitutes a credit against
22 future NBC Service Fees, which will be recognized in equal monthly credits over the January
23 1, 2027, to June 30, 2029 billing period (30 months). As the Rate Year begins July 1, 2026,
24 and runs through June 31, 2027, six of these thirty months will occur in FY 2027.

25
26 Although the amount of the credit will not be fully determined until May 5, 2026 (because
27 the amount is a product of the number of actual dry tons processed by Synagro during the

² See attachment to Division 2-8(b)

³ See attachment to Division 2-8(b), Section

1 period, not an estimate), an example of the concept is demonstrated below using a figure of
 2 1,000 dry tons a month, roughly NBC's typical production:

Billing Period Ending	Total Dry Tons	Existing Service Fee @ \$600.81 per Dry Ton*	Revised Service Fee @ \$950 a Dry Ton	Monthly Service Fee Credit Earned	Accrued Service Fee Credit
12/31/2025	1,000	\$600,810	\$950,000	\$349,190	\$349,190.00
1/31/2026	1,000	\$600,810	\$950,000	\$349,190	\$699,689.46
2/28/2026	1,000	\$600,810	\$950,000	\$349,190	\$1,051,503.30
3/31/2026	1,000	\$600,810	\$950,000	\$349,190	\$1,404,636.44
4/30/2026	1,000	\$600,810	\$950,000	\$349,190	\$1,759,093.82
5/31/2026					\$1,765,690.42
6/30/2026					\$1,772,311.76
7/31/2026					\$1,778,957.93
8/31/2026					\$1,785,629.02
9/30/2026					\$1,792,325.13
10/31/2026					\$1,799,046.35
11/30/2026					\$1,805,792.78
12/31/2026					\$1,812,564.50
1/31/2027					\$1,819,361.62
Balance Ceases Accruing					
	Monthly Service Fee Credit:			Outstanding Service Fee Balance	
		<i>Principal</i>	<i>Interest</i>		
1/31/2027		(\$57,411.55)	(\$6,822.61)	\$1,761,950.06	
2/28/2027		(\$57,626.85)	(\$6,607.31)	\$1,704,323.22	
3/31/2027		(\$57,842.95)	(\$6,391.21)	\$1,646,480.27	
4/30/2027		(\$58,059.86)	(\$6,174.30)	\$1,588,420.41	
5/31/2027		(\$58,277.58)	(\$5,956.58)	\$1,530,142.83	
6/30/2027		(\$58,496.12)	(\$5,738.04)	\$1,471,646.71	
7/31/2027		(\$58,715.48)	(\$5,518.68)	\$1,412,931.23	
8/31/2027		(\$58,935.67)	(\$5,298.49)	\$1,353,995.56	
9/30/2027		(\$59,156.67)	(\$5,077.48)	\$1,294,838.89	
10/31/2027		(\$59,378.51)	(\$4,855.65)	\$1,235,460.37	
11/30/2027		(\$59,601.18)	(\$4,632.98)	\$1,175,859.19	
12/31/2027		(\$59,824.69)	(\$4,409.47)	\$1,116,034.51	
1/31/2028		(\$60,049.03)	(\$4,185.13)	\$1,055,985.48	
2/29/2028		(\$60,274.21)	(\$3,959.95)	\$995,711.26	
3/31/2028		(\$60,500.24)	(\$3,733.92)	\$935,211.02	

4/30/2028			(\$60,727.12)	(\$3,507.04)	\$874,483.91
5/31/2028			(\$60,954.84)	(\$3,279.31)	\$813,529.06
6/30/2028			(\$61,183.42)	(\$3,050.73)	\$752,345.64
7/31/2028			(\$61,412.86)	(\$2,821.30)	\$690,932.78
8/31/2028			(\$61,643.16)	(\$2,591.00)	\$629,289.62
9/30/2028			(\$61,874.32)	(\$2,359.84)	\$567,415.29
10/31/2028			(\$62,106.35)	(\$2,127.81)	\$505,308.94
11/30/2028			(\$62,339.25)	(\$1,894.91)	\$442,969.69
12/31/2028			(\$62,573.02)	(\$1,661.14)	\$380,396.67
1/31/2029			(\$62,807.67)	(\$1,426.49)	\$317,589.00
2/28/2029			(\$63,043.20)	(\$1,190.96)	\$254,545.80
3/31/2029			(\$63,279.61)	(\$954.55)	\$191,266.19
4/30/2029			(\$63,516.91)	(\$717.25)	\$127,749.28
5/31/2029			(\$63,755.10)	(\$479.06)	\$63,994.18
6/30/2029			(\$63,994.18)	(\$239.98)	(\$0.00)

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2

For FY 2027, the total amount of the credit may be roughly a total of \$64,000 a month for a total of \$384,000. However, as mentioned earlier, the New Synagro Contract rates will adjust higher on January 1, 2027 based on CPI. Assuming a 4% increase⁴ in CPI on January 1 would result in costs roughly \$230,000 higher than NBC is currently proposing for FY 2027 biosolids management cost under the New Synagro Contract, wiping out 60% of the value of the credits alone. Given the other variable costs such as fuel surcharges included in the New Synagro Contract, NBC anticipates that the credit will act to keep the average cost of disposal materially similar to the cost which NBC proposes to include in rates, rather than a reduction in costs which should be passed through to customers.

11

12

As a result, below is a simple table outlining the expenses for biosolids management for both Bucklin Point and Field's Point, assuming a 75%-25% processing site split. Although the table provides a blended rate per dry ton by facility and in aggregate, billing will be based on actual activity.

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14

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⁴ <https://tradingeconomics.com/united-states/michigan-inflation-expectations>

1

Table 4 - Calculation of Biosolids Expense and Avg. Cost per Dry Ton

Line No.	Origination Facility	2-Year Avg. Dry Tons	EPIC	Woonsocket	Blended Rate (75% EPIC, 25% Woonsocket)	Expense
	(a)	(b)	(c)	(d)	(e)	(f)
1	Bucklin Point	2,073	\$ 1,377.00	\$ 1,310.20	\$ 1,360.30	\$ 2,820,422
2	Field's Point	8,220	1,077.00	1,014.20	1,061.30	8,723,670
3	Total	10,293				\$ 11,544,091
4					Total Dry Tons	10,293
5					Avg. Cost per Dry Ton	\$ 1,121.53

2

3

4 **Q. Has NBC updated the cost of biosolids disposal expense included in its proposed revenue**
5 **requirement to reflect the increased costs shown in the table above?**

6 A. Yes. The \$11,544,091 in total expense is a \$262,645 increase over the amount originally
7 included in NBC’s revenue requirement.

8

9 **2. Long-Term Biosolids Disposal Contract (\$250,000)**

10 **Q. Mr. Smith has also recommended removal of the \$250,000 NBC included in its revenue**
11 **requirement for a long-term biosolids contract. Has NBC accepted that adjustment?**

12 A. No, and further discussion of this payment can be found in Mr. McDonald’s rebuttal
13 testimony.

14

15 **VI. PAYROLL EXPENSE**

16 **Q. Do you agree with Mr. Smith’s explanation of how NBC has determined the payroll**
17 **expense?**

18 A. Mr. Smith states on page 28 of his testimony that “NBC started with its FY 2026 amount for
19 payroll expense [...] as shown on NBC Schedule C-1”. To avoid confusion, I want to clarify that
20 the payroll expense that NBC starts with is the expense approved by the Commission in
21 Docket 24-41-WW, not the actual expense incurred by NBC in FY 2026.

1 **Q. What recommendations does Mr. Smith make regarding payroll expenses?**

2 A. Mr. Smith proposes an adjustment to recognize the effect of turnover on salaries. Mr. Smith
3 explains that this is necessary because “when positions become vacant and are re-filled, on
4 average, the re-filled positions have come in at a lower annual payroll amount than the
5 vacated positions that are being refilled”. (Smith Direct, p. 29) To recognize this dynamic, Mr.
6 Smith proposes a reduction in payroll of \$12,514, which after considering the flow through
7 effect on payroll taxes, results in a total revenue requirement reduction of \$13,428.⁵ Mr.
8 Smith’s proposed adjustment is based on his review of actual changes in payroll due to
9 turnover that occurred between July and December of 2025.

10

11 **Q. Do you accept Mr. Smith’s proposed adjustment?**

12 A. No, because a turnover adjustment was already included when determining NBC’s proposed
13 Rate Year payroll expenses.

14

15 **Q. Where can this adjustment be found?**

16 A. NBC accepted a turnover-related adjustment to payroll expenses in Docket 24-41-WW⁶
17 which was reflected in the FY 2026 rate year revenue requirement approved by the
18 Commission. As stated above, this is the amount that is used as the basis of NBC’s proposed
19 revenue requirement in this Docket. Because the test year already includes a turnover
20 adjustment, making an additional adjustment is not justified. NBC has continued to recognize
21 the effect of turnover when calculating its proposed FY2027 rate year revenue requirement
22 in this proceeding, which is captured in the reduction of the across-the-board 5% payroll
23 increase to 4.72% as shown on Workpaper C-1 included with NBC’s original rate filing in this
24 Docket.

⁵ See Exhibit RCS-2, Page 3

⁶ See the Docket 24-41-WW rebuttal testimony of Charles E. Loy, CPA at Page 7.

1 **Q. Do you have any other comments on Division’s proposed turnover adjustment?**

2 A. Yes. Because it is based on actual changes in payroll expense between July and December of
3 2025 (e.g. first half of FY 2026) the connection to Test Year expenses (e.g. the amount of FY
4 2026 rate year expenses determined in Docket 24-41-WW) is unclear. If an additional
5 adjustment is being made, it would need to be based on the payroll expense included in the
6 revenue requirement that is being adjusted, not a separate and unrelated amount.

7
8 I would also like to emphasize again that the payroll in this proceeding is based on the
9 number of full-time equivalents (FTEs) included in the settlement reached between the
10 Division and NBC in Docket 24-41-WW, which was approved by the Commission. In that
11 proceeding, 280 FTEs were used to determine the amount of payroll expense. As shown on
12 page 28 of Mr. Smith’s testimony, as of December 2025 NBC had 283 FTEs. Given that the
13 current and anticipated level of FTEs is higher than the 280 on which the revenue
14 requirement is based, it is not reasonable to make an additional \$12,514 reduction based on
15 turnover as that amount is significantly lower than the cost of one additional FTE.

16

17 **VII. HEALTH INSURANCE EXPENSES**

18 **Q. Since the filing of your direct testimony, has NBC received additional information related**
19 **to healthcare insurance costs applicable to the FY 2027 rate year?**

20 A. Yes. NBC included an increase of 19.7% in its direct case, based on the increase approved by
21 the State of Rhode Island and the Rhode Island Office of the Health Commissioner, resulting
22 in a cost increase of \$971,690 and total health insurance expense of \$5,904,125 in health
23 insurance costs being recovered in the revenue requirement presented in NBC’s direct case.

24
25 NBC has received the specific increase for its health insurance, which is an overall increase
26 of 12.0%. This refinement is reflected in Schedule C-3 and results in a \$379,797 reduction
27 and \$5,524,327 in healthcare expense being included in the revenue
28 requirement. Supporting documentation for the 12% increase can be found attached as
Exhibit NRW-R2.

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VIII. AMORTIZATION OF RATE CASE EXPENSES

Q. Does Mr. Smith propose any adjustments to the rate case expenses recovered through rates?

A. Yes. Mr. Smith agrees with NBC that amortization of unrecovered rate case expenses in the Rate Year is appropriate but proposes that recovery occur over two years (e.g. FY 2027 and FY2028) rather than recovery entirely in a single Rate Year. The change in amortization period reduces operating expenses by \$58,846⁷. In proposing this adjustment, Mr. Smith states that if rates are in place for two years it will result in an over-recovery of these costs.

Q. Do you agree with this adjustment?

A. No. While I recognize Mr. Smith’s concerns about over-recovery of rate case expenses if rates are in place longer than the proposed amortization period, I recommend that the one-year period be maintained. It is my understanding that NBC will be filing for increased rates and charges for FY 2028. As a result, the cost associated with the FY 2027 rate case should be recovered in the same year.

IX. MISCELLANEOUS REVENUES

Q. What level of Miscellaneous Revenue did NBC include in its application?

A. NBC included \$121,759 in Miscellaneous Revenues as an offset to the revenues that need to be collected through rates. This amount is identical to the amount approved by the Commission and used to set rates in Docket 24-41-WW⁸.

Q. What level of miscellaneous revenues does Mr. Smith recommend be used in this proceeding?

A. Mr. Smith recommends a \$99,504 adjustment⁹, resulting in a total amount of \$221,263. Mr. Smith explains that he believes that this adjustment is necessary because of increases in

⁷ Exhibit RCS-2, Page 4, Line 14
⁸ Compliance Filing Docket 24-41-WW, Schedule B-4, Column (g) Line 8
⁹ Exhibit RCS-7

1 miscellaneous revenues subsequent to the FY 2024 test year used in Docket 24-41-WW and
2 based his recommended level of miscellaneous revenues on the three-year average through
3 FY 2025.

4
5 **Q. Do you agree with Mr. Smith's statement that it is appropriate to use an average amount**
6 **of miscellaneous revenue for ratemaking purposes?**

7 A. To the extent that an average amount is representative of the miscellaneous revenues that
8 can reasonably be expected to occur in the rate year, an average amount would be
9 appropriate. However, if the test year or the years used to calculate the average include one-
10 time items that will not occur in the rate year, an adjustment is necessary. This was the
11 approach taken in Docket 24-41-WW, where a non-recurring credit received from National
12 Grid in FY 2022 was removed for purposes of developing the 3-year average. Mr. Smith stated
13 in that proceeding that the amount of revenue proposed by NBC was reasonable and
14 accepted the use of the modified average for ratemaking purposes in that proceeding.¹⁰

15
16 **Q. Would a similar adjustment be necessary in this proceeding?**

17 A. Yes. The \$363,037 in miscellaneous revenue collected in FY 2025 includes a payment of
18 \$220,731 from Vensys Energy which is related to a contractual commitment for the NBC-
19 owned Coventry wind turbines. In short, if the turbines fail to meet specific operating
20 standards, financial penalties are applied. These payments are only received if the turbine is
21 offline and of the \$220,731 amount \$33,910 is related to downtime that occurred in FY
22 2024.¹¹

23
24 **Q. If the Vensys Energy payments are excluded from the average, what is the resulting**
25 **amount?**

26 A. Without this payment, the three-year average is \$147,686, or \$25,927 higher than the
27 amount included in NBC's application, as shown below.

¹⁰ Docket 24-41-WW, Direct Testimony of Ralph C. Smith, Page 10 at Lines 2 through 5.

¹¹ See response to Division Data Request 2-2 e.

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Table 5 - Miscellaneous Income Comparison

Line No.	Fiscal Year	Acct. 49002 - Misc. Income
	(a)	(b)
1	2023	\$ 172,236
2	2024	128,516
3	2025 Excluding Vensys	142,307
4	Three-Year Average	147,686
5	As Filed Amount	121,759
6	Difference	25,927

Q. Would it be reasonable to use the \$147,686 adjusted average for ratemaking purposes?

A. No. As with the turnover adjustment that Mr. Smith proposes, I believe that the use of the as filed amount of \$121,759 is most appropriate as it is the amount used in the Docket 24-41-WW Settlement Agreement. However, if the Commission determines that an adjustment is necessary, I recommend the adjusted average of \$147,686 be used in place of Mr. Smith’s \$221,263 value.

VIII. OPERATING ALLOWANCE

Q. What amount of operating allowance results from your rebuttal position adjustments?

A. The rebuttal expense adjustments flow through the calculation of the operating allowance and the amount of operating allowance, resulting in an increase of \$190 over the amount included in NBC’s direct case.

IX. USER CHARGE CALCULATIONS

Q. What are NBC’s proposed rates after the adjustments discussed above have been made to the revenue requirement?

A. NBC’s proposed rates and bill impacts can be found on Schedules RE, RE-1, RE-2, and RE-3. As in its direct case, NBC is proposing that an across-the-board increase be applied to all user rates. Some variations from the 10.97% increase presented above may occur due to rounding within the proposed rates.

1 **Q. What rates are being proposed for Residential customers?**

2 A. NBC proposes for the current annual customer charge to be increased from \$286.04 to
3 \$317.41, an increase of \$31.37. The consumption charge per HCF is proposed to increase
4 from \$4.590 to \$5.093, an increase of \$0.503. The monthly cost of wastewater service, based
5 on a usage of 5.50 HCF, will increase from \$49.08 to \$54.46, an increase of \$5.38 or 10.96%.
6 Residential Well customers' rates are proposed to increase from \$649.93 per year to \$721.20
7 per year, an increase of \$71.27 or 10.97%.

8

9 **Q. What rates are being proposed for Commercial and Industrial customers?**

10 A. NBC's base rate fee for a commercial customer is proposed to increase from \$678.00 to
11 \$752.00 annually, an increase of \$74.00. The rates for Commercial and Industrial customers
12 with larger meters are shown on Schedule RE. The consumption charge per HCF is
13 proposed to increase from \$6.894 to \$7.650 for Commercial customers and from \$4.516 to
14 \$5.011 for Industrial customers.

15

16 **Q. Does this complete your rebuttal testimony?**

17 A. Yes.



NARRAGANSETT BAY COMMISSION

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2025 GENERAL RATE FILING

Rebuttal Schedules and Supporting Workpapers

April 9, 2026

EXHIBIT NRW-R1

Narragansett Bay Commission
Docket No. 25-32-WW Rebuttal Case
Filing Contents

Line No.	Worksheet Name (a)	Description (b)	Witness (c)
1	<u>FILING SCHEDULES</u>		
2	Schedule R-A	Summary of Net Revenue and DSCR Ratio	Weaver
3	Schedule R-B	Summary of Revenue Adjustments	Weaver
4	Schedule R-C	Summary of Expense Adjustments	Weaver
5	Schedule R-C-1	Payroll Expense	Weaver
6	Schedule R-C-2	Employee Benefits - Pension and FICA	Weaver
7	Schedule R-C-3	Employee Benefits - Healthcare	Weaver
8	Schedule R-C-4	Biosolid Disposal Expense	Weaver
9	Schedule R-C-5	Long-Term Biosolids Disposal Expense	Weaver
10	Schedule R-C-6	Rate Case Expense	Weaver
11	Schedule R-C-7	Operating Allowance Accounts Detail	Weaver
12	Schedule R-D	Debt Service Payments	Weaver
13	Schedule R-E	Current and Proposed Rates	Weaver
14	Schedule R-E-1	Bill Impacts - Residential	Weaver
15	Schedule R-E-2	Rate and Bill Impacts - Commercial	Weaver
16	Schedule R-E-3	Rate and Bill Impacts - Industrial	Weaver
17	<u>WORKPAPERS</u>		
18	Workpaper R-A-1	Docket 24-41-WW Compliance Filing Values by Account	Weaver
19	Workpaper R-C-1	Turnover Conversion Factor Calculation	Weaver
20	Workpaper R-C-6	Rate Case Expenses Incurred in Docket 24-41-WW	Weaver
21	Workpaper R-1	NBC Rebuttal Adjustments	Weaver
22	<u>Additional Worksheets (Digital Only)</u>		
23	Rebuttal Reference		
24	Table R-1	Comparison of NBC Direct and Divison Recommended Revenue Requirements	
25	Table R-2	Comparison of NBC Direct and Rebuttal Positions	
26	Table R-3	Biosolid Weighted Rate Cost	
27	Table R-4	Miscellaneous Income	

EXHIBIT NRW-R1

Narragansett Bay Commission

Witness: Weaver

Docket No. 25-32-WW Rebuttal Case

Schedule R-A

Summary of Net Revenue and DSCR Ratio

Line No.	Description	Ref. Schedule	Compliance		Rate Year Fiscal Year 2027	Base Rate Increase	Rate Year With Increase
			Docket 24-41-WW	Adjustments			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Revenue						
2	User Fee Revenues		\$ 124,278,616	\$ -	\$ 124,278,616	\$ 13,628,103	\$ 137,906,720
3	Application and Fee Revenues		860,703	-	860,703	-	860,703
4	Renewable Energy Credit Revenues		806,418	-	806,418	-	806,418
5	Interest and Other Income		1,451,168	-	1,451,168	-	1,451,168
6	Total Revenue		127,396,906	-	127,396,906	13,628,103	141,025,009
7	Expenses						
8	Payroll Expense	R-C-1	20,871,616	985,711	21,857,327	-	21,857,327
9	Pension and Benefits Expense	R-C-2	11,533,969	879,841	12,413,810	-	12,413,810
10	Biosolid and Grit Disposal Expense	R-C-4; R-C-5	8,189,370	4,059,456	12,248,827	-	12,248,827
11	Net Electric Expense		3,716,853	-	3,716,853	-	3,716,853
12	Chemicals Expense		2,222,811	-	2,222,811	-	2,222,811
13	Insurance Expense		2,447,965	-	2,447,965	-	2,447,965
14	Regulatory, Legal, Mgmt. and Audit Exp.	R-C-6	958,900	105,000	1,063,900	-	1,063,900
15	Contractual and Service Agreement Exp.		3,158,137	-	3,158,137	-	3,158,137
16	Operations Fuel and Gas Expense		1,397,968	-	1,397,968	-	1,397,968
17	General and Misc. Expense		6,808,064	-	6,808,064	-	6,808,064
18	Total Expenses		61,305,654	6,030,008	67,335,662	-	67,335,662
19	Net Revenue Before Operating Allowance		66,091,252	(6,030,008)	60,061,244	13,628,103	73,689,347
20	Less: Operating Allowance	R-C-7	377,748	58,717	436,465	-	436,465
21	Net Revenue Available for Debt Service Coverage		65,713,504	(6,088,725)	59,624,779	13,628,103	73,252,882
22	Debt Service and Coverage						
23	Principal	R-D	33,465,446	2,065,067	35,530,513	-	35,530,513
24	Interest	R-D	19,105,357	1,712,501	20,817,858	-	20,817,858
25	Amount Available for Debt Service Coverage		13,142,701	(9,866,293)	3,276,408	13,628,103	16,904,511
26	Total Debt Service and Coverage		65,713,504	(6,088,725)	59,624,779	13,628,103	73,252,882
27	Debt Service Coverage Achieved		1.25		1.06		1.30
28	Coverage Required to Meet Target DSC				\$ 16,904,511		
29	Increase Required to Meet Target DSC				13,628,103		

EXHIBIT NRW-R1

Narragansett Bay Commission
Docket No. 25-32-WW Rebuttal Case
Schedule R-B
Summary of Revenue Adjustments

Witness: Weaver

Line No.		Reference Schedule	Adjustment Amount
	(a)	(b)	(c)
1	NBC is not proposing any adjustments to revenue items other than the adjustment to use fees presented on Schedule A.		

EXHIBIT NRW-R1

Narragansett Bay Commission
Docket No. 25-32-WW Rebuttal Case
Schedule R-C
Summary of Expense Adjustments

Witness: Weaver

Line		Reference	Adjustment
No.	Description	Schedule	Amount
	(a)	(b)	(c)
1	Expenses		
2	Payroll Expense	R-C-1	985,711
3	Employee Benefits - Pension and FICA	R-C-2	287,948
4	Health Insurance	R-C-3	591,892
5	Biosolid Disposal Expense	R-C-4	3,809,456
6	Long-Term Biosolids Disposal Expense	R-C-5	250,000
7	Rate Case Expense	R-C-6	105,000
8	Total Expense Adjustments		6,030,008
9	Operating Allowance	R-C-7	58,717
10	Net Change Including Operating Allowance		\$ 6,088,725

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-1
 Payroll Expense

Witness: Weaver

Line No.	Description	(a)	Account No.	Test Year FY 2026		Rate Year Fiscal Year 2027
				(b)	(c)	
				Compliance	Adjustments	
				Docket 24-41-WW		
1	Union Regular		52100	\$ 7,954,967	\$ 375,692	\$ 8,330,659
2	Union OT		52150	810,196	38,263	848,459
3	Non-Union Regular		52300	15,005,836	708,686	15,714,522
4	Non-Union OT		52350	260,158	12,287	272,444
5	Non-Union Limited		52400	69,176	3,267	72,443
6	Salary Reimbursement		59000	(2,097,260)	(99,048)	(2,196,308)
7	Fringe Reimbursement		59001	(1,131,457)	(53,436)	(1,184,893)
8	Total			\$ 20,871,616	\$ 985,711	\$ 21,857,327

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-2
 Employee Benefits - Pension and FICA

Witness: Weaver

Line No.	Description	(a)	Account No.	Test Year FY 2026		Rate Year Fiscal Year 2027	(e)
				(b)	(c)		
				Compliance Docket 24-41-WW	Adjustments		
1	Union Pension		52800	\$ 2,538,430	\$ 119,883	\$ 2,658,313	
2	FICA		52810	1,759,746	83,108	1,842,854	
3	Non Union Pension		52920	1,500,584	70,869	1,571,452	
4	Union Retirement Health		52940	298,311	14,088	312,400	
5	Total			\$ 6,097,071	\$ 287,948	\$ 6,385,019	

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-3
 Employee Benefits - Healthcare

Witness: Weaver

Line No.	Description	Account No.	Test Year FY 2026		Rate Year Fiscal Year 2027
			Compliance Docket 24-41-WW	Adjustments	
(a)	(b)	(c)	(d)	(e)	
1	Health Insurance	52950	\$ 4,932,435	\$ 591,892	\$ 5,524,327
2	Dental Insurance	52970	318,395	-	318,395
3	Vision Insurance	52980	51,276	-	51,276
4	LTD Insurance	52990	56,864	-	56,864
5	Total		\$ 5,358,970	\$ 591,892	\$ 5,950,862

EXHIBIT NRW-R1

Narragansett Bay Commission
Docket No. 25-32-WW Rebuttal Case
Schedule R-C-4
Biosolid Disposal Expense

Witness: Weaver

Line No.	Description	(a)	Account No.	Test Year FY 2026		Rate Year Fiscal Year 2027
				(b)	(c)	
				Compliance Docket 24-41-WW	Adjustments	
1	Biosolid Disposal		53480	\$ 7,734,635	\$ 3,809,456	\$ 11,544,091
2	Total			\$ 7,734,635	\$ 3,809,456	\$ 11,544,091

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-5
 Long-Term Biosolids Disposal Expense

Witness: Weaver

Line No.	Description	Account No.	Test Year FY 2026		Rate Year Fiscal Year 2027
			Compliance Docket 24-41-WW	Adjustments	
	(a)	(b)	(c)	(d)	(e)
1	Biosolid Disposal (Excludes Sch. C-4 Adjustment)	53480	\$ 7,734,635	\$ 250,000	\$ 7,984,635
2	Total		\$ 7,734,635	\$ 250,000	\$ 7,984,635

EXHIBIT NRW-R1

Narragansett Bay Commission
Docket No. 25-32-WW Rebuttal Case
Schedule R-C-6
Rate Case Expense

Witness: Weaver

Line			
No.	Description	(a)	Amount (b)
1	Rate Case Consultant		\$ 90,000
2	Legal Services		60,000
3	Division Expenses		50,000
4	Other Rate-Case Expenses (Notices, Etc.)		10,000
5	Total Rate Case Expenses		210,000
6	Amortization Period (Years)		2
7	Division Adjustment to 24-41-WW Rate Case Expense Amort.		-
8	Amortized Expense		\$ 105,000

EXHIBIT NRW-R1

Witness: Weaver

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-7
 Operating Allowance Accounts Detail

Line No.	Description	Dkt. 24-44-WW			Rate Year
		Account	Compliance Value	Adjustments	FY 27
	(a)	(b)	(d)	(e)	(f)
1	Biosolid Disposal	53480	\$ 7,734,635	\$ 3,809,456	\$ 11,544,091
2	Screening and Grit Disposal	53490	454,735		454,735
3	Chemicals, Chlorine/Hypochlorite	54332	1,389,493		1,389,493
4	Chemicals, Carbon Feed	54333	73,446		73,446
5	Chemicals, Polymer	54335	139,325		139,325
6	Chemicals, Hypochloroxide	54336	19,531		19,531
7	Chemicals, Sodium Bisulfate	54337	540,091		540,091
8	Chemicals, Soda Ash	54338	60,925		60,925
9	Insurance	53660	1,655,887		1,655,887
10	Workers' Comp. Insurance	53680	792,078		792,078
11	Electricity Contractor	53612	515,729		515,729
12	Maintenance Contracts	53630	801,679		801,679
13	Office Equipment Contracts	53635	192,491		192,491
14	Service Agreements	53640	523,235		523,235
15	Diesel for Equipment	54020	27,667		27,667
16	Natural Gas	54060	1,370,301		1,370,301
17	Postage	53210	425,781		425,781
18	Long-Distance Travel	53420	95,832		95,832
19	Building and Ground Maintenance	53470	319,613		319,613
20	Software Subscription	53645	310,885		310,885
21	Supplies - Building & Ground Maintenance	54370	529,882		529,882
22	Supplies and Expense - Education	54410	94,635		94,635
23	Lease Payments		106,118		106,118
24	Subscriptions Payments		220,968		220,968
25	Lease Interest	57950	7,282		7,282
26	Subscription Interest	57960	1,262		1,262
27	Bad Debt Expense	53200	19,764		19,764
28	Dues and Subscriptions	53240	85,677		85,677
29	Freight	53250	32,085		32,085
30	Printing and Binding	53310	140,341		140,341
31	Advertising	53320	4,960		4,960
32	Rentals Equipment	53330	21,029		21,029
33	Rentals Clothing	53340	35,742		35,742
34	Rental Outside Property	53350	8,917		8,917
35	Miscellaneous Expense	53360	7,649		7,649
36	Public Outreach Education	53370	56,774		56,774
37	Local Travel	53410	860		860
38	Vehicle Fuel and Maintenance	53510	225,676		225,676
39	Repairs - Buildings and Structures	53610	478,167		478,167
40	Repairs - Process Equipment	53615	711,661		711,661
41	Repairs - Highways and Walks	53620	30,263		30,263
42	Computer Hardware Software Network Maintenanc	53646	1,051,250		1,051,250
43	Highway and Landscape	53650	14,170		14,170
44	Telephone	54000	386,511		386,511
45	Water	54110	150,073		150,073
46	Clothing	54200	63,737		63,737
47	UV Disinfection	54339	169,800		169,800
48	Lab Supplies	54340	394,140		394,140
49	Lab Chemicals & Gases	54345	254,692		254,692
50	Supplies and Expense - Computer	54420	98,053		98,053
51	Other Operating Supplies & Expense	54430	25,787		25,787
52	Safety Equipment	54440	69,622		69,622
53	Office Expense	54500	158,407		158,407

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-C-7
 Operating Allowance Accounts Detail

Witness: Weaver

Line No.	Description	Dkt. 24-44-WW Compliance			Rate Year
		Account	Value	Adjustments	FY 27
	(a)	(b)	(d)	(e)	(f)
54	Subtotal Operating Supplies and Expense		23,099,313	3,809,456	26,908,769
55	Regulatory Expenses	52600	579,571	105,000	684,571
56	Medical Services	52610	13,453		13,453
57	Educational Services	52630	36,019		36,019
58	Legal Services	52660	197,302		197,302
59	Management and Audit Services	52670	182,027		182,027
60	Other Services	52690	1,050,165		1,050,165
61	Security Services	52650	19,810		19,810
62	Temporary/Clerical Services	52680	5,556		5,556
63	Subtotal Professional Services		2,083,903	105,000	2,188,903
64	Total Eligible for Allowance		25,183,216	3,914,456	29,097,672
65	Allowance %		1.50%		1.50%
66	Allowance %		\$ 377,748	\$ 58,717	\$ 436,465

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-D
 Debt Service Payments

Witness: Weaver

Line No.	Loan Description	Test Year FY 2026		Rate Year
		Compliance Docket 24-41-WW	Adjustments	Fiscal Year 2027
(a)	(b)	(c)	(d)	
1	RIIB Loans			
2	Principal	\$ 21,325,446	\$ (674,734)	\$ 20,650,712
3	Interest	13,601,018	(432,239)	13,168,779
4	Subtotal RIIB Loans	34,926,464	(1,106,973)	33,819,491
5	Revenue Bonds			
6	Principal	12,140,000	1,430,000	13,570,000
7	Interest	5,504,339	(243,957)	5,260,382
8	Subtotal Revenue Bonds	17,644,339	1,186,043	18,830,382
9	New RIIB SRF Loan			
10	Principal	-	1,585,000	1,585,000
11	Interest	-	2,388,697	2,388,697
12	Subtotal New RIIB SRF Loan	-	3,973,697	3,973,697
13	Total Debt Service			
14	Principal	33,465,446	2,340,266	35,805,712
15	Interest	19,105,357	1,712,501	20,817,858
16	Total	\$ 52,570,803	\$ 4,052,767	\$ 56,623,570
17	Revised Debt Service 25-40-WW	\$ 52,570,803	3,777,568	\$ 56,348,371

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-E
 Current and Proposed Rates

Witness: Weaver

Line No.	Description	Current	Proposed	Increase	
				\$	%
	(a)	(b)	(c)	(d)	(e)
1	<u>Residential User Fees</u>				
2	Customer Charge (per Year)	\$ 286.04	\$ 317.41	\$ 31.37	10.97%
3	Consumption Charge (per HCF)	4.590	5.093	0.503	10.96%
4	Residential Well Customer (per Year)	\$ 649.93	\$ 721.20	\$ 71.27	10.97%
5	<u>Commercial and Industrial User Fees</u>				
6	Customer Charger by Meter Size (per Year)				
7	5/8"	\$ 678.00	\$ 752.00	\$ 74.00	10.91%
8	3/4"	1,018.00	1,130.00	112.00	11.00%
9	1"	1,695.00	1,881.00	186.00	10.97%
10	1 1/2"	3,391.00	3,763.00	372.00	10.97%
11	2"	5,427.00	6,022.00	595.00	10.96%
12	3"	10,174.00	11,290.00	1,116.00	10.97%
13	4"	16,958.00	18,818.00	1,860.00	10.97%
14	6"	33,916.00	37,635.00	3,719.00	10.97%
15	8"	54,265.00	60,216.00	5,951.00	10.97%
16	10"	78,007.00	86,561.00	8,554.00	10.97%
17	Commercial Consumption Charge (per HCF)	6.894	7.650	0.756	10.97%
18	Industrial Consumption Charge (per HCF)	4.516	5.011	0.495	10.96%

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-E-1
 Bill Impacts - Residential

Witness: Weaver

Line No.	Description	Usage HCF	Equivalent Gallons	Current	Proposed	Increase	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Bill Impact (Monthly)						
2	Monthly Usage Level	0 HCF	/ 0.0k Gal.	\$ 23.84	\$ 26.45	\$ 2.61	10.9%
3		2 HCF	/ 1.5k Gal.	33.02	36.64	3.62	11.0%
4		4 HCF	/ 3.0k Gal.	42.20	46.82	4.62	10.9%
5	<i>Average Customer</i>	<i>5.50 HCF</i>	<i>/ 4.1k Gal.</i>	<i>49.08</i>	<i>54.46</i>	<i>5.38</i>	<i>10.96%</i>
6		6 HCF	/ 4.5k Gal.	51.38	57.01	5.63	11.0%
7		8 HCF	/ 6.0k Gal.	60.56	67.19	6.63	10.9%
8		10 HCF	/ 7.5k Gal.	69.74	77.38	7.64	11.0%
9		12 HCF	/ 9.0k Gal.	78.92	87.57	8.65	11.0%
10		14 HCF	/ 10.5k Gal.	88.10	97.75	9.65	11.0%
11		15 HCF	/ 11.2k Gal.	92.69	102.85	10.16	11.0%
12		20 HCF	/ 15.0k Gal.	115.64	128.31	12.67	11.0%
13		25 HCF	/ 18.7k Gal.	138.59	153.78	15.19	11.0%
14		30 HCF	/ 22.4k Gal.	161.54	179.24	17.70	11.0%
15		35 HCF	/ 26.2k Gal.	184.49	204.71	20.22	11.0%

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-E-2
 Rate and Bill Impacts - Commercial

Witness: Weaver

Line No.	Description	Usage HCF	Equivalent Gallons	Current	Proposed	Increase	
						\$	%
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Bill Impact (Monthly)						
2	5/8" Meter	0 HCF /	0.0k Gal.	\$ 56.50	\$ 62.67	\$ 6.17	10.9%
3		5 HCF /	3.7k Gal.	90.97	100.92	9.95	10.9%
4		10 HCF /	7.5k Gal.	125.44	139.17	13.73	10.9%
5		15 HCF /	11.2k Gal.	159.91	177.42	17.51	10.9%
6		20 HCF /	15.0k Gal.	194.38	215.67	21.29	11.0%
7		25 HCF /	18.7k Gal.	228.85	253.92	25.07	11.0%
8		30 HCF /	22.4k Gal.	263.32	292.17	28.85	11.0%
9		35 HCF /	26.2k Gal.	297.79	330.42	32.63	11.0%
10		40 HCF /	29.9k Gal.	332.26	368.67	36.41	11.0%
11		45 HCF /	33.7k Gal.	366.73	406.92	40.19	11.0%
12	3/4" Meter	0 HCF /	0.0k Gal.	\$ 84.83	\$ 94.17	\$ 9.34	11.0%
13		5 HCF /	3.7k Gal.	119.30	132.42	13.12	11.0%
14		10 HCF /	7.5k Gal.	153.77	170.67	16.90	11.0%
15		15 HCF /	11.2k Gal.	188.24	208.92	20.68	11.0%
16		20 HCF /	15.0k Gal.	222.71	247.17	24.46	11.0%
17		25 HCF /	18.7k Gal.	257.18	285.42	28.24	11.0%
18		30 HCF /	22.4k Gal.	291.65	323.67	32.02	11.0%
19		35 HCF /	26.2k Gal.	326.12	361.92	35.80	11.0%
20		40 HCF /	29.9k Gal.	360.59	400.17	39.58	11.0%
21		45 HCF /	33.7k Gal.	395.06	438.42	43.36	11.0%
22	2" Meter	0 HCF /	0.0k Gal.	\$ 452.25	\$ 501.83	\$ 49.58	11.0%
23		20 HCF /	15.0k Gal.	590.13	654.83	64.70	11.0%
24		40 HCF /	29.9k Gal.	728.01	807.83	79.82	11.0%
25		60 HCF /	44.9k Gal.	865.89	960.83	94.94	11.0%
26		80 HCF /	59.8k Gal.	1,003.77	1,113.83	110.06	11.0%
27		100 HCF /	74.8k Gal.	1,141.65	1,266.83	125.18	11.0%
28		500 HCF /	374.0k Gal.	3,899.25	4,326.83	427.58	11.0%
29		1,000 HCF /	748.1k Gal.	7,346.25	8,151.83	805.58	11.0%
30		1,500 HCF /	1,122.1k Gal.	10,793.25	11,976.83	1,183.58	11.0%
31		2,000 HCF /	1,496.1k Gal.	14,240.25	15,801.83	1,561.58	11.0%
32		2,500 HCF /	1,870.1k Gal.	17,687.25	19,626.83	1,939.58	11.0%
33		3,000 HCF /	2,244.2k Gal.	21,134.25	23,451.83	2,317.58	11.0%
34		3,500 HCF /	2,618.2k Gal.	24,581.25	27,276.83	2,695.58	11.0%
35		4,000 HCF /	2,992.2k Gal.	28,028.25	31,101.83	3,073.58	11.0%
36		4,500 HCF /	3,366.2k Gal.	31,475.25	34,926.83	3,451.58	11.0%
37		5,000 HCF /	3,740.3k Gal.	34,922.25	38,751.83	3,829.58	11.0%

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Schedule R-E-3
 Rate and Bill Impacts - Industrial

Witness: Weaver

Line No.	Description	Usage HCF	Equivalent Gallons	Current	Proposed	Increase	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Bill Impact (Monthly)						
2	5/8" Meter	0 HCF /	0.0k Gal.	\$ 56.50	\$ 62.67	\$ 6.17	10.9%
3		5 HCF /	3.7k Gal.	79.08	87.72	8.64	10.9%
4		10 HCF /	7.5k Gal.	101.66	112.78	11.12	10.9%
5		15 HCF /	11.2k Gal.	124.24	137.83	13.59	10.9%
6		20 HCF /	15.0k Gal.	146.82	162.89	16.07	10.9%
7		25 HCF /	18.7k Gal.	169.40	187.94	18.54	10.9%
8		30 HCF /	22.4k Gal.	191.98	213.00	21.02	10.9%
9		35 HCF /	26.2k Gal.	214.56	238.05	23.49	10.9%
10		40 HCF /	29.9k Gal.	237.14	263.11	25.97	11.0%
11		45 HCF /	33.7k Gal.	259.72	288.16	28.44	11.0%
12	3/4" Meter	0 HCF /	0.0k Gal.	\$ 84.83	\$ 94.17	\$ 9.34	11.0%
13		5 HCF /	3.7k Gal.	107.41	119.22	11.81	11.0%
14		10 HCF /	7.5k Gal.	129.99	144.28	14.29	11.0%
15		15 HCF /	11.2k Gal.	152.57	169.33	16.76	11.0%
16		20 HCF /	15.0k Gal.	175.15	194.39	19.24	11.0%
17		25 HCF /	18.7k Gal.	197.73	219.44	21.71	11.0%
18		30 HCF /	22.4k Gal.	220.31	244.50	24.19	11.0%
19		35 HCF /	26.2k Gal.	242.89	269.55	26.66	11.0%
20		40 HCF /	29.9k Gal.	265.47	294.61	29.14	11.0%
21		45 HCF /	33.7k Gal.	288.05	319.66	31.61	11.0%
22	2" Meter	0 HCF /	0.0k Gal.	\$ 452.25	\$ 501.83	\$ 49.58	11.0%
23		20 HCF /	15.0k Gal.	542.57	602.05	59.48	11.0%
24		40 HCF /	29.9k Gal.	632.89	702.27	69.38	11.0%
25		60 HCF /	44.9k Gal.	723.21	802.49	79.28	11.0%
26		80 HCF /	59.8k Gal.	813.53	902.71	89.18	11.0%
27		100 HCF /	74.8k Gal.	903.85	1,002.93	99.08	11.0%
28		500 HCF /	374.0k Gal.	2,710.25	3,007.33	297.08	11.0%
29		1,000 HCF /	748.1k Gal.	4,968.25	5,512.83	544.58	11.0%
30		1,500 HCF /	1,122.1k Gal.	7,226.25	8,018.33	792.08	11.0%
31		2,000 HCF /	1,496.1k Gal.	9,484.25	10,523.83	1,039.58	11.0%
32		2,500 HCF /	1,870.1k Gal.	11,742.25	13,029.33	1,287.08	11.0%
33		3,000 HCF /	2,244.2k Gal.	14,000.25	15,534.83	1,534.58	11.0%
34		3,500 HCF /	2,618.2k Gal.	16,258.25	18,040.33	1,782.08	11.0%
35		4,000 HCF /	2,992.2k Gal.	18,516.25	20,545.83	2,029.58	11.0%
36		4,500 HCF /	3,366.2k Gal.	20,774.25	23,051.33	2,277.08	11.0%
37		5,000 HCF /	3,740.3k Gal.	23,032.25	25,556.83	2,524.58	11.0%

EXHIBIT NRW-R1

Narragansett Bay Commission

Witness: Weaver

Docket No. 25-32-WW Rebuttal Case

Workpaper R-A-1

Docket 24-41-WW Compliance Filing Values by Account

Line No.	Description	Account No.	Test Year FY 2026	
			Compliance Docket 24-41-WW	Compliance Reference Schedule
(a)	(b)	(c)	(d)	
1	Union Regular	52100	\$ 7,954,967	C-1
2	Union OT	52150	810,196	C-1
3	Non-Union Regular	52300	15,005,836	C-1
4	Non-Union OT	52350	260,158	C-1
5	Non-Union Limited	52400	69,176	C-1
6	Regulatory Expenses	52600	579,571	C-7
7	Medical Services	52610	13,453	C-8
8	Educational Services	52630	36,019	C-8
9	Security Services	52650	19,810	C-8
10	Legal Services	52660	197,302	C-7
11	Mgmt and Audit Services	52670	182,027	C-7
12	Temporary/Clerical Services	52680	5,556	C-8
13	Other Services	52690	1,050,165	C-8
14	Union Pension	52800	2,538,430	C-2
15	FICA	52810	1,759,746	C-2
16	Unemployment Insurance	52820	77,928	C-2
17	Non Union Pension	52920	1,500,584	C-2
18	Union Retirement Health	52940	298,311	C-2
19	Health Insurance	52950	4,932,435	C-2
20	Dental Insurance	52970	318,395	C-2
21	Vision Insurance	52980	51,276	C-2
22	LTD Insurance	52990	56,864	C-2
23	Bad Debt Expense	53200	19,764	C-10
24	Postage	53210	425,781	C-10
25	Dues and Subscriptions	53240	85,677	C-10
26	Freight	53250	32,085	C-10
27	Printing And Binding	53310	140,341	C-10
28	Advertising	53320	4,960	C-10
29	Rentals Equipment	53330	21,029	C-10
30	Rentals Clothing	53340	35,742	C-10
31	Rental Outside Property	53350	8,917	C-10
32	Miscellaneous Expense	53360	7,649	C-10
33	Public Outreach Education	53370	56,774	C-10
34	Local Travel	53410	860	C-10
35	Long Distance Travel	53420	95,832	C-10
36	Bldg And Ground Maint	53470	319,613	C-10
37	Biosolid Disposal	53480	7,734,635	C-3
38	Screening and Grit Disposal	53490	454,735	C-3
39	Vehicle Fuel and Maintenance	53510	225,676	C-10
40	Repairs-Building and Structures	53610	478,167	C-10
41	Electricity Contractor	53612	515,729	C-8
42	Repairs-Process Equipment	53615	711,661	C-10
43	Repairs-Highways And Walks	53620	30,263	C-10
44	Maintenance Contracts	53630	801,679	C-8
45	Office Equipment Contracts	53635	192,491	C-8
46	Service Agreements	53640	523,235	C-8
47	Software Subscription	53645	310,885	C-10
48	Computer Hardware Software Network Maintenance	53646	1,051,250	C-10
49	Highway and Landscape	53650	14,170	C-10
50	Insurance	53660	1,655,887	C-6
51	Workers' Comp Insurance	53680	792,078	C-6
52	Telephone	54000	386,511	C-10
53	Diesel for Equip	54020	27,667	C-9

EXHIBIT NRW-R1

Narragansett Bay Commission

Witness: Weaver

Docket No. 25-32-WW Rebuttal Case

Workpaper R-A-1

Docket 24-41-WW Compliance Filing Values by Account

Line No.	Description	Account No.	Test Year FY 2026	
			Compliance Docket 24-41-WW	Compliance Reference Schedule
	(a)	(b)	(c)	(d)
54	Natural Gas	54060	1,370,301	C-9
55	Electricity	54090	5,202,847	C-4
56	NBC Net Metering Credits	54091	(1,526,883)	C-4
57	Field's Point Turbines	54092	344,853	C-4
58	Coventry Turbines	54093	252,940	C-4
59	PPA	54095	2,133,098	C-4
60	PPA Net Metering Credits	54096	(2,844,760)	C-4
61	Biogas	54097	154,758	C-4
62	Water	54110	150,073	C-10
63	Clothing	54200	63,737	C-10
64	Chemicals, Chlorine/Hypochlorite	54332	1,389,493	C-5
65	Chemicals, Carbon Feed	54333	73,446	C-5
66	Chemicals, Polymer	54335	139,325	C-5
67	Chemicals, Sodium Hydroxide	54336	19,531	C-5
68	Chemicals, Sodium Bisulfite	54337	540,091	C-5
69	Chemicals, Soda Ash	54338	60,925	C-5
70	UV Disinfection	54339	169,800	C-10
71	Lab Supplies	54340	394,140	C-10
72	Lab Chemicals & Gases	54345	254,692	C-10
73	Supplies Bldg & Maint	54370	529,882	C-10
74	Education Supplies & Expense	54410	94,635	C-10
75	Computer Supplies & Expense	54420	98,053	C-10
76	Other Operating Supplies & Expense	54430	25,787	C-10
77	Safety Equipment	54440	69,622	C-10
78	Office Expense	54500	158,407	C-10
79	Subscriptions Paid	56000	220,968	C-10
80	Leases Paid		106,118	C-10
81	Interest Expense on Leases	57950	7,282	C-10
82	Interest Expense Subscription Asset	57960	1,262	C-10
83	Salary Reimbursement	59000	(2,097,260)	C-1
84	Fringe Reimbursement	59001	(1,131,457)	C-1

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Workpaper R-C-1
 Turnover Conversion Factor Calculation

Witness: Weaver

Line No.	Description	Increase Percent	Starting Payroll	Adjusted Payroll	Compliance Increase	Turnover Factor	Weighted Avg. Turnover Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	COLA/Step Increase 2025	5.00%	\$ 7,183,596	\$ 7,525,350	4.76%	95.1%	15.9%
2	Merit Increase 2025	4.81%	13,835,407	14,461,560	4.53%	94.1%	30.3%
3	COLA/Step Increase 2026	6.00%	\$ 7,525,350	7,954,967	5.71%	95.1%	16.8%
4	Merit Increase 2026	4.00%	14,461,560	15,005,836	3.76%	94.1%	31.4%
5	Weighted Average Turnover Factor						94.45%
6	Rate Year Increase Fiscal Year 2027						5.00%
7	Turnover-Adjusted Rate Year Increase						4.72%

EXHIBIT NRW-R1

Narragansett Bay Commission

Docket No. 25-32-WW Rebuttal Case

Workpaper R-C-6

Rate Case Expenses Incurred in Docket 24-41-WW

Witness: Weaver

Line			
No.	Description	(a)	Calculation
			(b)
1	Rate Case Expenses by Category		
2	NBC Rate Case Consultant		\$ 114,239
3	NBC Legal Services		60,000
4	Division Expenses		55,000
5	Other Rate Case (Noticing, etc.)		6,145
6	Total Rate Case Expenses		\$ 235,384
7	Amortization Period		2
8	Amortized Annual Recovery		\$ 117,692
9	Recovery in Rates Approved in Docket 24-41-WW, Fiscal Year 2026		\$ 117,692
10	Recovery in Rates Approved in Docket 24-41-WW, Fiscal Year 2027		117,692
11	Total Recovery		\$ 235,384

EXHIBIT NRW-R1

Narragansett Bay Commission
 Docket No. 25-32-WW Rebuttal Case
 Workpaper R-1
 NBC Rebuttal Adjustments

Witness: Weaver

Division-Proposed Adjustments to Revenue Requirement

Line	Description	Account	Amount	NBC Accept/Reject	Reference Schedule
1	<i>Division-Proposed Adjustments to Revenue Requirement</i>				
2	Union Regular Turnover Adjustment	52100	(4,551)	Reject	R-C-1
3	Non-Union Regular Turnover Adjustment	52300	(7,963)	Reject	R-C-1
4	FICA Turnover Adjustment	52810	(914)	Reject	R-C-2
5	Long-Term Biosolids Adjustment	53480	(250,000)	Reject	R-C-5
6	Rate Case Amortization Expense	52660	(58,846)	Reject	R-C-6
7	Misc. Revenue Adjustment	49002	99,504	Reject	R-A
8	Principal Payment Adjustment	n/a	(275,199)	Accept	R-A
9	Interest Payment Adjustment	n/a		Accept	n/a
10	Debt Service Coverage	n/a	0.25	Reject	R-A
11	<i>NBC Rebuttal Adjustments</i>				
12	Health Insurance Rate Change	52950	12.0%	Accept	R-C-3
13	Biosolids Dry Tonnage Rate Increase over Compliance		\$ 3,809,456		
14	Increase included in Direct Case		3,546,811		
15	Difference to Add to Revenue Requirement	53480	\$ 262,645	Accept	R-C-4

Narragansett Bay Commission

Rate Period: July 1, 2026 - June 30, 2027



Medical Rates by Group

Overall Rate Increase: 12.2%

Overall Rate Increase with Broker Service Fees*: 12.0%

* The broker service fee is based on the Broker Service Fees Agreement, and may be an estimate if that agreement is not yet signed. The broker service fee is an amount that BCBSRI bills on behalf of your broker and is not included in the Premium Rate.

Group 01002718 - Narragansett Bay Commission

UPI: L00208

HMateC2coins

HMC2C Ded Plan 67

<i>Coinsurance</i>	100%/80%
<i>Deductible</i>	\$2000/\$4000
<i>OOP Maximum</i>	\$4000/\$8000
<i>Office Visit</i>	\$0
<i>Specialist Visit</i>	\$0
<i>Urgicenter</i>	\$0
<i>ER Copay</i>	\$0
<i>Rx</i>	\$7/\$25/\$40/\$40
<i>Wellness</i>	Wellness Works

Present

	<u>Individual</u>	<u>Family</u>
Total Premium Rate	\$843.97	\$2,306.26
Broker Service Fee*	\$32.00	\$32.00
Premium Rate plus Broker Service Fee*	\$875.97	\$2,338.26

Renewal

	<u>Individual</u>	<u>Family</u>
Premium Rate	\$947.18	\$2,588.30
Broker Service Fee*	\$32.00	\$32.00
Premium Rate plus Broker Service Fee*	\$979.18	\$2,620.30
Enrollment Weighted Rate Increase with Broker Service Fee*		12.0%

CERTIFICATION

I hereby certify that on April 9, 2026, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Stephanie De La Rosa, Commission Clerk, by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone
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