



**PASCOAG**  
UTILITY DISTRICT

Pascoag Electric • Pascoag Water

253 Pascoag Main Street  
P.O. Box 107  
Pascoag, R.I. 02859  
Phone: 401-568-6222  
Fax: 401-568-0066  
www.pud-ri.org

July 26, 2005

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

RECEIVED  
2005 JUL 27 AM 10:05  
PUBLIC UTILITIES COMMISSION


Re: RIPUC Docket No. 3685  
First Set of Division Data Requests

Dear Ms. Massaro:

Pursuant to the above docket, please find an original and nine copies of Pascoag's responses to Division's first set of Data Requests.

If you have any questions, or require additional information, please contact me anytime.

Very truly yours,

  
Judith R. Allaire  
Customer Service and Accounting Manager

RIPUC Docket No. 3685  
Data Request of the Division of Public Utilities and Carriers  
Set 1  
DIV 1

DIV 1: Please provide the rationale regarding the proposed amendment to Pascoag's large commercial/industrial tariff.

Answer: Provided by Judith R. Allaire

Pascoag Utility District's transmission bill from Narragansett Electric Company is based on a 12-month ratchet clause. Since Pascoag pays, based on its peak demand for the 12-month period, and since that demand is driven mainly by its large commercial customer and industrial customers, the District deemed it appropriate to bill its customers on the same basis.

A copy of the transmission bill from Narragansett Electric Company is attached to this Data Response.

RIPUC Docket No. 3685  
Data Request of the Division of Public Utilities and Carriers  
Set 1  
DIV 2

DIV 2. Will the proposed tariff change result in an increase/decrease in the revenue collected by Pascoag? If so, please quantify the anticipated increase/decrease.

Answer: Provided by Judith R. Allaire

The District does not feel that the revenue change will be substantive. Since the District currently has only about twenty-seven customers that are billed a demand charge, and most of these customers exhibit fairly stable demand.

With the exception of one or two customers (i.e. the ice rink), there should be minimal impact to customers.

DIV 3. Has Pascoag previously calculated demand charges using a multi-month demand ratchet rather than a monthly demand, if so please supply a copy of the tariff as approved by the Public Utilities Commission.

Answer: Provided by Judith R. Allaire

Prior to the District' Cost of Service study in 1998, the District's Large Commercial and Industrial tariff did have a demand ratchet clause (RIPUC No. 402, effective date September 1, 1985.)

During the 1998 Cost of Service case, a change was made in that tariff that eliminated the ratchet demand clause.

There was an additional tariff revision at the District's Cost of Service Study in January 2004.

Copies of the three tariff revisions are attached with this Data Response:

|                      |                                  |
|----------------------|----------------------------------|
| RIPUC Tariff No. 402 | Effective Date September 1, 1985 |
| RIPUC Tariff No. 403 | Effective Date July 1, 1998      |
| RIPUC Tariff No. 404 | Effective Date February 1, 2004  |

DIV 4. If Pascoag previously calculated bills using a multi-month demand ratchet, through what mechanism (e.g., tariff amendment) did that procedure change to the present calculation that is based on monthly demand?

Answer: Provided by Judith R. Allaire

The progression of tariff changes is:

**Tariff No. 402 (effective date 9/1/1985)**

At that time, all customers with demand over 25 KW were considered "Industrial" customers. Under the terms of that tariff, there was a declining block rate for kilowatt-hour consumption.

**Tariff No. 403 (effective 7/1/98)**

The Cost of Service Study done at this time was performed at the same time that the District submitted its Restructuring Plan. All tariffs were revised to reflect Standard Offer, Transmission Charge, and Transition Charge.

At that time, the guideline for "Industrial" customers was metered demand exceeding 5 KW.

The Demand Charge per KW was adjusted. The charge for kilowatt-hour consumption was eliminated. It was at this point that the ratchet clause was dropped from the tariff.

**Tariff No. 404 (effective 2/1/04)**

There were some revisions to the tariff during the District's most recent Cost of Service Study. At that time, the guideline for "Industrial" customers was changed to 15 KW.

Customer Charge was changed, and the Monthly Demand Charge was updated. Again, the tariff remained silent on ratcheted demand billing period.

**Tariff No. 405 (proposed)**

The only requested change in this tariff is the reinstatement of the ratchet demand clause.

DIV 5. What is the number of customers expected to be affected by the tariff revision?

Answer: Provided by Judith R. Allaire

The District currently has twenty-seven customers classified as “Industrial”. Typically, the District staff reviews these customers on an annual basis to verify that their actual demand has remained above the 15 KW level. At that time, other commercial customers are reviewed to determine if any of the customers that have been classified as “Small Commercial” (demands less than 15 KW), have had demand readings in excess of the 15KW limit.

TARIFF H

RIPUC No. 402

LARGE COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: C

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand exceeds 25 KW.

3. CHARACTER OF SERVICE:

120-208 volts, 4 wire, three phase, 60cps.  
277-480 volts, 4 wire, three phase, 60cps.  
120-240 volts, 3 wire, single phase, 60cps.  
120-240 volts, 4 wire, three phase, 60cps.

4. RATE SCHEDULE:

MONTHLY DEMAND CHARGE

\$55.57 for the first 25 kilowatts or less.

1.66 per KW for all over 25 kilowatts

The demand to be used for billing shall not be less than the highest fifteen minute metered monthly demand occurring during the current month, but not less than the highest demand occurring in the preceeding 11 months.

MONTHLY ENERGY CHARGE

\$ .0289 per KWH for the first 2500 KWH per month.

.0223 per KWH for the next 7500 KWH per month.

.0200 per KWH for the next 10,000 KWH per month.

.0178 per KWH for all over 20,000 KWH per month.

5. POWER FACTOR ADJUSTMENT:

The customers shall maintain an average power factor of 80% which shall be determined by permanently installed meters or periodic tests.

LARGE COMMERCIAL AND INDUSTRIAL RATE (continued):

In case the customer's average power factor differs from 80% during any billing period, .80 and dividing by the customer's power factor expect that the demand charge after adjustment shall not be less than 85% nor more than 130% of the demand charge before adjustment.

6. FUEL ADJUSTMENT CHARGE:

In addition to the above rate charge, there shall be included a surcharge, representative of a fuel adjustment charge paid by the department to other utilities and suppliers. The terms of this charge are provided in Fuel Adjustment Clause "A" and apply to all kilowatt-hours consumed on this rate.

7. CAPACITY COST ADJUSTMENT:

In addition to the above rate charge, there shall be included a surcharge representative of the increased capacity cost to this department. The terms of this surcharge are provided in Capacity Cost Adjustment Clause "A" and shall apply to all kilowatt-hours consumed on this rate.

8. MINIMUM BILL:

\$55.56 per month.

9. PAYMENT OF BILL:

All bills are net and payable within 15 days of billing.

10. TERMS AND CONDITIONS:

The department's terms and conditions in effect from time to time, where not inconsistent with specific provisions hereof, are a part of this rate.

Filing: October 4, 1984

Effective: September 1, 1985



403 Replacing 402

LARGE COMMERCIAL AND INDUSTRIAL RATE

RIPUC No. 402

1. DESIGNATION: C

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand exceeds 5 KW.

3. CHARACTER OF SERVICE:

120- 208 volts, 4 wire, three phase, 60 cps.

277- 480 volts, 4 wire, three phase, 60 cps.

120- 240 volts, 3 wire, single phase, 60 cps.

120- 240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE

Customer Charge per month: \$125.00

Distribution Access Charge per kWh - All kWh : \$0.00000

MONTHLY DEMAND CHARGE, per KW

All KW \$2.96353

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of 90 percent which shall be determined by permanently installed meters or periodic tests. A customer shall install corrective equipment, at customer's expense, to maintain a 90 percent power factor. If a customer's power factor shall fall below 90 percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

6. TRANSITION COST:

There shall be included a surcharge, representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition charge and apply to all kilowatt-hours consumed on this rate, and shall comprise a portion of a Purchased Energy Rate.

7. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in a transmission charge and shall apply to all kilowatt-hours consumed on this rate, and shall comprise a portion of a Purchased Energy Rate.

8. STANDARD OFFER RATE:

There shall be included a surcharge representative of the Standard Offer Rate to this Department. The terms of this surcharge are provided in Standard Offer Rate and shall apply to all kilowatt-hours consumed on this rate, and shall comprise a portion of a Purchased Energy Rate.

9. PAYMENT OF BILL:

All bills are net and payable within 15 days from date of billing.

403 replacing 403

Exhibit \_\_\_ (RLA-33)

Page 4c of 6

10. TERMS AND CONDITIONS:

The Department's terms and conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Filing Date: January 23, 1998

Effective Date: July 1, 1998

LARGE COMMERCIAL AND INDUSTRIAL RATE

1. DESIGNATION: C

2. APPLICABLE TO:

This rate is available to all commercial and industrial customers whose monthly metered demand exceeds 15 KW.

3. CHARACTER OF SERVICE:

120- 208 volts, 4 wire, three phase, 60 cps.

277- 480 volts, 4 wire, three phase, 60 cps.

120- 240 volts, 3 wire, single phase, 60 cps.

120- 240 volts, 4 wire, three phase, 60 cps.

4. RATE SCHEDULE:

MONTHLY ENERGY CHARGE

Customer Charge per month: \$75.00

Distribution Access Charge per kWh - All kWh : \$0.00000

MONTHLY DEMAND CHARGE, per KW

All KW \$6.53

5. POWER FACTOR ADJUSTMENT:

The customer shall maintain a power factor of 90 percent, determined by permanently installed meters or periodic tests. A customer shall install corrective equipment, at customer's expense, to maintain a 90 percent power factor. If a customer's power factor shall fall below 90 percent during any billing period, the customer shall be charged a surcharge as determined by the Department.

6. TRANSITION COST:

There shall be included a surcharge representative of a transition cost paid by the Department to other utilities and suppliers. The terms of this surcharge are provided in the transition tariff and apply to all kilowatt-hours consumed on this rate.

7. TRANSMISSION COST:

There shall be included a surcharge representative of the transmission cost to this Department. The terms of this surcharge are provided in the transmission tariff and shall apply to all kilowatt-hours consumed on this rate.

8. STANDARD OFFER RATE:

For customers that elect to have the Department provide their retail service, there shall be included a surcharge representative of the Standard Offer Rate. The terms of this surcharge are provided in the Standard Offer tariff and shall apply to all kilowatt-hours consumed on this rate.

9. PAYMENT OF BILL:

All bills are due and payable within 15 days from date of billing. After 30 days, a 1 ½% monthly interest charge will be applied against all outstanding past due balances.

10. TERMS AND CONDITIONS:

The Department's terms and conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Filing Date: August 4, 2003

Effective Date: February 1, 2004

**NARRAGANSETT ELECTRIC COMPANY  
PASCOAG SUB-TRANSMISSION SERVICE  
May-05**

**PASCOAG UTILITY DISTRICT  
253 PASCOAG MAIN STREET  
PASCOAG, RHODE ISLAND 02859  
ATTN: JUDY ALLAIRE**

12-MONTH RATCHET: CURRENT MONTH PLUS 11 PREVIOUS MONTHS.  
MAXIMUM DEMAND IS SELECTED AS RATCHET

| MONTHLY PEAK |    |        | 12 MONTH PEAK |    |        |
|--------------|----|--------|---------------|----|--------|
| 06/09/2004   | 3P | 9,126  | 12/20/2004    | 7p | 10,410 |
| 07/22/2004   | 4P | 9,368  |               |    |        |
| 08/30/2004   | 4P | 10,196 |               |    |        |
| 09/04/2004   | 9p | 9,611  |               |    |        |
| 10/19/2004   | 7P | 8,505  |               |    |        |
| 11/09/2004   | 6p | 8,555  |               |    |        |
| 12/20/2004   | 7p | 10,410 |               |    |        |
| 01/18/2005   | 7P | 9,633  |               |    |        |
| 02/01/2005   | 7p | 9,069  |               |    |        |
| 03/09/2005   | 7p | 8,783  |               |    |        |
| 04/05/2005   | 9p | 8,041  |               |    |        |
| 05/25/2005   | 8p | 7,713  |               |    |        |

**PASCOAG SUB-TRANSMISSION CHARGES  
May-05**

|   |                  |
|---|------------------|
| GREATEST PEAK KILOWATT READING IN PREVIOUS<br>11 MONTH PERIOD | <u>10,410</u> KW |
| DEMAND THIS MONTH<br>25-May-05 8p                             | <u>7,713</u> KW  |
| BILLING DEMAND  | 10,410 KW        |
| RATE PER KILOWATT   | <u>\$0.70</u>    |
| AMOUNT DUE  | <u>\$7,287</u>   |

LOSSES ARE INCLUDED IN ALL OF THE ABOVE FIGURES