

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

Petition of the KENT COUNTY WATER |
AUTHORITY-Rate Application |

Docket No.: 4142

INTERVENOR'S POSITION

Now comes the City of Warwick (the "City"), by and through its City Solicitor, and hereby provides this, the Intervenor's Position in the above-captioned matter. The City objects to the Kent County Water Authority's (the "Authority") miscellaneous petition to recover a revenue shortfall of SIX HUNDRED SEVEN, SEVENTY SEVEN DOLLARS (\$607,077.00) from the restricted operating revenue reserve (the "Requested Relief"). The City purchases water from the Authority and provides that purchased water to its customers. The purchased water from the Authority sold by the City to its customers will not be affected by this miscellaneous petition request. However, several thousand customers of the Authority are located within the municipal boundaries of the City and will be affected by the Requested Relief. These residents, businesses and municipal water users served by the Authority and not the City are located in the Cowesett, Apponaug and Tollgate areas of the City.

The Authority's petition to withdraw SIX HUNDRED SEVEN, SEVENTY SEVEN DOLLARS (\$607,077.00) in ratepayer funds from the restricted operating revenue reserve was neither discussed nor otherwise provided for in Order No. 20162, issued in Docket 4142 (Oct.12, 2012). The Authority's Requested Relief will create a structural deficit in this fiscal year's operational budget that will transition into next fiscal year's operational budget-thus constituting a more than \$1.2 Million Dollar ratepayer revenue shortfall. As such, ratepayers will necessarily be faced with a rate increase to make up for the rate revenue shortfall.

The basis for the rate hike request is due to revenue shortfalls from reduced sales (Facts In Support of Petitioner's Request (Docket # 4142-MP)). Yet, a review of the *pro forma* forms supplied in Exhibit A with the Requested Relief shows no reduction in expenses-this is just simply a request to take restricted operating revenue to meet expenses. No facts have been asserted to show that the Authority attempted, considered or effected expense reductions as a part of this request. Instead, the Authority mere seeks the easy way out; obtain revenue to match expenses. The general public and many levels of government make do with less today but the Authority wants to proceed with business as usual.

For these reasons the City hereby requests the PUC to deny the requested relief sought by the Authority.

If this matter proceeds to a hearing, the City intends to show that the Authority has not demonstrated a need to supplement its revenue to meet current budget expenditures. The City intends to show that expense reductions at the Authority are possible without compromising the public health, safety or welfare.

Respectfully submitted,
CITY OF WARWICK,
By and Through Its Attorney,

s/s Peter D. Ruggiero
Peter D. Ruggiero (#5733)
Warwick City Solicitor
RUGGIERO, ORTON & BROCHU
20 Centerville Road
Warwick, Rhode Island 02886
Tel: 401-737-8700
Fax: 401-737-0735

Dated: December 13, 2012

CERTIFICATION

I, the undersigned, do hereby certify that I did forward a copy of the within Intervenor's Position via e-mail to all on the following service list on the 13th day of December, 2012.

Docket No. 4142 – Kent County Water Authority – Rate Application

Service List 1/20/2010

Parties/Address	E-mail Distribution	Phone/Fax
Robert A. Watson, Esq. 1050 Main Street, Suite 23 East Greenwich, R.I. 02818	Rwatson247@cox.net	401-884-1455
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence RI 02903	Lwold@riag.ri.gov	401-222-2424
	Dmacrae@riag.ri.gov	401-222-3016
	sscialabba@ripuc.state.ri.us	
	jbelle@ripuc.state.ri.us amancini@ripuc.state.ri.us	
Thomas S. Catlin Exeter Associates, Inc. 5565 Sterrett Place, Suite 310 Columbia, MD 21044	tcatlin@exeterassociates.com	410-992-7500 410-992-3445
Christopher Woodcock Woodcock & Associates, Inc. 18 Increase Ward Drive Northborough, MA 01532	Woodcock@w-a.com	508-393-3337 508-393-9078
Timothy Brown, P.E. General Manager Chief Engineer Kent County Water Authority PO Box 192 West Warwick RI 02893-0192	tbrown@kentcountywater.org	401-821-9300 401-823-4810
File original and nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	lmassaro@puc.state.ri.us	401-780-2107
	cwilson@puc.state.ri.us	
	sccamara@puc.state.ri.us	

s/s Peter D. Ruggiero