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*ADMITTED TO PRACTICE IN
RHODE ISLAND & MASSACHUSETTS

September 6, 2011

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

Re: *United Water Rhode Island, Inc.*
Docket No. 4255

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of the following:

1. United Water Rhode Island, Inc.'s response to the Division of Public Utilities and Carriers' Fifth Set of Data Requests.

An electronic version of this document has been sent to the service list. Please note that the response to Div. 5-4 is not included in this response. United Water's response to Div. 5-4 will be produced in a supplemental response under separate cover.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,



Joseph A. Keough, Jr.

Enclosures

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4255

Response of United Water Rhode Island, Inc.

To The Division of Public Utilities And Carriers'

Data Requests

Set 5

Div. 5-1: The response to Division 3-6 includes a detailed cost of debt schedule. With respect to that schedule of debt, please provide the interest rate (coupon rate) for each debt series.

RESPONSE: Column [7], "Stated Interest Rate" contains the interest rate (coupon rate) for each debt series.

Prepared by: Michaelson

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4255

Response of United Water Rhode Island, Inc.
To The Division of Public Utilities And Carriers'
Data Requests
Set 5

Div. 5-2: With respect to the long-term debt of United Waterworks provided in response to Division 3-6, please identify each debt series that is variable rate. In each such instance indicate the formula and actual calculation for determining the effective interest rate.

RESPONSE: None of the issuances have a variable rate.

Prepared by: Michaelson

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4255

Response of United Water Rhode Island, Inc.
To The Division of Public Utilities And Carriers'
Data Requests

Set 5

Div. 5-3: For each United Waterworks debt issue that carries an interest rate above market, please indicate the opportunity for reducing the cost of debt through economic refinancing.

RESPONSE: These debt issuances were obtained throughout the years to fund capital projects as they were needed. Management reviews the rates on these bonds on an on-going basis and takes advantage of changes in the bond market wherever possible. In fact, in 2010, the Company redeemed \$45 million of long-term debt at a rate of 6.27% and replaced it with new debt at 4.92% and more recently the company redeemed \$20 million at 5.3% and is replacing it with new debt at 4.1%.

Management will continue to review all of its Long-Term Debt and will redeem higher interest rate bonds and replace them with lower rates whenever possible.

Prepared by: Michaelson

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION
DOCKET NO. 4255
Response of United Water Rhode Island, Inc.
To The Division of Public Utilities And Carriers'
Data Requests
Set 5

Div. 5-5: Please verify that the capital structure selected by Ms. Ahern excludes from equity "Accumulated other comprehensive income" of \$3.3 million. In addition, please provide the following:

- (a) A complete explanation of the rationale for this treatment or exclusion; and
- (b) Any Rhode Island Commission precedent or support for this treatment or exclusion.

RESPONSE: The capital structure selected by Ms. Ahern does exclude from equity Accumulated Other Comprehensive Income of \$3.3 million.

- a) The Accumulated Other Comprehensive Income amount relates to the difference between Pension funding and actuarially determined pension expense for one United Waterworks operating unit (not UWRI). Since the amount has nothing to do with the results of operations, it was left out of the capital structure calculation.
- b) The Company does not know of any Rhode Island Commission precedent or support for this treatment or exclusion.

Prepared by: Michaelson

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4255

Response of United Water Rhode Island, Inc.
To The Division of Public Utilities And Carriers'

Data Requests

Set 5

Div. 5-6: Please provide the United Water Resources, Inc. balance sheet at March 31, 2011 and June 30, 2011.

RESPONSE: Please see Schedule DIV 5-6 Attachments 1 & 2

Prepared by: Ugboaja

United Water Resources

United Water Rhode Island
Docket # 4255

General Ledger System
Consolidated Balance Sheet- UWR INC.
March, 31 2011

Schedule DIV 5-6 Attachment 1
Page 1 of 2

	- Current Month -		Increase or (Decrease)
	<u>This Year</u>	<u>Last Year</u>	
Assets			
Utility plant	2,510,675,750.02	2,386,718,559.16	123,957,190.86
Net Utility plant acquisition adjustment	3,980,402.09	4,115,690.71	(135,288.62)
Less accumulated depreciation & amortization	(578,976,317.53)	(538,007,917.01)	(40,968,400.52)
Construction work in progress	90,593,162.66	74,943,870.83	15,649,291.83
Plant held for future use	8,895,723.59	19,753,126.01	(10,857,402.42)
Net utility plant	<u>2,035,168,720.83</u>	<u>1,947,523,329.70</u>	<u>87,645,391.13</u>
Investments - long term consolidating companies	0.00	0.00	0.00
Investments - long term non-consolidated companies	1,201,054.14	1,553,456.23	(352,402.09)
Equity investments	2,643,296.09	2,583,645.36	59,650.73
Non-utility property & equipment	16,186,287.27	14,705,358.85	1,480,928.42
Depreciation non-utility properties	(11,588,452.46)	(11,035,163.31)	(553,289.15)
Other properties & investments	<u>8,442,185.04</u>	<u>7,807,297.13</u>	<u>634,887.91</u>
Goodwill, net	41,754,396.94	41,754,396.94	0.00
Other intangibles, net	5,698,465.33	6,133,915.57	(435,450.24)
Goodwill & other intangibles	<u>47,452,862.27</u>	<u>47,888,312.51</u>	<u>(435,450.24)</u>
Cash	15,657,180.98	9,732,883.59	5,924,297.39
Restricted cash	0.00	0.00	0.00
Accounts receivable - customer	73,061,662.00	77,662,084.63	(4,600,422.63)
A/R - associated companies	0.00	0.00	0.00
A/R affiliated companies	2,189,988.72	2,487,348.46	(297,359.74)
Interest and dividends receivable	0.00	0.00	0.00
Notes receivable - short term	0.00	0.00	0.00
Materials & supplies inventory	5,240,903.03	6,311,515.11	(1,070,612.08)
Prepaid expenses	13,180,265.77	13,953,639.96	(773,374.19)
Other current assets	0.00	0.00	0.00
Total current and accrued assets	<u>109,330,000.50</u>	<u>110,147,471.75</u>	<u>(817,471.25)</u>
Unamortized debt discount/expense	34,606,445.59	35,608,901.70	(1,002,456.11)
Prepaid employee benefits	0.00	0.00	0.00
Regulatory assets	160,924,398.24	141,691,071.37	19,233,326.87
Other deferred charges & assets	9,037,497.13	6,560,431.28	2,477,065.85
Notes receivable - long term	0.00	0.00	0.00
Clearing accounts	2,098,673.71	1,993,651.29	105,022.42
Non-current assets	<u>206,667,014.67</u>	<u>185,854,055.64</u>	<u>20,812,959.03</u>
Total assets	<u>2,407,060,783.31</u>	<u>2,299,220,466.73</u>	<u>107,840,316.58</u>

United Water Resources

United Water Rhode Island
Docket # 4255

General Ledger System
Consolidated Balance Sheet- UWR INC.
March, 31 2011

Schedule DIV 5-6 Attachment 1
Page 2 of 2

	- Current Month -		Increase or (Decrease)
	<u>This Year</u>	<u>Last Year</u>	
Capitalization and Liabilities			
<hr/>			
Total capital stock	572,034,827.13	580,080,784.06	(8,045,956.93)
Total retained earnings	230,213,403.47	189,401,185.98	40,812,217.49
Accumulated other comprehensive income	(19,424,324.00)	(16,023,465.00)	(3,400,859.00)
Other Equity Noncontrolling Interest	0.00	0.00	0.00
Long term debt	712,578,446.86	679,803,921.01	32,774,525.85
Total Capitalization	1,495,402,353.46	1,433,262,426.05	62,139,927.41
Minority interest	0.00	0.00	0.00
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Accounts payable	16,275,439.20	23,174,417.82	(6,898,978.62)
Accounts Payable - associated companies	0.00	0.00	0.00
Notes payable	152,633,000.00	136,330,000.00	16,303,000.00
Notes payable - associated companies	0.00	0.00	0.00
Current portion of long term debt	920,474.19	925,584.03	(5,109.84)
Customer deposits	608,403.30	593,523.17	14,880.13
Accrued taxes	42,720,954.21	44,155,000.64	(1,434,046.43)
Accrued interest	10,081,798.71	10,288,445.70	(206,646.99)
Preferred dividends payable	0.00	0.00	0.00
Other current liabilities	35,933,410.42	36,276,149.67	(342,739.25)
Total current liabilities	259,173,480.03	251,743,121.03	7,430,359.00
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Deferred income taxes & credit	227,772,133.84	197,582,149.63	30,189,984.21
Customer advances for construction	56,872,961.54	57,120,102.71	(247,141.17)
Contribution in aid of construction	204,422,666.77	195,372,008.51	9,050,658.26
Pension and benefits	148,434,474.22	143,305,917.49	5,128,556.73
Regulatory liabilities	11,387,975.29	17,245,638.04	(5,857,662.75)
Other long term liabilities	3,594,738.16	3,589,103.27	5,634.89
Deferred income taxes & credit	652,484,949.82	614,214,919.65	38,270,030.17
Total capitalization and liabilities	2,407,060,783.31	2,299,220,466.73	107,840,316.58

<p>This Corporate Report has been certified by the Financial Business Systems Organization. Last Modified by: S Davoust</p>

United Water Resources
General Ledger System
Consolidated Balance Sheet- UWR INC.
June, 30 2011

	- Current Month -		Increase or (Decrease)
	<u>This Year</u>	<u>Last Year</u>	
Assets			
Total assets			
Net utility plant			
Utility plant	2,526,545,255.76	2,417,099,053.55	109,446,202.21
Net Utility plant acquisition adjustment	3,946,039.43	4,083,534.05	(137,494.62)
Less accumulated depreciation & amortization	(586,341,301.51)	(547,752,465.77)	(38,588,835.74)
Construction work in progress	93,471,352.37	75,605,141.11	17,866,211.26
Plant held for future use	8,895,723.59	19,753,711.79	(10,857,988.20)
Net utility plant	<u>2,046,517,069.64</u>	<u>1,968,788,974.73</u>	<u>77,728,094.91</u>
Other properties & investments			
Investments - long term consolidating companies	0.00	0.00	0.00
Investments - long term non-consolidated companies	1,178,401.59	1,480,118.59	(301,717.00)
Equity investments	2,635,458.05	2,567,651.81	67,806.24
Non-utility property & equipment	16,444,105.16	14,994,049.92	1,450,055.24
Depreciation non-utility properties	(11,686,976.49)	(11,343,061.32)	(343,915.17)
Other properties & investments	<u>8,570,988.31</u>	<u>7,698,759.00</u>	<u>872,229.31</u>
Goodwill & other intangibles			
Goodwill, net	41,754,396.94	41,754,396.94	0.00
Other intangibles, net	5,589,602.77	6,025,053.01	(435,450.24)
Goodwill & other intangibles	<u>47,343,999.71</u>	<u>47,779,449.95</u>	<u>(435,450.24)</u>
Total current and accrued assets			
Cash	29,701,957.47	13,860,239.31	15,841,718.16
Restricted cash	0.00	0.00	0.00
Accounts receivable - customer	91,648,281.25	96,889,109.85	(5,240,828.60)
A/R - associated companies	0.00	0.00	0.00
A/R affiliated companies	2,012,461.76	2,352,480.80	(340,019.04)
Interest and dividends receivable	0.00	0.00	0.00
Notes receivable - short term	0.00	0.00	0.00
Materials & supplies inventory	5,085,137.80	6,020,866.73	(935,728.93)
Prepaid expenses	12,207,034.12	13,700,464.94	(1,493,430.82)
Other current assets	0.00	0.00	0.00
Total current and accrued assets	<u>140,654,872.40</u>	<u>132,823,161.63</u>	<u>7,831,710.77</u>
Non-current assets			
Unamortized debt discount/expense	34,532,800.71	35,081,967.63	(549,166.92)
Prepaid employee benefits	0.00	0.00	0.00
Regulatory assets	158,113,449.90	151,568,731.81	6,544,718.09
Other deferred charges & assets	9,448,932.33	6,319,238.36	3,129,693.97
Notes receivable - long term	0.00	0.00	0.00
Clearing accounts	1,615,487.18	1,181,537.93	433,949.25
Non-current assets	<u>203,710,670.12</u>	<u>194,151,475.73</u>	<u>9,559,194.39</u>
Total assets	<u>2,446,797,600.18</u>	<u>2,351,241,821.04</u>	<u>95,555,779.14</u>

United Water Resources

United Water Rhode Island
Docket # 4255

General Ledger System
Consolidated Balance Sheet- UWR INC.
June, 30 2011

Schedule DIV 5-6 Attachment 2
Page 2 of 2

	- Current Month -		Increase or (Decrease)
	<u>This Year</u>	<u>Last Year</u>	
<i>Capitalization and Liabilities</i>			
<i>Total capitalization and liabilities</i>			
<i>Total Capitalization</i>			
Total capital stock	572,034,827.13	580,080,784.06	(8,045,956.93)
Total retained earnings	244,921,552.86	211,244,365.24	33,677,187.62
Accumulated other comprehensive income	(19,424,324.00)	(16,023,465.00)	(3,400,859.00)
Other Equity Noncontrolling Interest	0.00	0.00	0.00
Long term debt	747,083,446.86	679,463,921.01	67,619,525.85
Total Capitalization	1,544,615,502.85	1,454,765,605.31	89,849,897.54
Minority interest	0.00	0.00	0.00
<i>Total current liabilities</i>			
Accounts payable	16,020,567.05	24,754,517.31	(8,733,950.26)
Accounts Payable - associated companies	0.00	0.00	0.00
Notes payable	137,134,000.00	152,500,000.00	(15,366,000.00)
Notes payable - associated companies	0.00	0.00	0.00
Current portion of long term debt	920,474.19	925,584.03	(5,109.84)
Customer deposits	597,422.28	596,848.89	573.39
Accrued taxes	36,395,580.06	44,775,427.02	(8,379,846.96)
Accrued interest	11,340,019.46	11,491,930.60	(151,911.14)
Preferred dividends payable	0.00	0.00	0.00
Other current liabilities	38,804,332.41	34,092,751.56	4,711,580.85
Total current liabilities	241,212,395.45	269,137,059.41	(27,924,663.96)
<i>Deferred income taxes & credit</i>			
Deferred income taxes & credit	237,147,057.53	210,517,128.46	26,629,929.07
Customer advances for construction	57,135,872.26	57,554,968.20	(419,095.94)
Contribution in aid of construction	202,610,426.70	199,063,480.61	3,546,946.09
Pension and benefits	149,404,381.91	145,348,932.83	4,055,449.08
Regulatory liabilities	11,189,830.76	11,054,216.32	135,614.44
Other long term liabilities	3,482,132.72	3,800,429.90	(318,297.18)
Deferred income taxes & credit	660,969,701.88	627,339,156.32	33,630,545.56
Total capitalization and liabilities	2,446,797,600.18	2,351,241,821.04	95,555,779.14

This Corporate Report has been certified by
the Financial Business Systems Organization.
Last Modified by: S Davoust

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

DOCKET NO. 4255

Response of United Water Rhode Island, Inc.
To The Division of Public Utilities And Carriers'

Data Requests

Set 5

Div. 5-7: Please provide the United Waterworks balance sheet at June 30, 2011.

RESPONSE: Please see Schedule DIV 5-7 Attachment

Prepared by: Ugboaja

United Waterworks Consolidated

United Water Rhode Island
Docket # 4255

General Ledger System
Consolidated B/S- UWWC
June, 30 2011

Schedule DIV 5-7 Attachment
Page 1 of 2

	- Current Month -		
	<u>This Year</u>	<u>Last Year</u>	<u>Increase or (Decrease)</u>
Assets			
Total assets			
Net utility plant			
Utility plant	1,207,298,372.27	1,156,171,704.41	51,126,667.86
Net Utility plant acquisition adjustment	2,264,629.55	2,338,459.55	(73,830.00)
Less accumulated depreciation & amortization	(286,596,831.32)	(265,700,711.54)	(20,896,119.78)
Construction work in progress	26,887,334.29	25,243,003.47	1,644,330.82
Plant held for future use	103,108.23	103,108.23	0.00
Net utility plant	949,956,613.02	918,155,564.12	31,801,048.90
Other properties & investments			
Investments - long term consolidating companies	0.00	0.00	0.00
Investments - long term non-consolidated companies	1,516.35	1,516.35	0.00
Equity investments	100,693.00	0.00	100,693.00
Non-utility property & equipment	575,538.66	576,625.16	(1,086.50)
Depreciation non-utility properties	0.00	0.00	0.00
Other properties & investments	677,748.01	578,141.51	99,606.50
Goodwill & other intangibles			
Goodwill, net	41,723,592.01	41,723,592.01	0.00
Other intangibles, net	0.00	0.00	0.00
Goodwill & other intangibles	41,723,592.01	41,723,592.01	0.00
Total current and accrued assets			
Cash	2,186,142.86	2,726,638.82	(540,495.96)
Restricted cash	0.00	0.00	0.00
Accounts receivable - customer	35,024,688.53	42,080,086.19	(7,055,397.66)
A/R - associated companies	0.00	0.00	0.00
A/R affiliated companies	0.00	0.00	0.00
Interest and dividends receivable	0.00	0.00	0.00
Notes receivable - short term	0.00	0.00	0.00
Materials & supplies inventory	2,207,519.02	2,964,178.24	(756,659.22)
Prepaid expenses	1,461,519.93	1,703,675.49	(242,155.56)
Other current assets	0.00	0.00	0.00
Total current and accrued assets	40,879,870.34	49,474,578.74	(8,594,708.40)
Non-current assets			
Unamortized debt discount/expense	18,271,055.32	18,301,410.84	(30,355.52)
Prepaid employee benefits	0.00	0.00	0.00
Regulatory assets	71,415,093.13	56,297,626.15	15,117,466.98
Other deferred charges & assets	5,050,032.05	2,137,537.25	2,912,494.80
Notes receivable - long term	0.00	0.00	0.00
Clearing accounts	457,579.92	326,049.81	131,530.11
Non-current assets	95,193,760.42	77,062,624.05	18,131,136.37
Total assets	1,128,431,583.80	1,086,994,500.43	41,437,083.37

United Waterworks Consolidated

United Water Rhode Island
Docket # 4255

General Ledger System
Consolidated B/S- UWWC
June, 30 2011

Schedule DIV 5-7 Attachment
Page 2 of 2

	- Current Month -		Increase or (Decrease)
	<u>This Year</u>	<u>Last Year</u>	
Capitalization and Liabilities			
Total capitalization and liabilities			
Total Capitalization			
Total capital stock	216,883,185.03	216,883,185.03	0.00
Total retained earnings	182,568,478.98	172,692,036.18	9,876,442.80
Accumulated other comprehensive income	(3,285,157.00)	(2,839,963.00)	(445,194.00)
Other Equity Noncontrolling Interest	0.00	0.00	0.00
Long term debt	325,085,000.00	291,545,000.00	33,540,000.00
Total Capitalization	<u>721,251,507.01</u>	<u>678,280,258.21</u>	<u>42,971,248.80</u>
Minority interest	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total current liabilities			
Accounts payable	3,162,645.15	7,917,881.81	(4,755,236.66)
Accounts Payable - associated companies	0.00	0.00	0.00
Notes payable	36,000,000.00	50,500,000.00	(14,500,000.00)
Notes payable - associated companies	0.00	0.00	0.00
Current portion of long term debt	0.00	0.00	0.00
Customer deposits	105,276.60	93,983.86	11,292.74
Accrued taxes	3,410,274.80	11,191,556.34	(7,781,281.54)
Accrued interest	5,385,907.51	4,851,463.36	534,444.15
Preferred dividends payable	0.00	0.00	0.00
Other current liabilities	12,462,943.18	11,568,255.13	894,688.05
Total current liabilities	<u>60,527,047.24</u>	<u>86,123,140.50</u>	<u>(25,596,093.26)</u>
Deferred income taxes & credit			
Deferred income taxes & credit	84,297,983.29	68,759,508.62	15,538,474.67
Customer advances for construction	42,026,701.10	42,521,088.55	(494,387.45)
Contribution in aid of construction	158,386,703.88	155,392,807.70	2,993,896.18
Pension and benefits	58,108,914.02	55,934,319.98	2,174,594.04
Regulatory liabilities	2,843,073.71	(1,313,830.93)	4,156,904.64
Other long term liabilities	989,653.55	1,297,207.80	(307,554.25)
Deferred income taxes & credit	<u>346,653,029.55</u>	<u>322,591,101.72</u>	<u>24,061,927.83</u>
Total capitalization and liabilities	<u>1,128,431,583.80</u>	<u>1,086,994,500.43</u>	<u>41,437,083.37</u>

<p>This Corporate Report has been certified by the Financial Business Systems Organization. Last Modified by: S Davoust</p>

CERTIFICATION

I hereby certify that on September 6, 2011, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

Parties/Address	E-mail Distribution	Phone/Fax
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