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*ADMITTED TO PRACTICE IN
RHODE ISLAND & MASSACHUSETTS

September 8, 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' Sixth Set of Data Requests.

Please note an electronic version of this document has been sent to the service list.

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 6

Div. 6-1: With regard to Div. 2-8, please identify the projected monthly balances of ADIT in 2011 and 2012 taking into account both the effect of the 100 percent bonus depreciation in 2011 and the 50 percent bonus depreciation in 2012. Include supporting workpapers.

RESPONSE: Please see Div 6-1 Attachment.

Prepared by: Michaelson

Def'd Income Tax	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Average
Balances used in filing	(1,408,692)	(1,426,926)	(1,432,697)	(1,438,421)	(1,444,091)	(1,449,760)	(1,455,660)	(1,461,155)	(1,466,649)	(1,472,068)	(1,476,703)	(1,480,670)	(1,484,542)	(1,453,695)
Bonus Deprec. Adjustment		(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)	(37,454)
2011 Balances using Bonus Deprec.	(1,408,692)	(1,464,381)	(1,470,151)	(1,475,876)	(1,481,546)	(1,487,215)	(1,493,115)	(1,498,609)	(1,504,103)	(1,509,522)	(1,514,158)	(1,518,124)	(1,521,997)	(1,488,268)

Def'd Income Tax	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Average
Balances used in filing	(1,484,542)	(1,492,851)	(1,501,161)	(1,509,491)	(1,517,748)	(1,526,006)	(1,534,212)	(1,542,346)	(1,550,479)	(1,560,164)	(1,567,895)	(1,575,627)	(1,583,207)	(1,534,287)
Bonus Deprec. Adjustment		(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)	(8,144)
2011 Balances using Bonus Deprec.	(1,484,542)	(1,500,996)	(1,509,305)	(1,517,635)	(1,525,893)	(1,534,150)	(1,542,357)	(1,550,490)	(1,558,623)	(1,568,308)	(1,576,040)	(1,583,771)	(1,591,351)	(1,541,805)

	With Bonus Depreciation				Without Bonus Depreciation				Increase(Decrease) Due to Bonus			
	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%
Jan-11	159,584	35,987	123,597	43,259	52,571	35,987	16,584	5,804	107,013	0	107,013	37,454
Feb-11	159,584	36,084	123,500	43,225	52,571	36,084	16,487	5,771	107,013	0	107,013	37,454
Mar-11	159,584	36,216	123,368	43,179	52,571	36,216	16,355	5,724	107,013	0	107,013	37,454
Apr-11	159,584	36,372	123,212	43,124	52,571	36,372	16,200	5,670	107,013	0	107,013	37,454
May-11	159,584	36,374	123,210	43,123	52,571	36,374	16,197	5,669	107,013	0	107,013	37,454
Jun-11	159,584	36,580	123,004	43,051	52,571	36,580	15,992	5,597	107,013	0	107,013	37,454
Jul-11	159,584	36,874	122,710	42,949	52,571	36,874	15,698	5,494	107,013	0	107,013	37,454
Aug-11	159,584	36,874	122,710	42,949	52,571	36,874	15,698	5,494	107,013	0	107,013	37,454
Sep-11	159,584	37,089	122,495	42,873	52,571	37,089	15,483	5,419	107,013	0	107,013	37,454
Oct-11	159,584	39,327	120,257	42,090	52,571	39,327	13,245	4,636	107,013	0	107,013	37,454
Nov-11	159,584	41,238	118,346	41,421	52,571	41,238	11,334	3,967	107,013	0	107,013	37,454
Dec-11	159,584	41,508	118,076	41,327	52,571	41,508	11,064	3,872	107,013	0	107,013	37,454
	1,915,006	450,521	1,464,485	512,570	630,855	450,521	180,334	63,117	1,284,150	0	1,284,150	449,453
Monthly Average	159,584	37,543	122,040	42,714	52,571	37,543	15,028	5,260	107,013	0	107,013	37,454

	With Bonus Depreciation				Without Bonus Depreciation				Increase(Decrease) Due to Bonus			
	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%	Tax Depreciation	Book Depreciation	Difference	Deferred Tax @ 35%
Jan-12	85,700	41,890	43,810	15,333	62,430	41,890	20,541	7,189	23,269	0	23,269	8,144
Feb-12	85,700	41,890	43,810	15,333	62,430	41,890	20,541	7,189	23,269	0	23,269	8,144
Mar-12	85,700	41,829	43,871	15,355	62,430	41,829	20,601	7,211	23,269	0	23,269	8,144
Apr-12	85,700	42,038	43,662	15,282	62,430	42,038	20,392	7,137	23,269	0	23,269	8,144
May-12	85,700	42,038	43,662	15,282	62,430	42,038	20,392	7,137	23,269	0	23,269	8,144
Jun-12	85,700	42,183	43,516	15,231	62,430	42,183	20,247	7,086	23,269	0	23,269	8,144
Jul-12	85,700	42,392	43,307	15,158	62,430	42,392	20,038	7,013	23,269	0	23,269	8,144
Aug-12	85,700	42,392	43,307	15,158	62,430	42,392	20,038	7,013	23,269	0	23,269	8,144
Sep-12	85,700	42,928	42,772	14,970	62,430	42,928	19,502	6,826	23,269	0	23,269	8,144
Oct-12	85,700	43,540	42,160	14,756	62,430	43,540	18,891	6,612	23,269	0	23,269	8,144
Nov-12	85,700	43,540	42,160	14,756	62,430	43,540	18,891	6,612	23,269	0	23,269	8,144
Dec-12	85,700	43,973	41,727	14,604	62,430	43,973	18,457	6,460	23,269	0	23,269	8,144
	1,028,396	510,632	517,764	181,218	749,163	510,632	238,531	83,486	279,233	0	279,233	97,732
Monthly Average	85,700	42,553	43,147	15,101	62,430	42,553	19,878	6,957	23,269	0	23,269	8,144

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 6

Div. 6-2: With regard to the response to Div. 2-11, Dwyer Exhibit 3, Schedule 1 in Docket No. 2873 shows deferred tank painting costs being included on rate base and being amortized at the rate of \$7,452 per year. Please explain the basis for determining no tank painting amortization was included by the Company in test year expense in its last rate case.

RESPONSE:

The response to Div 2-11 was incorrect. The Company did in fact have tank painting amortization expense in Test Year and Rate Year in its last rate case (Docket No. 2873). The expense was contained in Account 672 – Maintenance of Distribution Reservoirs and Standpipes in the amount of \$7,452 per year. There was no adjustment made from the Test Year actual amount and the \$7,452 carried forward into the Rate Year.

Prepared by: Lippai

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 6

Div. 6-3: Please explain why the three-year average for the percentage of benefits capitalized differs from the three-year average percentage of wages capitalized. Please provide workpapers showing the derivation of the three-year average percentage of benefits capitalized.

RESPONSE: The overall three-year average percentage of capitalized benefits and wages is the same. The fringe benefits capitalized amount of 21.09% is the net of capitalized benefits which includes the benefits associated with labor transferred into United Water Rhode Island (UWRI) for services provided by other business units. The three-year average percentage of capitalized wages, or 22.53%, is netted with the labor transferred in (services provided by other business units) three-year average percentage of 1.44% to arrive at 21.09%, which is the net fringe benefits capitalized/transferred-in percentage.

Exhibit 4 (Lippai), Schedule 3A, Page 1 of 1 shows the net amount of 21.09% in the last column. Exhibit 4 (Lippai), Schedule 2B, Page 1 of 1 shows the applicable percentages of capitalized labor (22.53%) and transferred-in (1.44%).

Prepared by: Lippai

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 6

Div. 6-4: With regard to the responses to Div. 2-17, 2-18, and 2-19:

Please explain what incentive plan exempt employee are eligible for and the basis for the 2 percent awards included for the rate year.

- (a) Please indicate whether 80 percent threshold for the financial goals must be met for any STIP payments to be made.
- (b) Please identify the percentage of the STIP payments in 2008 through 2010 that were attributed to meeting financial goals.

RESPONSE: a) The exempt employees are eligible for the Short Term Incentive Program (STIP). Employees are assigned a target award based on their job/salary grade. The target award is established at market competitive levels and is expressed as a percentage of base salary. The percentage award for each level is determined by collecting information from several market surveys and is based on the salary and incentive provided by competitors for similar positions.

The 2% award for the non-exempt employees is determined by management. The bonus is to recognize the efforts of the non-exempt employees in contributing to the success of the Business Unit's financial results, customer service satisfaction, water quality/compliance and safety initiatives.

- b) No incentives are paid for results at or below 80% (threshold) for both financial and personal objectives.
- c) From 2008 through 2010, the percentage of the STIP attributed to meeting the financial goals for the Superintendent and Manager shown in the Company's response to Div 2-19 was 40%.

Prepared by: Lippai

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 6

Div. 6-5: Please explain why the amortization of the OPEB transition obligation is included in OPEB expenses, but excluded from the calculation of fringe benefits capitalized on line 6 on Schedule 3A of Exhibit 4.

RESPONSE: The \$5,113 OPEB transition obligation was inadvertently omitted from the calculation of fringe benefits capitalized on line 6 on Schedule 3A of Exhibit 4. As a result of including the amortization, the fringe benefits capitalized/transferred per the original filing of \$79,151 should be \$80,229.

Prepared by: Lippai

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 6

Div. 6-6: With regard to the response to Div. 2-25 and Lippai Exhibit 4, Schedule 8A:

- (1) Please identify which PPO (Low, Mid or High) applies to the employees for the rate year as shown on Schedule 8A.
- (2) Please identify the employer percentage of the applicable PPO premiums shown on Schedule A for each of the years 2008 through 2011.

RESPONSE:

- (1) In 2009, United Water had engaged Towers Watson, an HR consulting firm, to analyze the benefits program being offered to its employees. At that time, the company offered three health plans to its employees: co-pay plan, coinsurance plan and a high deductible health plan. With the co-pay plan, employees were not made aware of the actual expenses for medical care as the out of pocket expense was limited to the \$20 to \$30 co-pay and deductible.

In order to engage employees as consumers to decrease overall healthcare costs, the company decided to change the co-pay plan to a network only plan in 2010, with the mindset that the employees would shift to the coinsurance plan. This shift was minimal and with the passing of the Patient Protection and Affordable Care Act in 2010 the company decided to eliminate the co-pay plan altogether in 2011, wherever possible, due to income restrictions and excise taxes that will be implemented in future years.

Therefore there is no PPO (Low, Mid or High) applicable in the rate year.

- (2) Please refer to Schedule DIV 6-6 Part 2 Attachment.

Prepared by: Lippai

	[-----2008 Monthly-----]		[-----2009 Monthly-----]		[-----2010 Monthly-----]	
	Employer Cost	Employer % To Total	Employer Cost	Employer % To Total	Employer Cost	Employer % To Total
<u>Low PPO</u>						
EE	\$ 291.82	76.85%	\$ 323.36	77.47%	\$ 358.13	75.23%
EE+1	563.20	74.16%	624.84	74.85%	752.08	75.23%
EE + C					644.64	75.23%
Family	844.81	74.16%	937.28	74.85%	1,074.40	75.23%
<u>Mid PPO</u>						
EE	301.73	82.98%	334.72	83.74%	378.08 (a)	81.20%
EE+1	578.77	79.58%	643.53	80.50%	786.48	81.05%
EE + C					674.13	81.05%
Family	868.17	79.58%	965.31	80.50%	1,123.55	81.05%
<u>High PPO</u>						
EE	226.33	87.21%	280.28	98.25%	315.61	98.44%
EE+1	434.55	83.72%	560.59	98.25%	663.28	98.51%
EE + C					567.10	98.27%
Family	651.81	83.72%	840.87	98.25%	946.83	98.44%
<u>Dental PPO</u>						
EE	30.19	81.53%	29.51	81.18%	29.89	81.38%
EE+1	56.71	81.54%	55.43	81.19%	62.46	82.95%
EE + C					65.76	83.66%
Family	89.97	81.53%	87.92	81.18%	87.98	81.19%
<u>Dental DMO</u>						
EE	18.09	83.44%	19.49	84.45%	19.49	84.45%
EE+1	33.97	83.44%	36.62	84.46%	40.62	85.77%
EE + C					42.59	86.34%
Family	53.90	83.45%	58.10	84.46%	57.39	84.30%
<u>Vision Basic</u>						
EE	2.94	45.51%	2.94	45.51%	1.67	24.96%
EE+1	4.32	45.96%	4.32	45.96%	2.79	24.98%
EE + C					2.61	25.00%
Family	7.86	46.32%	7.86	46.32%	4.46	24.99%
<u>Vision Enhanced</u>						
EE	4.68	45.93%	4.68	45.93%	2.64	25.02%
EE+1	6.89	46.27%	6.89	46.27%	4.40	25.01%
EE + C					4.11	25.00%
Family	12.46	46.48%	12.46	46.48%	7.03	25.01%

Note:

EE + C (employee plus child(ren)) added in 2010

(a) Amount reflected as \$378.00 in response to Div 2-25. Correct amount is \$378.08

United Water Rhode Island Inc.
Docket No. 4255
Employer Medical, Dental and Vision Monthly Costs
For The Year 2011

Schedule DIV 6-6 Part 2 Attachment
Page 2 of 2
Prepared By: Lippai

	[-----2011 Monthly-----]	
	Employer Cost	Employer % To Total
<u>PPO</u>		
EE	\$ 418.02	80.70%
EE+Child(ren)	752.44	80.70%
EE+Spouse	877.84	80.70%
Family	1,254.06	80.70%
<hr/>		
<u>Dental PPO</u>		
EE	31.64	81.38%
EE+Child(ren)	69.61	83.67%
EE+Spouse	66.11	82.95%
Family	93.13	81.19%
<hr/>		
<u>Vision Basic</u>		
EE	1.10	15.01%
EE+Child(ren)	1.71	14.96%
EE+Spouse	1.83	14.96%
Family	2.93	14.99%
<hr/>		
<u>Vision Enhanced</u>		
EE	1.73	14.98%
EE+Child(ren)	2.70	15.00%
EE+Spouse	2.89	15.01%
Family	4.62	15.01%
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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 6

Div. 6-7: Please identify the years in which the Boston Neck and Sherman tanks were painted prior to 1998 and 2008, respectively.

- (1) With regard to the response to Div. 2-35, please identify CCR costs that were not invoiced in 2009.
- (2) Please identify the account to which the invoice of \$9,224 in 2010 was charged.

RESPONSE: Prior to 1998, the Boston Neck Tank was painted and placed in service in September 1989 and prior to 2008, the Sherman Tank was painted and placed in service in November 1988.

- (1) In the preparation of this response, the Company became aware that it was invoiced for the CCR costs in 2009. The total amount of the invoice was \$9,278. \$7,423 was charged to account number 50410 (outside professional services) and the remainder, \$1,855, was charged to account number 90450 (postage and air freight).
- (2) \$7,379 was charged to account number 50410 (outside professional services) and the remainder \$1,845 was charged to account number 90450 (postage and air freight).

Prepared by: Knox / Lippai

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 6

Div. 6-8: Please provide supporting documentation for the claimed internal rate case expenses including a detailed breakdown. Identify any internal labor and labor related costs and explain the basis for their inclusion.

RESPONSE: Exhibit 4, Schedule 13 provides information related to rate case expenses. Each consultant (Legal, Rate of Return and Cost of Service & Rate Design) utilized by the Company provided cost estimates for their services to be used during the rate filing. These services include; written testimony, data request responses, rebuttal testimony, preparing for and attending Hearings, Briefs and other direct costs related to the rate case and are based on the experience of each witness providing these services in the past.

Internal labor of \$200,000 is included in the deferred rate case amount. This estimate is based on the internal time (including Payroll, Fringe and Department Overheads) each witness from the Regulatory Business Department in the Management and Services Company plans on spending for; preparation of filing schedules and supporting documents, direct testimony, data requests, rebuttal testimony, preparing for and attending Hearings, Briefs and any other case-related requirements. Local Company witnesses and local support personnel are not included in the \$200,000 estimate as their costs are captured in the Labor costs contained in the filing.

The amount included is an estimate of the cost of such internal regulatory business activities based upon experience in filing rate cases and the overall time spent and varies depending upon a number of factors including; the complexity of the filing, number of data requests, number and frequency of hearings, etc. The amount is estimated to include the costs of a fully litigated rate filing.

During the filing, each witness from the Regulatory Business Department, through their individual timesheets, will directly charge a deferred account on UWRI's Balance Sheet for the hours they've spent working on the rate case. This time is segregated from the Management and Services fees which are part of Outside Services shown on Exhibit 4, Schedule 14. This way there is no duplication between "normal"

Management & Services fees and the time each member of the Regulatory Business Department spends working directly on the Rate Filing.

Through August, 2011 \$145,485 of costs have been accumulated for this case.

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 6

- Div. 6-9: Please confirm that in Docket No. 2873, the Company sought and was allowed recovery of a new customer information system (CIS) as part of United Water Corporation's IT initiative. Also:
- (a) Please identify the Company's share of the costs of that system.
 - (b) Please state whether that CIS has been replaced prior to the new CIS sought in this proceeding.
 - (c) Please identify any test year rate base, depreciation, or other costs associated with the Docket 2873 CIS or any subsequent CIS.

RESPONSE:

The Company confirms that it had sought and was allowed recovery of a new customer information system (CIS) in its last rate case, Docket No. 2873.

- a) The Company's share of the system was approximately \$288,000.
- b) That CIS system had been replaced prior to the new system sought in this proceeding.
- c) The test year in this filing contains rate base, depreciation expense and O&M expense related to the UBS CIS system, which is subsequent to the CIS system sought in Docket No. 2873. Please see Schedule Div 6-9c Attachment for details. Please also note that the UBS CIS system is scheduled to be retired in October, 2011 when the new CIS system goes in service. The retirement amount of \$208,481 is shown on Exhibit 3, Schedule 3, Page 5 of 13 of the Company's original filing. The Rate Year does not include any Depreciation, O&M or Rate Base associated with the UBS CIS system.

Prepared by: Michaelson

	In Service	\$ Amount	Plant Account	Depr. Rate	Depr. Exp. Aug '02 - Dec '09	Net Asset as of Dec '09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Test Year	
																			Average	
UBS Billing Conversion	8/1/2002	208,481	391	10%	154,624	53,858														
					Depreciation Expense		1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737	1,737		
					Net Asset Amount	53,858	52,120	50,383	48,646	46,908	45,171	43,434	41,696	39,959	38,222	36,484	34,747	33,010	43,434	

Total CIS System Depreciation Expense in Test Year	20,848
Average CIS Rate Base in Test Year	43,434
CIS Fee / CIS Postage O&M Expense in Test Year (1)	53,857

(1) Per Exhibit 4, Schedule 12 of original filing

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 2

Div 2-3 Supplemental B:

Please provide the actual balances of each of the following for each month of 2011 and provide updates as additional monthly balances become available. Include a copy in Excel format.

- a. Plant in Service
- b. Accumulated Depreciation
- c. CIAC
- d. Deferred Income Tax
- e. Materials and Supplies

RESPONSE: Please see DIV 2-3 Supplemental B Attachment for balances through July, 2011.

Prepared by: Michaelson

**United Water Rhode Island
2011 Balance Sheet Balances**

Item	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11
Plant in Service	20,379,349	20,393,593	20,406,276	20,423,400	20,356,397	20,477,301	20,538,260	20,577,343
Accumulated Depreciation	(5,782,563)	(5,818,687)	(5,854,826)	(5,890,992)	(5,819,466)	(5,852,900)	(5,888,312)	(5,914,313)
CIAC	(3,074,583)	(3,074,583)	(3,074,583)	(3,074,583)	(3,074,583)	(3,074,583)	(3,074,583)	(3,074,583)
Deferred Income Tax	(1,490,508)	(1,490,508)	(1,506,764)	(1,490,508)	(1,520,956)	(1,524,194)	(1,490,508)	(1,538,090)
Materials and Supplies	77,218	92,724	87,121	84,078	83,025	75,377	79,871	83,389

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 2

Div. 2-4 Supplemental B:

Please update Mr. Michaelson's Exhibit 3, Schedule 3 to show actual experience through the most recent data available and provide updates as additional data becomes available.

RESPONSE: Please see DIV 2-4 Supplemental B Attachment showing activity from January 2011 through June 2011 and for July and August 2011.

Prepared by: Michaelson

United Water Rhode Island
Plant in Service and Accumulated Depreciation
Balances Jan-Jun and Jul & Aug 2011

Plant Account	Account Description	Depr Rate	Plant In Service 12/31/10	Accum Deprec 12/31/10	Jan - Jun 2011					Jul 2011					Aug 2011				
					Additions	Retirements	Depreciation Expense	Accum Deprec Balance	PIS Balance	Additions	Retirements	Depreciation Expense	Accum Deprec Balance	PIS Balance	Additions	Retirements	Depreciation Expense	Accum Deprec Balance	PIS Balance
301	301-Intangible Plant-Organizat	0.00%	51,107	0	0	0	0	51,107	0	0	0	0	51,107	0	0	0	0	51,107	
303	303-Intangible Plant-Miscellan	0.00%	231,444	0	0	0	0	231,444	0	0	0	0	231,444	0	0	0	0	231,444	
310	310-Source Of Supply-Land And	0.00%	27,717	0	0	0	0	27,717	0	0	0	0	27,717	0	0	0	0	27,717	
311	311-Source Of Supply-Stuctures	2.00%	105,260	9,497	0	0	1,053	10,549	105,260	0	0	175	10,725	105,260	0	0	175	10,900	105,260
314	314-Source Of Supply-Wells And	2.00%	442,871	151,263	0	0	4,429	155,692	442,871	0	0	738	156,430	442,871	0	0	738	157,168	442,871
316	316-Source Of Supply-Supply Ma	1.25%	47,627	12,957	0	0	298	13,254	47,627	0	0	50	13,304	47,627	0	0	50	13,354	47,627
317	317-Source Of Supply-Other Wat	0.00%	1,601	(192)	0	0	0	(192)	1,601	0	0	0	(192)	1,601	0	0	0	(192)	1,601
320	320-Pumping Plant-Land And Lan	0.00%	5,601	0	0	0	0	5,601	0	0	0	0	5,601	0	0	0	0	5,601	
321	321-Pumping Plant-Stuctures An	2.00%	679,313	106,337	0	0	6,793	113,131	679,313	0	0	1,132	114,263	679,313	0	0	1,132	115,395	679,313
325	325-Pumping Plant-Electric Pum	4.00%	1,436,190	874,045	0	0	28,724	902,769	1,436,190	0	0	4,787	907,556	1,436,190	0	0	4,787	912,344	1,436,190
328	328-Pumping Plant-Other Pumpin	4.00%	113,127	39,328	0	0	2,263	41,590	113,127	0	0	377	41,967	113,127	0	0	377	42,345	113,127
331	331-Water Treat Plant-Stucture	2.00%	18,475	9,158	0	0	185	9,343	18,475	0	0	31	9,373	18,475	0	0	31	9,404	18,475
332	332-Water Treat Plant-Water Tr	5.00%	426,743	237,425	1,457	(2,000)	10,660	246,085	426,200	0	0	1,776	247,861	426,200	19,658	(836)	1,777	248,800	445,020
340	340-T&D Plant-Land And Land Ri	0.00%	1,862	0	0	0	0	1,862	0	0	0	0	1,862	0	0	0	0	1,862	
341	341-T&D Plant-Stuctures And Im	3.00%	25,772	23,580	0	0	387	23,967	25,772	0	0	64	24,031	25,772	0	0	64	24,096	25,772
342	342-T&D Plant-Distr Reservoirs	1.33%	968,016	282,189	0	0	6,437	288,626	968,016	0	0	1,073	289,699	968,016	0	(8,485)	1,063	282,277	959,531
343	343-T&D Plant-Transmission And	1.25%	8,667,345	2,527,248	130,434	0	54,307	2,581,554	8,797,780	38,340	0	9,207	2,590,761	8,836,120	9,398	0	9,217	2,599,977	8,845,518
345	345-T&D Plant-Services	2.00%	2,766,762	855,257	32,439	0	27,721	882,979	2,799,202	10,057	0	4,671	887,650	2,809,259	3,032	0	4,676	892,326	2,812,291
346	346-T&D Plant-Meters	3.00%	2,312,297	698,291	34,876	0	34,986	733,277	2,347,174	2,124	0	5,891	739,168	2,349,298	4,461	0	5,902	745,070	2,353,758
348	348-T&D Plant-Hydrants	2.00%	799,118	327,350	1,291	0	7,965	335,315	800,409	266	0	1,330	336,645	800,675	737	0	1,331	337,977	801,411
390	390-General Plant-Stuctures An	5.00%	182,674	33,408	4,961	0	4,691	38,099	187,635	960	0	786	38,885	188,595	1,362	0	791	39,677	189,957
391	391-General Plant-Computer Har	10.00%	716,422	127,460	24,795	(106,866)	34,854	55,448	634,351	8,597	0	5,358	60,806	642,949	5,138	0	5,392	66,197	648,087
391A	391A-CIS	14.29%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
392	392-Transportation Equip	1.00%	0	0	0	0	0	0	0	0	0	0	0	0	2,553	0	0	0	2,553
394	394-General Plant-Tools, Shop	10.00%	53,874	51,025	0	0	2,694	53,719	53,874	71	0	155	53,874	53,946	0	0	0	53,875	53,946
396	396-General Plant-Power Operat	10.00%	15,685	1,699	0	0	784	2,484	15,685	0	0	131	2,614	15,685	0	0	131	2,745	15,685
397	397-General Plant-Communicatio	5.00%	167,009	9,143	12,323	0	4,353	13,496	179,332	543	0	749	14,245	179,875	2,068	0	758	15,003	181,943
398	398-General Plant-Miscellaneous	2.00%	79,677	7,319	0	0	797	8,116	79,677	0	0	133	8,249	79,677	0	0	133	8,382	79,677
	Accumulated Amortization of CIAC			(637,183)	0	0	(19,216)	(656,399)	0	0	0	(3,203)	(659,602)	0	0	0	(3,203)	(662,805)	0
			20,343,590	5,746,604	242,577	(108,866)	215,163	5,852,901	20,477,301	60,959	0	35,412	5,888,312	20,538,260	48,406	(9,323)	35,324	5,914,314	20,577,343

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 4

Div. 4-9 Reference the electronic version of the cost of service study, "Units" tab. Please explain and provide workpapers and calculations showing the derivation of the Residential first and second Block sales quantities.

RESPONSE: Please see DIV 4-9 Supplemental Attachment in response to previously submitted response to DIV 4-9.

In reviewing its response to this request, the Company discovered an error in which the projected change in consumption was not converted from gallons to CCFs before inclusion in the Pro Forma Rate Year consumption.

The attachment shows the derivation of the Company's total rate year consumption of 1,390,080 CCF

Prepared by: Ugboaja

United Water Rhode Island, Inc.
Growth Projections - Using 5 Years of Data

A	Customer Growth: Trend Method	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Projected No. of Customers 2011	Projected No. of Customers 2012
		Residential	6,628	6,749	6,828	6,922	7,015	7,053	7,153	7,195	7,251	7,306	7,373
Commercial	684	694	699	703	704	704	706	709	712	713	716	716	
Industrial	10	10	10	10	10	10	10	10	10	10	10	10	
Public Authority	96	96	97	97	97	97	97	97	97	97	97	97	
Resale	6	5	3	3	3	3	3	3	3	3	3	3	
Total		7,423	7,554	7,636	7,735	7,829	7,867	7,969	8,014	8,073	8,129	8,199	8,247

B	Historical Consumption (in '000 Gallons)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Residential	434,280	435,245	412,499	423,890	458,587	415,820	449,269	431,467	389,122	423,976	
Commercial	191,685	189,868	176,586	170,562	199,009	185,040	172,713	196,042	176,949	188,267	
Industrial	15,965	13,014	13,023	13,669	12,059	9,383	5,736	4,130	2,383	1,952	
Public Authority	33,225	35,203	34,859	30,203	32,798	28,664	29,304	29,214	26,816	26,556	
Resale	415,878	276,711	422,259	483,803	420,401	391,617	400,567	406,473	383,658	415,797	
Total	1,091,033	950,041	1,059,226	1,122,127	1,122,854	1,030,524	1,057,589	1,067,326	978,928	1,056,548	

C	Average Per Capita Usage (B / A)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Commercial	280.41	273.65	252.81	242.65	282.68	262.84	244.69	276.63	248.52	264.05	
Industrial	1,596.50	1,301.40	1,302.30	1,366.90	1,205.90	938.30	573.60	413.00	238.30	195.20	
Public Authority	347.30	367.34	360.61	311.37	338.12	295.51	302.10	301.18	276.45	273.78	
Resale	69,313.00	52,706.86	140,753.00	161,267.67	140,133.67	130,539.00	133,522.33	135,491.00	127,886.00	138,599.00	

D	Projected Consumption (in '000 Gallons)	5- Yr Average	2011 Consumption	2012 Consumption
Residential			413,893	416,589
Commercial			185,679	185,679
Industrial			1,952	1,952
Public Authority			28,111	28,111
Resale			399,622	399,622
Total			1,029,257	1,031,953

United Water Rhode Island, Inc.

Change in consumption - Test Year to Rate Year - (12/31/2010 - 12/31/2012)

RESIDENTIAL Change in Customers	Customer Class	Billing Frequency	Unit of Measure	Meter Size	Test Year Normalized Bills		Prop. Cust Growth	Incremental Bills	Rate Year Normalized New Bills	
					Actual Consumption 0-24 CCF	Actual Consumption Over 24 CCF			Change in Consumption 0-24 CCF	Change in Consumption Over 24 CCF
115	RES	Q	CCF	5/8"	27,810	113		450		28,260
	RES	Q	CCF	3/4"	20	0		0		20
	RES	Q	CCF	1"	555	2		9		564
	RES	Q	CCF	1 1/2"	44	0		1		45
	RES	Q	CCF	2"	17	0		0		17
	RES	Q	CCF	3"	-	-		-		-
	RES	Q	CCF	4"	-	-		-		-
	RES	Q	CCF	6"	-	-		-		-
	RES	Q	CCF	8"	-	-		-		-
				Total		28,446	115			

Change in Consumption	Block Split	2010 Test Year		Change in Consumption 0-24 CCF	Change in Consumption Over 24 CCF	2012 Rate Year		
		Actual Consumption 0-24 CCF	Actual Consumption Over 24 CCF			Rate Year Consumption 0-24 CCF	Rate Year Consumption Over 24 CCF	
-10	(7) Blk 1 (2) Blk 2	5/8"	414,686	114,834	(7)	(2)	414,679	114,832
		3/4"	320	226	(0)	(0)	320	226
		1"	9,416	17,009	(0)	(0)	9,416	17,009
		1 1/2"	895	6,521	(0)	(0)	895	6,521
		2"	344	2,554	(0)	(0)	344	2,554
		3"	-	-	-	-	-	-
		4"	-	-	-	-	-	-
		6"	-	-	-	-	-	-
		8"	-	-	-	-	-	-
				425,662	141,143	(7)	(2)	425,654

Total Residential Rate Year Consumption: 566,795 CCF

United Water Rhode Island, Inc.
Change in consumption - Test Year to Rate Year - (12/31/2010 - 12/31/2012)

COMMERCIAL

Change in Customers	Customer Class	Billing Frequency	Unit of Measure	Meter Size	Normalized Bills	Prop. Cust Growth	Incremental Bills	Rate Year New Bills
3	COM	Q	CCF	5/8"	1,433	2	6	1,439
	COM	Q	CCF	3/4"	-	-	-	-
	COM	Q	CCF	1"	451	-	-	451
	COM	Q	CCF	1 1/2"	223	-	-	223
	COM	Q	CCF	2"	455	1	4	459
	COM	Q	CCF	3"	20	-	-	20
	COM	Q	CCF	4"	-	-	-	-
	COM	Q	CCF	6"	16	-	-	16
	COM	Q	CCF	8"	4	-	-	4
				Total	2,602	3		2,612

Change in Consumption	Block Split	2010 Test Year		Change in Consumption All CCF	Change in Consumption All CCF	2012 Rate Year	
		Actual Consumption All CCF	Actual Consumption All CCF			Rate Year Consumption All CCF	Rate Year Consumption All CCF
-3							
	- Blk 1	5/8"	35,069	-	(0)	-	35,069
	- Blk 2	3/4"	-	-	-	-	-
		1"	35,916	-	(0)	-	35,916
		1 1/2"	26,378	-	(0)	-	26,378
		2"	126,786	-	(2)	-	126,784
		3"	21,855	-	(0)	-	21,855
		4"	-	-	-	-	-
		6"	5,074	-	(0)	-	5,074
		8"	616	-	(0)	-	616
		Total	251,694	-	(3)	-	251,691
Total Commercial Rate Year Consumption:						251,691	CCF

INDUSTRIAL

Change in Customers	Customer Class	Billing Frequency	Unit of Measure	Meter Size	Normalized Bills	Prop. Cust Growth	Incremental Bills	Rate Year New Bills
0	IND	M	CCF	5/8"	12	-	-	12
	IND	M	CCF	3/4"	-	-	-	-
	IND	M	CCF	1"	12	-	-	12
	IND	M	CCF	1 1/2"	-	-	-	-
	IND	M	CCF	2"	24	-	-	24
	IND	M	CCF	3"	-	-	-	-
	IND	M	CCF	4"	12	-	-	12
	IND	M	CCF	6"	-	-	-	-
	IND	M	CCF	8"	-	-	-	-
				Total	60			60

Change in Consumption	Block Split	2010 Test Year		Change in Consumption All CCF	Change in Consumption All CCF	2012 Rate Year	
		Actual Consumption All CCF	Actual Consumption All CCF			Rate Year Consumption All CCF	Rate Year Consumption All CCF
0							
	- Blk 1	5/8"	224	-	(0)	-	224
	- Blk 2	3/4"	-	-	-	-	-
		1"	385	-	(0)	-	385
		1 1/2"	-	-	-	-	-
		2"	1,952	-	(0)	-	1,952
		3"	-	-	-	-	-
		4"	49	-	(0)	-	49
		6"	-	-	-	-	-
		8"	-	-	-	-	-
		Total	2,610	-	(0)	-	2,610
Total Industrial Rate Year Consumption:						2,610	CCF

United Water Rhode Island, Inc.
Change in consumption - Test Year to Rate Year - (12/31/2010 - 12/31/2012)

PUBLIC AUTHORITY		2010 Test Year		Change in Consumption All CCF	Change in Consumption All CCF	2012 Rate Year	
		Actual Consumption All CCF	Actual Consumption All CCF			Rate Year Consumption All CCF	Rate Year Consumption All CCF
Change in Consumption	Block Split						
2		5/8"	999	0	0	999	-
	- BIK 1	3/4"	-	-	-	-	-
	- BIK 2	1"	679	0	0	679	-
		1 1/2"	2,100	0	0	2,100	-
		2"	18,453	1	1	18,454	-
		3"	7,847	0	0	7,847	-
		4"	729	0	0	729	-
		6"	4,696	0	0	4,696	-
		8"	-	-	-	-	-
			<u>35,503</u>	<u>2</u>	<u>-</u>	<u>35,505</u>	<u>-</u>

Total Public Authority Rate Year Consumption: 35,505 CCF

RESALE		Consumption Gallons	Consumption Gallons	Change in Consumption Gallons	Change in Consumption Gallons	Rate Year Consumption Gallons	Rate Year Consumption Gallons
Change in Consumption	Block Split						
-16175		Middlebridge	15,994	(623)	-	15,371	-
		South Kingstown Rt	126,162	(4,914)	-	121,248	-
		Point Judith System	217,207	(8,461)	-	208,746	-
		Narragansett North t	55,881	(2,177)	-	53,704	-
			<u>415,244</u>	<u>(16,175)</u>	<u>-</u>	<u>399,069</u>	<u>-</u>

Total Resale Rate Year Consumption: 399,069 Gallons

Total Resale Rate Year Consumption: 533,480 CCF

Summary - Total Consumption - CCF	
Residential	566,795
Commercial	251,691
Industrial	2,610
PA	35,505
Resale	533,480
	<u>1,390,080</u>

CERTIFICATION

I hereby certify that on September 8, 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.

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Luly Massaro
