

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :
NOTICE OF PROPOSED TARIFF CHANGE : DOCKET NO. 4611

INTERVENOR CITY OF WARWICK'S POSITION STATEMENT

Now comes the City of Warwick ("Warwick"), by and through its City Solicitor, and hereby provides this Position Statement concerning the Kent County Water Authority's Notice of Proposed Tariff Change, Docket No.: 4611 ("KCWA") to increase its present rate structure to obtain an amount not to exceed \$1,057,660 – a nearly 5 percent revenue increase - in additional annual revenue effective January 1, 2018 (the "Revenue Increase"). As set forth in the Step Increase Rate Filing, the KCWA seeks to obtain this revenue increase across the board from all customers.

While the KCWA bases its Revenue Increase on the fact that a Settlement Agreement was executed in Docket 4611, Warwick was not a signatory to the Settlement Agreement. In addition, all municipalities in Rhode Island are statutorily limited to 4 percent levy increases – why isn't the KCWA able to meet this guidepost to ease the burden on its ratepayers. In their Revenue Increase, the KCWA offers no explanation or statement evidencing that they "at least tried" to lower expenses to reduce the need for additional revenues from ratepayers. Essentially, the increased revenues are needed due to the reduced sales of water. Rather than address expenditures, the KCWA merely asks for more money to meet expenditures. Households are not able to engage in this type of budget shortfall supplementation – why should a public entity.

On behalf of the Mayor of the City of Warwick, Warwick requests the Commission to inquire of the need for the revenue increase in relation to determine what, if any, effort was made by the KCWA to reduce expenses. The inquiry should determine why costs remain fixed and not

variably related to water sales volumes. Ratepayers must be protected from unneeded and unjustified revenue increases.

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

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

Dated: December 18, 2017

CERTIFICATION

I, the undersigned, do hereby certify that I did file this Position Statement of the City of Warwick with the PUC on the 19th day of December, 2017, and did copy those persons and entities on the Service List in Docket No. 4611.

/s/ Peter D. Ruggiero