2-1
(Gil/Arp/Prettyman/Fox)

2-1. Referencing SWRI's responses to the Commission's First Set of Data Requests, please note that all data responses should be complete on their own, such that the reader need not refer to material found somewhere else in the record to understand the response. To comply with this directive, please correct the following responses to the first set of data requests by restating the data request and then providing a complete response by including cross-referenced material for each: 1-2, 1-5, 1-6, 1-7, 1-15, 1-20, 1-27(d), 1-34, 1-39.

Response: Please refer to the updated responses dated 7/13/18.

2-2 Please provide a response to COMM 1-1(c) and attach a sample monthly bill to your response.

Response: Attached for reference is the Company's response to COM 1-1.

Also attached as COM 2.2 Attachment is copy of the current residential tariff page as well as a sample residential bill calculation.

2-3 Please list all the current fixed charges on the quarterly billing statements. Please list all proposed changes to the current fixed charges on the quarterly billing statements.

Response: Attached is the proposed rate schedule for residential customers which lists all of the fixed service charges depending upon the size of the meter the customer has. The blackline charges are the current charges and the bold are the proposed charges.

COMPLIANCE TARIFFS STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: SUEZ WATER RHODE ISLAND, INC.
APPLICATION TO CHANGE RATE SCHEDULES

DOCKET NO: ~~4255~~

SHEET 17
REVISION NO. 7

SCHEDULE OF METERED RATES - RESIDENTIAL

Application: To all residential customers.

Rates: The rate will consist of the total of the (A) Customer Service charge and (B) Volume charge. The volume charge is based on all metered water for the billing period.

A. Customer Service Charge Per Billing Period

Customers Meter Size	Customers Billed Monthly	~~Customers Billed Quarterly~~
5/8"	~~$16.67~~**12.92**	~~$31.84~~
3/4"	~~17.43~~**15.46**	~~34.11~~
1"	~~22.73~~**20.53**	~~50.04~~
1-1/2"	~~34.11~~**33.20**	~~84.15~~
2"	~~43.96~~**48.40**	~~113.72~~
3"	~~56.86~~**83.88**	~~152.40~~
4"	~~81.88~~**134.57**	~~227.46~~
6"	~~137.24~~**261.29**	~~393.52~~
8"	~~233.53~~**413.35**	~~682.41~~

B. Volume Charge

Monthly Use	~~Quarterly Use~~	Per 100 Cubic Feet
First8 ccf	~~First 24 ccf~~	~~$3.018~~**3.447**
Over8 ccf	~~Over 24 ccf~~	~~3.784~~**5.009**

Billing and Payment Bills will be issued ~~quarterly~~ **monthly** in arrears and are due and payable when rendered. ~~Bills may be issued monthly or quarterly at the option of the Company~~. The customer service charge may be billed in advance at the option of the Company.

Any customer with service temporarily discontinued will be subject to the pro rata customer service charge for the period of service interruption.

COM 2-4
(Prettyman)

2-4 Referencing SWRI's response to 1-3, please provide the calculation to arrive at .67% allocation.

Response: The percentage allocation represents the relationship of Rhode Island's three factor formula per the M&S Agreement to the total of all SUEZ companies in North America. Attached is the details of the three factor formula and related percentages. The cost of the upgrade discussed in response to COM 1-3 (copy attached) was $6,260,416.

SUEZ WATER RHODE ISLAND, INC.
Docket No. 4800
COMMISSION'S FIRST SET OF DATA REQUESTS DIRECTED TO
SUEZ WATER RHODE ISLAND, INC. (SWRI)
May 7, 2018

COM 1-3
(Prettyman)

COM 1-3 Please describe the upgrade to SWRI's CC&B billing system. When did the upgrade occur and what was the cost? Does this upgrade support the transition to monthly billing?

Response: The original CC&B system was installed in 2011 for SUEZ companies. As with any software, upgrades are needed from time to time. The current upgrade was completed in October 2016 for a total cost of $6,260,416. The amount allocable to SUEZ Rhode Island was $41,945 or 0.67% of the total. As stated in response to 1-1 e, SUEZ bills monthly in many jurisdictions and therefore supports monthly billing for Rhode Island.

2-5 Please explain the relevance of the table provided in response to COMM 1-4. Please explain each note, lines 46-50 of COMM 1-4, Attachment page 1 of 1, how each was determined, and why each is appropriate to calculate projected energy costs.

Response:

a. The table provided in response to COM 1-4 is the workpaper that developed the pro forma level of power expense for the Company.

b. The notes a through d in Exhibit 3 Schedule 4A Power Cost are explained in Ms. Arp testimony page 5-6 as follows:

"Exhibit 3 Schedule 4, Power Expense, The purchase power costs were computed by taking the projected total kWh usage and increasing it by the calculated rate year kWh average costs for commodity and distribution. The kWh average usage was applied to total rate year water produced to determine rate year total kWh usage. Total rate year water produced was computed by using the billed volume determined by the adjusted level of volumetric sales provided by Company Witness Gil, and then it was adjusted by the non-revenue water percentage. The non-revenue water percentage was determined by using historical non-revenue percentages utilizing the calendar years 2014, 2015, 2016 and 12 months ending September 30, 2017. The kWh average cost for commodity was calculated by applying the contract price from Engie Resources, LLC and increasing it by 15% for surcharges and taxes. The projected kWh average price for transmission and distribution for the rate year was calculated by taking National Grid actual average rate per kWh and applying a 10.21% increase based upon the rate case filed on November 27, 2017. For the Other Utilities- Power, the adjustment was based on a four year average adjusted by 5.714% inflation rate. Exhibit 3 Schedule 4A provides support for the computation of the power adjustment".

2-6
(Jacobs)

2-6 Has SWRI completed an energy audit of its new building? If yes, please provide a copy of the audit. If no, why not?

Response: No an audit was not conducted of the new building. Part of the renovations included replacing all Lighting fixtures with high efficiency LED lights and reducing the overall number of lights in the new space. The bathroom lights already had motion sensors install and set to turn off after 15 minutes. The heating and air conditioning systems are newer and operate via a three zoned thermostats. This location is only an office space and holds no industrial pumps or equipment. With these upgrades and existing conditions we did not see a need to conduct an energy audit.

2-7
(Gil)

2-7 Please provide the calculation for growth and the basis for using a 5-year average for the number of meters in the equation.

Response: For the calculation please refer to the attached MFR 2.8 h page 4. The 5-year period reflects the most current period to be used as an average and was also used to keep consistency between cases.

Public Utilities Commission
Schedule 2.8 h, Page 4 of 12
Preparer: E. Gil

SUEZ WATER RHODE ISLAND
Number of Meters Projection

Number of Meters per Meter Size

Line No.	Meter Size	Actual Average Meters at December 2013	December 2014	December 2015	December 2016	December 2017	Projected (1) Growth 2013-2017	Equivalent Meters 2017	Projected 2019
1	5/8"	7,542	7,579	7,618	7,647	7,699	39	7,624	7,702
2	3/4"	2	2	2	1	1	-	1	1
3	1"	287	289	293	299	304	4	299	307
4	1 1/2"	75	74	74	76	79	1	77	79
5	2"	164	166	168	168	168	1	167	169
6	3"	12	12	12	12	12	-	12	12
7	4"	3	3	3	3	3	-	4	4
8	6"	6	6	6	6	6	-	6	6
9	8"	1	1	1	1	1	-	1	1
10	10"	-	-	-	-	-	-	-	-
11	Total	8,092	8,132	8,177	8,213	8,273	45	8,191	8,281
12	Increase in meters	58	40	45	36	60			90
13	% Increase in meters	0.7%	0.5%	0.6%	0.4%	0.7%			

Number of Meters per Revenue Class

Line No.	Meter Size	Actual Average Meters at December 2013	December 2014	December 2015	December 2016	December 2017	Projected (1) Growth 2013-2017	Equivalent Meters 2017	Projected 2019
1	Residential	7,311	7,353	7,396	7,424	7,480	42	7,399	7,483
2	Commercial	679	677	678	684	686	2	686	690
3	Industrial	9	9	9	9	9	-	9	9
4	Public Authority	91	91	92	94	96	1	95	97
5	Resale	2	2	2	2	2	-	2	2
6	Total	8,092	8,132	8,177	8,213	8,273	45	8,191	8,281

Notes:
[1] Projection based in 5 years trend from years 2013-2017.

2-8 Regarding COMM 1-8, for each of the 32 projects listed, please provide a detailed description of the project (i.e., 1. Replace Well Pump and Motors - *how many well pumps and motors are being replaced*), the expected start date and end date, the cost of the project, the funds expended to date, the source of those funds (what account will these funds be expended). If the project is an "annual" project, in addition to the above, please provide why it is necessary to include funds annually to this project and also provide backup detail that supports the amount of funding requested.

Response:

1. Replace Well Pumps and Motors – This project is to replace well pumps and motors that have failed. This project is a roll-up project that is created annually. Based on past work, the project is expected to be in service in October 2018, November 2018 and May 2019. SUEZ Water Rhode Island Inc (SWRI) normally replaces 2-3 well pumps, motors or VFDs per year. SWRI budgets the well pump and motor projects based on past years replacement schedules. SWRI performs step tests on the wells in the system every 3 years to determine if the pumps or motors are losing efficiency or if the wells are losing capacity. The next step test and wire to water test will be performed in October 2018. SWRI will replace well pumps or motors when the efficiency is 80% or less, or if they fail. VFDs are replaced when they fail. SWRI cannot predict when a well pump, motor or VFD will fail, but allocates funds to this budget item based on past replacement schedules or if a rehabilitation is planned. Unit costs for this item vary significantly depending on what is replaced (pump, motor or VFD) and the size of the equipment.

2015- replaced well pump and motor - $33.8k
2016- replaced two (2) well pumps, casing and motor and two (2) booster pumps - $123k
2017– replaced one (1) well pump - $4.9k
2018 – To date SWRI has replaced two (2) well pumps for $28k and expects to replace two more motors or VFDs for another $22k.

2. Sherman Tank Pipeline Replacement – This project was completed in June 2017 and the costs in the rate filing ($3,814) are for late invoices. The total amount expended on this project was $461,853.

3. Replace the Sherman Tank – this project to replace the existing Sherman Tank with a new 1 MG Storage Tank at the same site. Construction started in August 2017 and the tank is in service as of June 2018. The previous tank will be removed in July or August 2018 and then the project will be complete. Total anticipated cost is $3,222,500.

4. New and Replacement Tools and Work Equipment – This project is to purchase new tools or replace tools that are beyond repair such as pipe saws, tapping equipment or dechlorination equipment. This project is a roll-up project that is created annually and $14,550 is expected to be in service in the rate period. SWRI replaces tools that are beyond their useful life or purchases new tools as needed. This project is a roll-up project that is created annually and the budget for this project is estimated based on cost incurred in past years.

2015 –SWRI purchased $4k of tapping equipment, inspection equipment and valve and curb box operators.
2016 – SWRI purchased $13k in tools including flushing equipment, hydraulic hammer, locators, and valve operating equipment
2017- no tools were required to be replaced
2018 – SWRI plans to replace locating equipment, tapping equipment and pumps in September or October 2018

5. Replace Office Equipment – 2017 -This project is to replace office equipment that is beyond its useful life such as furniture, copiers, etc. This project is a roll-up project that is created annually and the budget for this project is estimated based on cost incurred in past years.

2015 –SWRI purchased furniture for the conference room, a new plotter, and installed cabling to workstations as needed. Total cost for this work was $16.7k
2016 – No equipment was required
2017- SWRI moved the office. As part of this move, while the office equipment and conference room furniture was moved to the new office, new office furniture and cubicles were purchased. Most of this work was done under a different project, but the cabling at the new building was done under this project.

6. Safety and Security Improvements- 2017 – This project is to install safety and security equipment at facilities such as fences, or cameras. This project is a roll-up project that is created annually and the budget for this project is estimated based on cost incurred in past years.

2015 - SWRI installed a new door to secure the meter shop for $1.9k
2016 - Replaced roof and door at Tuckertown Wellfield for $11.8k
2017- Safety and security upgrades were made to the new office building as part of the Leasehold Improvements

7. New Fire Hydrants – This project is to install new fire hydrants on existing water mains at the request of the Town officials. This project is a blanket project that is created annually and $4,200 is expected to be in service in the rate period. In the last few years SWRI has not been requested to install new fire hydrants. However as the fire department needs change, SWRI is prepared to address a request.

New Short Mains and Valves – This project is to make repairs on existing leaking water mains or extending a spur across the road for new water service connections. This project is a blanket project that is created annually and the budget for this project is estimated based on costs incurred in past years. Water main leaks are typically repaired either under this project, D002, or under D502 depending on the work required.

2015 – Installed 1 clamp for $2k
2016 –Installed 0 clamps
2017- Installed 10 clamps for $56.6k
2018 –To date 3 clamps have been installed. SWRI is planning for 4 clamps at $9k

8. Replace Hydrants – This project is to replace existing damaged fire hydrants or relocate hydrants as part of a municipal street improvement project. . This project is a blanket project that is created annually and the budget for this project is estimated based on costs incurred in past years.

2015 - Replaced 5 hydrants for $17.8k
2016 -Replaced 13 hydrants for $26.4k. SWRI missed a paving accrual in December 2016, which was processed in January 2017. This impacted the 2016 and 2017 unit costs.
2017- Replaced 7 hydrants for $60.3k. Most of this work was done as part of the DOT street improvement project on High St
2018 –To date 6 hydrants have been replaced. SWRI is planning 10 hydrants to be replaced for $23k.

9. Replace Short Mains and Valves – This project is to replace a section of water main due to leaks or breaks. This project is a blanket project that is created annually and the budget for this project is estimated based on costs incurred in past years. Water main leaks are typically repaired either under this project, D002, or under D502 depending on the work required

.

2015 –Repaired 12 main breaks for $78.6k

2016 –Repaired 13 main breaks for $137.8k. Work started on the DOT High Street Project which impacted the unit costs. SWRI hired a consultant to oversee the progress of the construction due to the age of the system in that area and to assist with the relocations.
2017- Repaired 14 main breaks for $365k. Work was ongoing on the DOT High Street Project which impacted the unit costs. SWRI hired a consultant to oversee the progress of the construction due to the age of the system in that area and to assist with the relocations.
2018- To date SWRI has made 9 repairs. SWRI plans to make 16 repairs in 2018 for $136k.

10. New Domestic Service Lines – This project is to capture company labor when applicants install new service lines. Applicants are responsible for installing new domestic or fire connections off existing water mains, and this cost is to capture company labor discussing requirements with the applicant. This project is a blanket project that is created annually and the budget for this project is estimated based on costs incurred in past years. SWRI has allocated $5k per year for Company time charges for SWRI staff to work with developers, homeowners and contractors on the installation of approximately 25 service lines per year. Year over year costs vary significantly because in some years, SWRI has received a contribution for performing the service installation work in the prior year, making the installation costs negative for the year. Normally the Company labor costs are between $250 and $500 per service line.

11. Replace Service Lines - Emergency – This project is to replace existing damaged service lines due to leakage on the service line. This project is a blanket project that is created annually. Prior to 2018, all service repairs or replacements, emergency and planned work, was under this budget category, F501. In 2018 SWRI established separate projects for emergency and planned service line work. This project is a blanket project that is created annually and the budget for this project is estimated based on costs incurred in past years.

2015 –SWRI replaced or enlarged 14 service lines for $28.3k
2016 –SWRI replaced or enlarged 105 service lines for $303.4k. SWRI missed a paving accrual in December 2016, which was processed in January 2017. This impacted the 2016 and 2017 unit costs. The DOT High Street project started in 2016 and SWRI was replacing service lines as part of this project.
2017- SWRI replaced or enlarged 36 service lines for $229k. The DOT High Street project was underway and SWRI was replacing service lines as part of this project.

2018 – To date in 2018, SWRI has had 15 emergency repairs and expects a total of 25 emergency repairs for $80k.

12. Replace Service Lines - Planned– This project is to replace existing service lines as planned work or as part of a municipal street improvement project. This project is a blanket project that is created annually. Prior to 2018, all service repairs or replacements, emergency and planned work, was under this budget category, F501. In 2018 SWRI established a separate project planned service line work, F502.

2018 – To date in 2018 SWRI has had 3 planned replacements and expects a total of 15 planned replacements for $80k.

13. New Meters – This project is to install new water meters and meter endpoints for new buildings. This project is a blanket project that is created annually and the budget for this project is estimated based on cost incurred in past years, plus developments expected to be occupied in the current year.

2015 – Installed 51 meters and RFs for $12.5k
2016 –Installed 4 meters and RFs for $7.8k. Additional meter inventory was received in 2016
2017- Installed 69 meters and RFs for $32.9k
2018 - To date 16 meters have been installed. SWRI plans to install 65 meters and RFs for $21k in 2018

Replace Meters – This project is to replace water meters and endpoints for existing customers in compliance with the State of Rhode Island Public Utility Commission (PUC) Regulations, including the replacement of numerous large meters throughout the service area. This project is a blanket project that is created annually and the budget for this project is estimated based on cost incurred in past years, plus meters required to be changed under the PUC regulations.

2015 – Replaced 413 meters and RFs for $134.2k
2016 – Replaced 504 meters and RFs for $137.6k.
2017- Replaced 458 meters and RFs for $162.5k
2018 - To date 16 meters have been replaced. SWRI plans to replace 1025 meters and RFs for $333k in 2018. An outside contractor has been contracted for this work and has been making appointments with customers to replace the required meters

14. Leasehold Improvements – This project was to make the leasehold improvements at the new SWRI Office. Work started in November 2017 and was in service in December 2017. The new office is more centrally located for our customers and staff, has improved safety and facilities for our staff, and provides a better overall customer experience.

15. Furniture – This project is to purchase new furniture for offices and cubicles for the new office location. Some furniture was not able to be relocated because it was beyond its useful life. The total amount in the rate period is $35,000.

16. Replace Chemical Feeders and Instrumentation - This project is to replace chemical feed equipment and instrumentation such as chlorination or lime pumps that have failed. SWRI has seven wells with multiple chemical pumps. When the pumps fail they need to be replaced immediately so SWRI can remain in compliance with regulations. SWRI cannot predict when equipment will fail, but allocates funds to this budget item based on past replacement schedules

2015 – Replaced 6 chemical feed pumps for $6.7k
2016 – Replaced chemical pumps and sensors for $6.9k
2017- No replacements were required
2018 - Eleven chlorine, line and zinc ortho chemical pumps are on order for $17.2k and are expected to be received in July. This is well above the amount in the rate plan for 2018 due to unexpected chemical pump replacements.

17. SCADA Upgrade - This project is to replace or upgrade SCADA equipment at our facilities. SCADA systems are used to monitor and operate facilitates remotely as well as store data on system operations This project is a roll-up project that is created annually and the budget for this project is estimated based on cost incurred in past years. Replacements are done as equipment fails.

2015 – Installed well level transducers at several sites for $4.5k. Work began in 2014 and was completed in 2015.
2016 –replaced damaged equipment at two sites for $1.7k
2017- No SCADA work required
2018 – Anticipated replacing SCADA equipment at 3-5 sites for $16k. Much of the SCADA equipment onsite is reaching the end of its useful life and SWRI is planning project starting in 2020 to perform a full SCADA. Until the full SCADA replacement is complete, SWRI is expecting higher levels of SCADA failures due to aging equipment.

18. Well Number 1-6 Suction/Discharge Valving - This project is to replace suction and discharge valves at the Howland and Tuckertown Wellfields to ensure the lines to and from the wells can be shut off and operate properly as part of overall infrastructure replacement in the system. This project is a roll-up project that is created annually until all the valves are replaced. SWRI anticipates replacing 2-3 valves per year for the next four to five years.

19. Well Blow-off - This project is install blow-offs at the Howland and Tuckertown Wellfields. Installing blow-offs at the wells will reduce the operating costs incurred to test the well capacity. This project is a roll-up project that is created annually until all the wells have blow-offs installed. SWRI anticipates installing 1-2 blow-offs per year for the next five years.

20. Rehabilitate Well - This project is for well rehabilitation, well pump/motor replacement and well casing replacement. In the spring of 2018, SWRI rehabilitated two wells.

21. New Mains - This project is to install a short section of water main for new services or to close a dead end. This project is a roll-up project that is created annually and $5,250 is expected to be in service in the rate period.

22. River St - This project is to replace approximately 1,500’ of 6” main in River Street due to a history of main breaks and leaks. Design is commencing now for this project and the project is expected to be complete in December. Total cost for his project is estimated to be $351,750.

23. Replace Office Equipment – 2018 - This project is to purchase new office equipment for the new building that was not part of the initial leasehold improvements or furniture projects including installing SUEZ signs at the new building, installing steel shelving and security cages in the storage area and the card access system.

24. Safety and Security Improvements- 2018 – This project is to install safety and security equipment at facilities. In 2018 SWRI plans to install additional cameras at the Tuckertown Well Field in the fall of 2018.

25. Infor Underground Asset Management – This project is to create an asset management system Infor is a paperless system that will allow management to oversee the work real time, rather than waiting for timesheets at the end of the day. All documentation is done on mobile devices and the documentation will be attached electronically to the job, including permits, photos, time. Infor is integrated with GIS and allows assets to be geocoded on the jobsite, improving

future asset locations. The Infor rollout, which is being combined with Clevest, a paperless system for managing meter reading appointments, is underway with the project, expected to be complete in 2018, at a total cost of $137,100.

26. Replace Router and POE Switch – This project was to replace the router and point of entry switch at the SWRI office for $4,200.

27. Facility Improvements – This project is to perform asset evaluations in late 2018 and will make required upgrades as needed including repaving access roads, roof or siding replacements, electrical improvements, replacement of windows and doors and other improvements as needed. The estimated cost for this project is $80,250. No costs have been incurred so far as work is expected to start later this year.

28. Pond St/Winchester Drive Main Replacement - this project is to replace approximately 3000' of 6" water main in Pond St due to a history of breaks and leaks and to improve fire flow in the area. The estimated project cost including final paving: $535,000. No costs have been incurred yet. This project is not expected to be part of the DSIC, if the DSIC is approved.

29. Ocean Road Main Replacement including Westmoreland tie-in- this project is to replace approximately 3000' of 10" water main in Ocean Road due to a history of breaks and leaks and to improve fire flow in the area. The estimated project cost including final paving: $642,000. No costs have been incurred yet. This project is not expected to be part of the DSIC, if the DSIC is approved.

2-9 Regarding COMM 1-9, please provide the estimated value of the scrap metal.

Response: Because the bid package was created with the removal of the tank and scrap as a line item, an estimate of the value was not calculated.

2-10
(Jacobs)

2-10 Regarding COMM 1-10, please provide the cost of the management system. Please provide anticipated costs savings associated with implementation of CLEVEST.

Response: Cost of Management System

Estimated $125,000

Estimate cost savings

Quantitative

- Additional productivity of the workforce by 10% (approximately 1 more appointment per day)
- Reduced back office work to allow for the repurposing of back office personnel
- Improved accuracy of our reading and billing due to reduction to work order processing time, double entry validation, and elimination of manual input errors
- Work efficiencies

Qualitative

- Improved customer satisfaction due to higher quality of billing and improved management of appointments
- Reduction in data entry errors leading to improved customer satisfaction

2-11
(Jacobs)

2-11 Regarding COMM 1-12, for each year 2016, 2017, and 2018, identify the number of backflow preventer repairs made and the number of new installations. Please identify the number of repairs or new installations attributed to customer negligence and SWRI's cost of each. What will SWRI charge the customer for installation or repair of a backflow preventer?

Response: New Backflow Installs

2016 – 657 @ 65.80/each = $43,296
2017 - 1018@ 65.80/each = $36,454
2018 - 396 (as of 5/10/18) @ 65.80/each = $26,056

* To date we have no record of backflows replaced or repaired due to negligence

-Dual Check backflows cost $65.80/each
-Labor is approximately $24.61/hr
-$3.62 per trip in transportation
-Each backflow install takes about 1 hours from start to finish.
$94.03 total per install

2-12
(Jacobs)

2-12 Regarding COMM 1-13, why does SWRI not track the number of low-flow fixtures given to customers? How many low-flow fixtures has SWRI purchased in the last three years? What is the cost of the low-flow fixtures?

Response:

1. SUEZ currently does not have a tracking system in place for the tracking of low-flow fixtures. The Company will work on putting together a mechanism in place to track cost as well as customers who have received them.

2. SUEZ has not had to order new flow kits in the past three years as we still have a few left in stock. We anticipate placing a new order toward the end of 2018

3. The current cost of each fixture kit is $27.95. The usual order is 200 to 500 units.

2-13 Regarding COMM 1-14, what is CCB? What is the transportation cost and field tech salary cost associated with each trip for a missed appointment?

Response:

CCB

The CIS, based on the Oracle Customer Care & Billing System (CCB) was first installed at SUEZ in 2011 and provides enhancements in all aspects of Customer Relationship Management including billing; account management; revenue management; credit and collections; field device management and field service work management. The new CIS is part of an overall technology master plan to update and improve the core business systems of the Company. The CIS is a critical building block in the overall ERP effort which aims at providing the most efficient and effective basis for providing outstanding customer service while controlling costs. Through the integration of the CIS with the other business systems, significant customer benefits will be realized. High on this list is the ability of the customer service personnel to be linked with the field activities on a real time basis, allowing for improved communication and coordination of customer-related work. Some examples of specific benefits to the customer are outlined below:

First Call Resolution

The new CIS enhances SUEZ's ability to provide the customer with a response to their inquiry during the first contact with the Company, assuming that a field visit is not required. The CIS provides a centralized repository of all relevant information relating to the customer and the premise, including current and historical billing. They also have complete visibility into field work that impacts that customer. Once the ERP is implemented in entirety, this will include visibility of future work, such as periodic replacements. Further, the customer service representative (CSR) can see all contact and work history related to that customer and premise in a single place, thereby reducing the need for call-backs or repeat calls. If a customer has multiple accounts with the Company, these will be linked and the CSR will be able to see and access all from a single location in the system.

Improved Scheduling of Customer Appointments

When a field visit is needed that requires the customer to be present, the CIS provides an improved scheduling capability that allows an appointment to be set that meets the customers' needs. CSRs have visibility into available appointment slots that can be matched to the customers' availability, and can easily be changed,

if required. It is anticipated that the lead time for appointments will be reduced over time as the field service work force becomes automated. In addition, the CIS maintains workflow, which allows the CSR to see at what stage work is at e.g., if completed in the field, the CSR can then see which work group has been assigned to complete associated system updates. Again, if taking a call from a customer, this visibility of work will allow the CSR to provide a full response at the point of the call.

Improved Handling of Customer Complaints

The CIS has built-in case management functionality. Cases allow for scripting and intuitive workflow for specific areas of complaint and allow for all associated incoming and outgoing communications to be linked within the customers' records. The scripting and workflow guide a CSR through the steps that need to be taken to resolve the complaint in the best way possible, ensuring that all steps are taken in a proactive and consistent manner. This allows the Company to ensure that required actions are followed up on proactively and that the customer is kept informed of progress and ultimate resolution.

Pre-emptive Monitoring

The CIS has built-in workflow and pre-emptive monitoring capabilities. This functionality will allow work to be assigned to specific work groups and all outstanding work will be fully visible to management. This reduces the reliance on paper and manual work monitoring and ensures that all customers receive timely responses to inquiries and billing updates are processed promptly.

Improved Customer Communications

Each customer will have the option of selecting their preferred channel of communication for updates from the Company. In the event of emergencies, the CIS will automatically send out necessary updates via this selected channel; E.G. phone, email, or text. On November 2015, SUEZ launched a new global website which provides customers with much more functionality and information to review bills, and their consumption and financial history. The time for a customer to make a payment has drastically decreased making it much more user friendly for customers to pay their bills. Also, customers can sign up for auto pay, and e-billing and create a new account over the website. Future enhancements will allow customers to receive outage information, as well as, real time information regarding their account usage. In addition, there was an upgrade to the SWRI CC&B billing system. This upgrade provided a new user interface for our staff's ease of use, as well as some additional enhancements that now allows the system to link with the updated Suez Website

Improved Billing Services

Currently, agreed payment plans cannot be represented on the customers' bill. This can lead to confusion and result in customers breaking payment arrangement, resulting in unnecessary collections activity. The new CIS will allow all payment arrangements and also installment deposit plans to be clearly shown on the bill in addition to and separate from current charges. We have made numerous improvements to the way work is processed and we are also moving to a tablet based system to stream line work order management. All our Field technicians and will be equipped with tablets to directly receive and close work orders, obtain dig safe requests, input meter reads and many other tasks while out in the field without having to return to the office. This will greatly drive efficiencies, improves billing, and enhancing the overall customer experience.

Cost of Missed Appointment

-Field Tech Labor is approximately $24.61/hr
-$3.62 per trip in transportation
-Customer Service to reschedule approximately $12.00

2-14
(Jacobs)

2-14 Regarding SWRI's fleet, what is the basis for upgrading the model of truck?

Response: SUEZ reviewed its fleet and service needs. We looked at two sets of criteria age of vehicle and service record (excessive maintenance needs or problematic vehicles). Based on this we decided on the two vehicles to be replaced. Next we determined that upgrading one of the vehicles to a utility body truck would better serve us and our customer base and the existing vehicle was not equipped to with the needed storage for parts which would require excessive trips form job site to office to gather needed parts or tool. By upgrading one vehicle with the utility body would save time and money by providing the needed storage to hold numerous sizes and types of parts and tools.

2-15 Regarding the table included in COMM 1-18, please itemize the following: Materials, Office Expenses, Clothing & Uniforms, Bank Charges, Miscellaneous Expenses and Other Miscellaneous G&A.

Response: Please refer to COM 2-15 Attachment

ACCOUNT	VENDOR	DESCRIPTION	AMOUNT
50300	ALL OUTDOOR POWER EQUIPME	Supplies	16
50300	AUTOZONE	Meals & Entertainment	16
50300	BANK OF AMERICA PURCHASING CARD	Tools, Equipment Supplies	18,470
50300	FORD METER BOX CO INC	Supplies	2,391
50300	HAL S GARAGE AND AUTO BOD	Other Materials	660
50300	HR DIRECT	Supplies	80
50300	JERRY'S PAINT & HARDWARE	Tools and Equipment	11
50300	LYNCH CORP	Professional Services	412
50300	NORTHERN TOOL & EQUIPMENT CO	Tools and Equipment	527
50300	OAK HILL FARM LLC	Contractors/Support	16,634
50300	POLLARDWATER.COM	Plumbing and Piping	4,636
50300	THE HOME DEPOT	Supplies	193
50300	TI- SALES INC	Supplies	2,045
50300	USA BLUE BOOK	Buildings and Grounds, plumbing, piping	4,253
50300	WARWICK WINWATER WORKS CO	Plumbing and Piping	5,083
50650	BANK OF AMERICA PURCHASING CARD	Tools, Equipment Supplies	8,348
50650	ASSOCIATION OF BOARDS OF CERTI	Staff Mtgs, Conf and Seminars	83
50650	AT&T	Telephone Equipment	50
50650	ATLANTIC STATES RURAL WATER &	Dues and Subscriptions	750
50650	BENNY'S	Office Supplies	13
50650	CANTEEN REFRESHMENT SERVICES	Other Office Expense	396
50650	CDW DIRECT LLC	Other Office Expense	297
50650	CHAZEN ENGINEERING, LAND SURVE	Staff Mtgs, Conf and Seminars	3,680
50650	Derivation Journals	Transportation, Hotels, Supplies, Office Expense	4,647
50650	FEDEX	Telephone Equipment	188
50650	GANNETT FLEMING INC	Contractors/Support	1,107
50650	GEODECISIONS	Contractors/Support	221
50650	GRANITE TELECOMMUNICATIONS LLC	Telephone Equipment	10,340
50650	HEALY NEWS STORE	Dues and Subscriptions	755
50650	HEWLETT PACKARD FINANCIAL SERV	Other Office Expense	97
50650	LABOR LAW CENTER INC	Office Supplies	20
50650	MELITY LLC	Communication Other	1,554
50650	NARRAGANSETT RUBBISH REMO	Office Supplies	775
50650	NATIONAL ASSOC OF WATER COMPAN	Dues and Subscriptions	4,524
50650	NEW ENGLAND IN TOUCH	Telephone Equipment	1,408
50650	NEW ENGLAND WATER WORKS ASSN	Staff Mtgs, Conf and Seminars	1,135
50650	NEXTEL COMMUNICATIONS	Telephone Equipment	827
50650	NORTHERN TOOL	Office Supplies	498
50650	PETRO COMMERCIAL SERVICES	Other Office Expense	666
50650	PITNEY BOWES PURCHASE POWER	Postage and Air Freight	1,062
50650	PITNEY BOWES RESERVE ACCOUNT	Postage and Air Freight	139
50650	PRINT SOURCE	Office Supplies	446
50650	PRINT SOURCE	Other Office Expense	644
50650	PUBLIC UTILITIES ADMINISTRATO	Licenses and Fees	109
50650	REPUBLIC WASTE SERVICES	Other Office Expense	2,336
50650	RHODE ISLAND WATER WORKS ASSOC	Dues and Subscriptions	600
50650	SOUTH RHODE ISLAND CHAMBER OF	Dues and Subscriptions	500
50650	SOUTHERN RHODE ISLAND NEWSPAPE	Advertising	184
50650	STAPLES	Office Supplies	557
50650	USA BLUE BOOK	Office Supplies	64
50650	VERIZON	Communication Other	20,528
50650	WEST INTERACTIVE SERVICES CORP	Telephone Equipment	342
50650	RI DEPARTMENT OF HEALTH	Licenses and Fees	25,305
50655	BANK OF AMERICA PURCHASING CARD	Other Miscellaneous expenses	6,433
50655	CRADJ	Other Miscellaneous expenses	187
50655	JERRY'S PAINT & HARDWARE	Other Miscellaneous expenses	42
50655	REPUBLIC WASTE SERVICES	Other Miscellaneous expenses	5,037
50655	Sales & Use Tax	Other Miscellaneous expenses	(120)
50655	TREASURER - STATE OF CONNECTIC	Other Miscellaneous expenses	265
50655	USA BLUE BOOK	Other Miscellaneous expenses	697
92200	BANK OF AMERICA PURCHASING CARD	Safety Clothing & Uniforms	352
92200	EMERGENCY SERVICES OF NEW ENGL	Safety Equipment	389
92200	RED WING BRANDS OF AMERICA INC	Safety Clothing & Uniforms	300
92300	BANK OF AMERICA	Bank Fees	45
92300	BNY MELLON	Bank Fees	1,997
92300	CITIBANK NA	Bank Fees	1,021
92300	FIRST DATA CORPORATION	Bank Fees	37
92600	DRAPER ASSOCIATES INC	Printing	8,122
92600	GRIGGS & BROWNE	Pest Control Services	413
92600	HR Payroll Journal Template	HR Payroll Journal Template	120
92600	Other G&A Exp-A&G Ops Misc Gen	Other G&A Exp-A&G Ops Misc Gen	(755)
92600	RHODE ISLAND DIVISION OF TAXAT	RHODE ISLAND DIVISION OF TAXAT	10
92600 [1]	SPAIN RESTAURANT	Meals & Entertainment	3,000
	Total		**178,213**

Note:
[1] The Company will eliminate in Rebuttal the amount for Spain Restaurant

2-18
(McEvoy)

2-18 Regarding COMM 1-26, when were energy savings first realized? Is the reduced energy consumption reflected in the estimated future energy bills?

Response: SUEZ first started to realize cost savings near the end of 2016.

Yes the reduced energy consumption is reflected in the estimated future energy bills.

2-19
(Walker)

2-19 Regarding COMM 1-28, please identify when Mr. Walker used the effective depreciation rate and when he used the proposed depreciation rate. Explain why each was used and provide the calculation.

Response: Mr. Walker's measure of the rate of capital recovery is based on each companies' current accounting practices and was derived by dividing depreciation and amortization expense by gross property, plant and equipment. Accordingly, Mr., Walker did not use the effective depreciation rate nor the proposed depreciation rate.

2-20
(Walker)

2-20 Regarding COMM 1-30, please recalculate SWRI's capital requirements as compared to the Comparable Groups, assuming that the proposed DISC is approved. Please quantify the risk reduction if the proposed DISC were approved.

Response: Mr. Walker did rely on the requested quantification. The Comparable Group proxy group already uses numerous revenue stabilizing mechanisms including a DSIC mechanism. Implementation of the proposed DSIC for SWRI would lessen the risk difference between SWRI and the proxy group, but would not eliminate SWRI's higher risk.

For example, even if SWRI and the Comparable Group both had a DSIC, SWRI's capital requirements would still be 90% greater than the Comparable Group's, indicating more risk for SWRI.

2-21
(Walker)

2-21 In answering COMM 1-31, please provide a table that identifies all revenue stabilizing mechanisms for each utility included in the proxy groups used by Mr. Walker.

Response: Mr. Walker did not rely upon the requested information nor does he currently possess the requested information. Mr. Walker's response to COMM 1-31 discussed the jurisdictions in which the proxy group operate.

2-22
(Gil)

2-22 Regarding COMM 1-34, please provide the calculation developed by Ms. Gil to normalize consumption.

Response: Please refer to attached MRF 2.8h page 6-7.

Public Utilities Commission
Schedule 2.8 h, Page 6 of 12
Preparer: E. Gil

SUEZ WATER RHODE ISLAND
Residential Water Consumption Trend
Baseload

	YR	Jan.	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Usage	Base Usage (Jan-Apr)	Over Base Col 13- Col 14
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	2013	3.95	4.12	3.43	3.17	3.93	4.14	4.41	5.52	7.90	5.82	4.74	4.79	4.661	3.667	0.994
2	2014	3.77	4.11	3.60	3.14	3.64	4.07	4.38	5.47	8.13	6.20	5.07	5.46	4.754	3.656	1.098
3	2015	3.24	4.52	3.12	3.29	4.09	4.04	4.58	6.43	8.10	5.89	5.40	5.03	4.812	3.544	1.268
4	2016	3.49	4.29	2.98	3.06	3.99	3.74	4.64	6.59	8.84	6.18	5.45	5.13	4.865	3.456	1.409
5	2017	3.42	3.85	2.58	2.79	3.95	3.01	3.88	5.53	7.68	5.79	5.18	4.85	4.376	3.159	1.217
6	2018															
7	2019														**3.010**	**1.197**
															Trend	Average

Residential Class Projection (5 Years History)	
Trend 5 years Base Usage	3.010
Add: Avg. Excess over Base	1.197
Normalized AVG. Usage	4.207
Mtrs	7,483
Consumption Projected MGL	377,800

BLK1	75.40%	284,849
BLK2	24.60%	92,951
		377,800

Public Utilities Commission
Schedule 2.8 h, Page 7 of 12
Preparer: E. Gil

SUEZ WATER RHODE ISLAND
Water Consumption Projection
Linear Regression

Commercial

Year	No. of Meters	Consumption MGL	Usage Per Meter
2013	679	184,418	271.60
2014	677	189,490	279.90
2015	678	188,387	277.86
2016	684	202,920	296.67
2017	686	189,562	276.33
2018	690	198,964	288.35
2019	690	200,689	290.85
308.05348	1724.8877	-3494416.123	
1924.6916	4823.26322	8650433.007	
0.2952001	8323.03929	#N/A	

Industrial

Year	No. of Meters	Consumption MGL	Usage Per Meter
2013	9	1,868	207.56
2014	9	2,077	230.78
2015	9	2,244	249.33
2016	9	2,289	254.33
2017	9	3,232	359.11
2018	9	3,224	358.22
2019	9	3,518	390.89
0	294	-590068	
0	104.1666367	209895.8247	
0.80261	329.4038282	#N/A	

PA

Year	No. of Meters	Consumption MGL	Usage Per Meter
2013	91	27,325	300.27
2014	91	28,978	318.44
2015	92	30,636	333.00
2016	94	30,229	321.59
2017	96	25,393	264.51
2018	97	26,951	277.85
2019	97	30,059	309.89
-2592.0526	3108.36842	-5994307.684	
1188.251	1629.24772	3178578.382	
0.7148164	1637.89101	#N/A	

Resale

Year	No. of Meters	Consumption MGL	Usage Per Meter
2013	2	382,593	191,296.50
2014	2	343,163	171,581.50
2015	2	345,151	172,575.50
2016	2	354,592	177,296.00
2017	2	316,616	158,308.00
2018	2	312,266	156,133.00
2019	2	300,213	150,106.50
0	-12052.5	24634210.5	
0	5933.815421	11956641.02	
0.687812	18764.37194	#N/A	