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July 24, 2020

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

Re: Providence Water Supply Board - Docket 4994

Dear Ms. Massaro:

Enclosed herewith please find an original and nine copies of The Bristol County Water Authority's Post-Hearing Memoranda Regarding the Rhode Island Public Utilities Commission's Jurisdiction Over the Kent County Water Authority's Wholesale Rates.

Please be advised that an electronic copy of these documents have been sent to the service list.

Thank you for your attention to this matter.

Sincerely,

Joseph A. Keough, Jr.

JAK/kf Enclosures cc: Service List

## STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: PROVIDENCE WATER SUPPLY BOARD

**DOCKET No. 4994** 

# THE BRISTOL COUNTY WATER AUTHORITY'S POST-HEARING MEMORANDUM REGARDING THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S JURISDICTION OVER THE KENT COUNTY WATER AUTHORITY'S WHOLESALE RATES

#### I. INTRODUCTION

Now comes the Bristol County Water Authority ("BCWA") and submits this post-hearing memorandum answering the following question:

- Q. Does the Rhode Island Public Utilities Commission have jurisdiction over the wholesale rate the Kent County Water Authority charges for water sold to the City of Warwick?
- A. Yes, pursuant to the Kent County Water Authority's authorizing legislation, the Rhode Island Public Utilities Commission has jurisdiction over the wholesale rate the Kent County Water Authority charges for water sold to the City of Warwick.

#### II. ANALYSIS

The Kent County Water Authority ("KCWA") was created through authorizing legislation passed by the Rhode Island Legislature (R.I.G.L. § 39-16-1, et. seq.) Pursuant to R.I.G.L. § 39-16-2, "There is hereby created a district to be known as the Kent County water district, whose boundaries shall be coterminous with the boundaries of Kent County. Notwithstanding any finding by any court to the contrary, the Kent County water district shall be a political subdivision of the state." The authorizing legislation further provides that KCWA is regulated by the Rhode Island Public Utilities Commission ("Commission"). As set forth in R.I.G.L. § 39-16-9:

"Application of Public Utility Law -- Rate determination -- Notwithstanding the proviso contained in the definition of "public utility" in § 39-1-2, chapters 1 -- 5 of this title shall apply to the water district created by this chapter and to the governing body thereof, and notwithstanding anything contained in this chapter with respect to fixing rates and collecting charges, rates and charges of the district and/or authority shall be established

in accordance with and subject to the provisions of chapters 1 -- 5. Until so established, the rates and charges which were in effect at the time when the authority acquired properties pursuant to the provisions of § 39-16-8, shall continue in full force and effect."

R.I.G.L. §39-3-1 through 5, in particular Chapter 3, grants the Commission jurisdiction over KCWA's rates. This includes not only the rates KCWA charges to its retail customers, but also the wholesale rate KCWA charges for water sold to the City of Warwick ("Warwick"). This jurisdiction over KCWA's rates is especially important in this Docket.

First, although this Docket primarily concerns the rates Providence will charge its customers, the Commission's decision will also affect the rates KCWA charges *its* customers. As the BCWA will argue more fully in its Post-Hearing Memorandum, individual wholesale rates based on Providence's own cost-of-service study, using Providence's own peaking factors, should be implemented. This will result in a lower wholesale rate that KCWA pays to Providence, and in turn, will result in the KCWA's customers paying lower rates. (See KCWA response to BCWA 2-1) Thus, it not just the BCWA's customers who will pay higher rates than indicated by Providence's own cost-of-service study, using Providence's own peaking factors, if a single wholesale rate is implemented. KCWA's customers will also pay higher rates.

Second, the Commission's jurisdiction over the KCWA's wholesale rates is important because it solves one of the so-called "problems" with individual wholesale rates raised in this Docket. KCWA and Warwick have contracts ("Contracts") in place whereby each provides the other water. It has been represented that these Contracts provide that each party pays the other the same wholesale rate each pays to Providence (i.e. for water KCWA buys, it pays Warwick the same rate Warwick pays to Providence; and, for water Warwick buys, it pays KCWA the same rate KCWA pays to Providence). Thus, Providence claims that if individual rates

are implemented and KCWA pays a lower rate than Warwick, then Warwick could be "incentivized" to buy more water from KCWA at a lower rate than Warwick pays to Providence.

(See Providence response to Comm. 2-1) However, this is <u>not</u> true. The actual terms of the Contracts are contrary to what has been represented.

KCWA provided two contracts in this matter. (See KCWA response to BCWA 1-3a, and KCWA response to BCWA 2-2b attached hereto as Exhibits 1 and 2)<sup>1</sup>. The first contract, dated June 21, 2006, governs water KCWA buys from Warwick. Paragraph 8 states that "KCWA agrees to pay to Warwick the same rate for water it uses as **WARWICK pays** to the Providence Water Supply Board for said water." (Exhibit 1, emphasis added). The second contract, dated October 30, 2006, governs water Warwick buys from KCWA. Paragraph 8 states "City agrees to pay KCWA the same rate for water it uses as **City pays** to the Providence Water Supply Board for said water." (Exhibit 2, emphasis added) So under the terms of the Contracts, KCWA *buys* water from Warwick at the same rate Warwick pays to Providence, and KCWA *sells* water to Warwick at the same rate Warwick pays to Providence.

In fact, KCWA already has a Warwick wholesale rate in its tariffs:

<u>Wholesale Rate Warwick Water Department</u>: Same rate as charged by Providence Water Supply Board. Rate will change upon changes to Providence Water Supply Board wholesale rate change. (See Exhibit 3)

This tariff language is not quite as clear as the contract language, but the Commission can fix that issue by virtue of its jurisdiction over KCWA. The Commission can order KCWA to clarify

<sup>&</sup>lt;sup>1</sup> BCWA 1-3 a. asked KCWA to "Please provide copies of *all* agreements referenced in Mr. Bebyn's testimony." (emphasis added) In response the KCWA only produced the June 21, 2006 contract. The October 30, 2006 contract was then provided in response to the BCWA's follow up request, BCWA 2-2.

the tariff language to be consistent with the language of the Contracts. The tariff can be clarified to state that KCWA will sell water to Warwick at the same rate "as the City of Warwick pays to the Providence Water Supply Board."

It could be argued that if individual wholesale rates are implemented, then under the terms of these Contracts, KCWA would buy water from Providence at a lower rate and sell to Warwick at a higher rate, which would arguably result in a "profit." However, under the terms of the Contracts, KCWA would purchase water from Warwick at a higher rate than it pays to Providence if individual wholesale rates are implemented. Thus, the so-called "profit" could offset the higher price KCWA would pay for water purchased from Warwick under the terms of the Contracts.

As the BCWA will argue in this case, the contractual relationship between KCWA and the City of Warwick should not dictate how Providence's wholesale rates are set in this Docket.

Providence's wholesale rates should be set according to law and generally accepted ratemaking principals. However, the point is moot because the Contracts do not allow Warwick to buy water from the KCWA at lower rate than it pays to Providence.

BRISTOL COUNTY WATER AUTHORITY

By its attorney,

Joseph A. Keough, Jr. (#4925)

KEOUGH + SWEENEY, LTD.

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jkeoughjr@keoughsweeney.com

#### **CERTIFICATION**

I hereby certify that on July 24, 2020, 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 hand delivery.

Parties	E-mail	Phone
Providence Water Supply Board (PWSB)	Michael@McElroyLawOffice.com;	401-351-4100
Michael McElroy, Esq.	Leah@McElroyLawOffice.com;	
McElroy & Donaldson		
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Kent County Water Authority (KCWA)	marybali@aol.com;	401-828-5030
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Warwick, RI 02886		
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David L. Simmons, P.E.	dsimmons@kentcountywater.org;	401-821-9300
Executive Director/Chief Engineer		
Kent County Water Authority		
<b>Bristol County Water Authority (BCWA)</b>	jkeoughjr@keoughsweeney.com;	401-724-3600
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Keough & Sweeney		
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Michael J. Marcello, City Solicitor	RLefebvre@CityOfEastProv.com;	
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East Providence, RI 02914		
City of Warwick	tbliss@timblisslaw.com;	401-274-2100
Timothy M. Bliss, Esq.		
Center Place		
50 Park Row West, Suite 101		
Providence, RI 02903		
File original and nine (9) copies w/:	<u>Luly.massaro@puc.ri.gov;</u>	401-780-2107
Luly E. Massaro, Commission Clerk	Margaret.Hogan@puc.ri.gov;	_
Margaret Hogan, Commission Counsel	Cynthia.wilsonfrias@puc.ri.gov;	_
Public Utilities Commission	Margaret.hogan@puc.ri.gov;	_
89 Jefferson Blvd.	Sharon.colbycamara@puc.ri.gov;	_
Warwick, RI 02888	Alan.nault@puc.ri.gov;	
Kathleen Crawley	Kathleen.crawley@wrb.ri.gov;	401-222-6696
Water Resources Board		

Joseph A. Keough, Jr., Esquire # 4925

KEOUGH + SWEENEY, LTD.

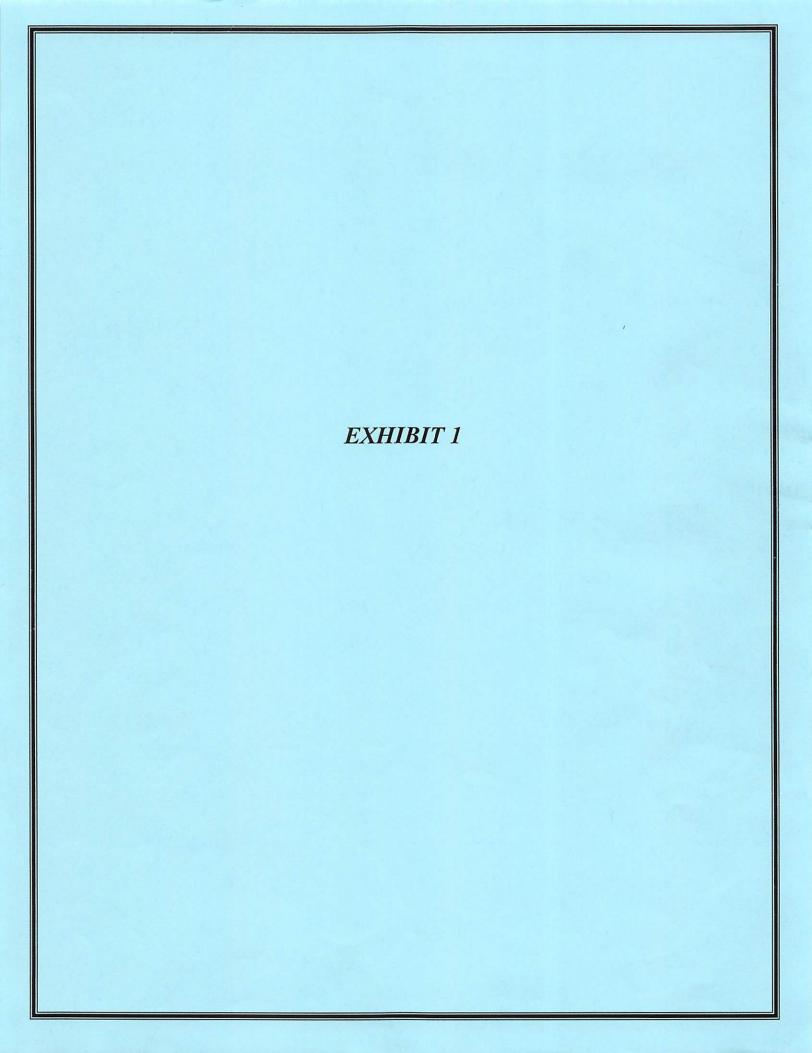
41 Mendon Avenue

Pawtucket, RI 02861

(401) 724-3600 (phone)

(401) 724-9909 (fax)

jkeoughjr@keoughsweeney.com



#### **AGREEMENT**

This Agreement is made by and between the City of Warwick, a municipal corporation organized and existing under the laws of the State of Rhode Island, with its principal office located at 3275 Post Road, Warwick, Rhode Island, hereinafter identified as the "City," and the Kent County Water Authority, a water district incorporated and existing under the General Laws of the State of Rhode Island (R.I.G.L. 39-16-1, et seq.) and is regulated by the Rhode Island Public Utilities Commission, with its principal office located at 1072 Main Street, West Warwick, Rhode Island hereinafter identified as "KCWA."

WHEREAS, the City previously installed a water main from a point near the intersection of Natick Road and Wakefield Street in West Warwick, Rhode Island (the "Natick Connection") to hold water in storage tanks located on Bald Hill Road in Warwick, Rhode Island (the "Bald Hill Tanks"); and

WHEREAS, at the request of the Rhode Island Water Resources Board, said water main was increased to from 36" to 42" in diameter for the purpose of making available to KCWA a flow of water to be delivered from the City's system into the KCWA water system at a rate of not more than thirty-two hundred (3200) gallons per minute; and

WHEREAS, pursuant to a 1971 agreement by and between the City and KCWA (the "1971 Agreement" - a copy of which is attached hereto), KCWA agreed, among other things: to pay the increased costs associated with the enlargement of said water main from 36" to 42"; to pay the costs of the installation of such meters, valves, lines, reducers, and similar items necessary to enable KCWA to draw water from said 42" water main (hereinafter, the "42" Main"); and to share in the payment of all expenses associated with maintaining said 42" Main and its associated apparatus in proportion to the share of water used by KCWA therefrom; and

PETRARCA AND McGAIR, INC. Attorneys at Law 797 Bald Hill Road Warwick, RI 02886 WHEREAS, KCWA currently draws water from said 42" Main through a 24" suction connection located on Bald Hill Road prior to the Bald Hill Tanks site; and

WHEREAS, KCWA is desirous of increasing the amount of water KCWA <u>may</u> draw from said 42" Main by upgrading KCWA's Bald Hill Pumping Station to enable KCWA to draw up to a maximum of 7000 gallons per minute from the 42" Main, through the KCWA 24" suction connection at the Bald Hill Tanks, to provide increased water service to KCWA customers during periods of high demand from such KCWA customers; and that KCWA serves approximately 12,000 Warwick Residents and businesses.

WHEREAS, KCWA, in consideration of having the potential for such increased capacity, is willing to share expenses with the City concerning the Natick Connection, the 42" Main and associated apparatus and equipment, and the Bald Hill Tanks; and

WHEREAS, the City is willing to agree to permit the increased draw from the 42" Main at the Bald Hill Tanks connection for the benefit of KCWA customers, but only upon the terms and conditions contained in this Agreement;

NOW, THEREFORE, the City and KCWA, upon the premises stated above and for valuable consideration as stated herein, agree as follows:

1. KCWA acknowledges that title to said Natick Connection, the 42" Main, and the Bald Hill Tanks remains vested solely in the City and that the entire care, custody and control of said 42" Main, Bald Hill Tanks and all associated apparatus and equipment, including all valves and other items controlling the flow of water <u>but excluding Kent County Water Authority</u>

System infrastructure and improvements from same to the KCWA system, is and shall remain solely in the City at all times.

PETRARCA AND McGAIR, INC. Attorneys at Law 797 Bald Hill Road Warwick, RI 02886

- 2. Subject to the other terms and conditions of this Agreement, including but not limited to Sections 3. and 4. hereof, the City agrees to extend the water draw therefrom up to a maximum flow rate of seven thousand (7000) gallons per minute, as necessary to meet the demands of KCWA's customers.
- 3. The parties agree that the primary obligation and responsibility of the City at all times is to maintain a sufficient supply of water, with adequate pressure and flow rates, within the City's water system to provide for the fire protection requirements of the City and to satisfy all other water needs of the residents of the City and other customers of the City's water system, all as determined by the City in its exclusive discretion bearing in mind that Kent County Water Authority serves approximately 12,000 Warwick residents and businesses.
- 4. At times, there may be an emergency such as the Providence Water Supply
  Board can not supply an adequate amount of water or a breach or maintenance in the Warwick
  infrastructure causes serious interruption of supply or the supply in the Bald Hill tanks falls
  below unsafe levels which may require the suspension or reduction of the supply of water to
  KCWA from the connection located on Bald Hill road prior to the Bald Hill Tanks site pursuant
  to this Agreement bearing in mind that Kent County Water Authority serves approximately
  12,000 Warwick residents and businesses.
- 5. The parties agree that in any period where there are water supply deficits that each entity shall endeavor to assist the other in a cooperative manner to prevent interruption of water supply to any of their customers and to have the tanks fully operational as soon as practical.
- 6. That in the event that there must be an interruption to the Kent County Water

  Authority, the City agrees to provide advance notice to KCWA or without advance notice to

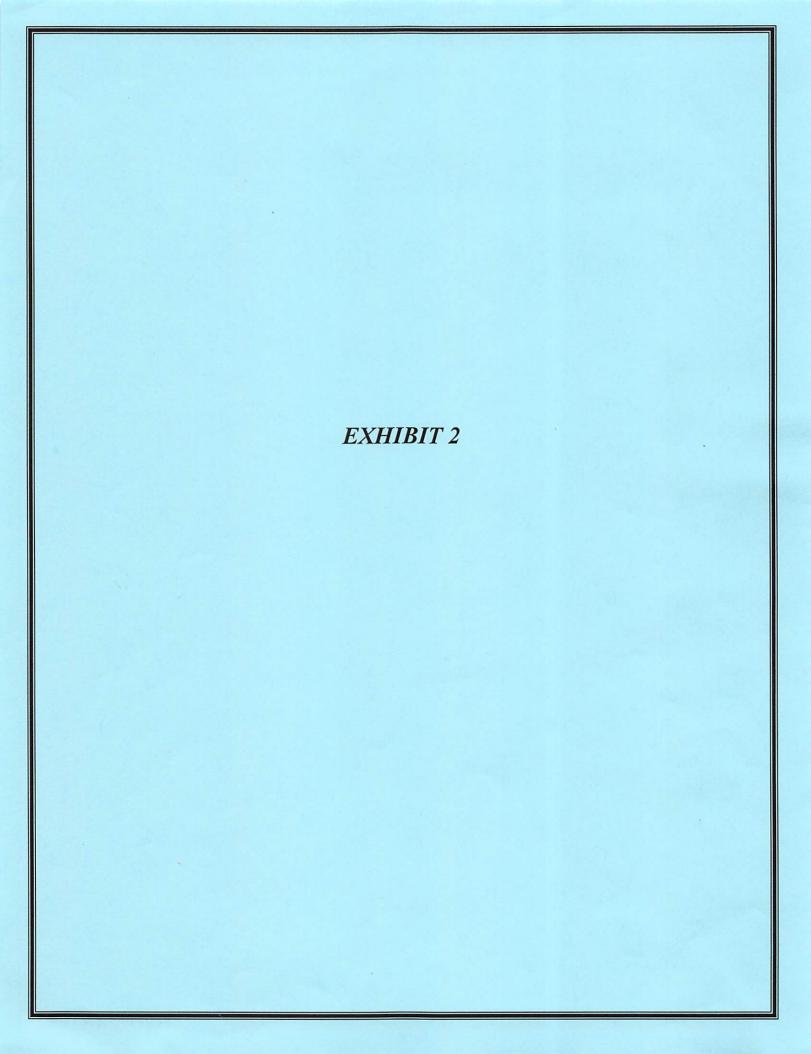
KCWA, whenever necessary to respond to a threat of immediate harm to persons or property and the City will endeavor to notify KCWA of the City's decision and actions as soon as may be possible under the circumstances and that under any circumstance, the parties will cooperate to assist each other to promptly return the tanks to full capacity.

- 7. KCWA will pay its share of all costs of operation, maintenance and repair with respect to said 42" Main, the Bald Hill Tanks, and all meters, valves and all other apparatus and equipment associated therewith. KCWA will pay to WARWICK its share of such operations, maintenance and repair expenses based on the percentage of water from said 42" Main used by KCWA. KCWA has installed a meter at its own expense for the purpose of measuring the amount of such water used by KCWA, which meter shall be read jointly by the parties at regular intervals.
- 8. KCWA agrees to pay to WARWICK the same rate for water it uses as WARWICK pays to the Providence Water Supply Board for said water. The City shall bill KCWA for the cost of water used by KCWA, and for KCWA's share of all operational, maintenance and repair costs as aforesaid on a monthly basis <u>pursuant to the Agreement</u>, or at such other regular intervals as may be agreed upon by the parties from time to time
- 9. The City shall maintain complete records detailing the basis for all water usage rates, operational costs, maintenance and repairs associated with the 42" Main, the Bald Hill Tanks, and all apparatus and equipment associated therewith. All billings from the City to KCWA concerning operations, maintenance, repairs and water rates shall be evidenced by and based upon such records, copies of which shall be supplied to KCWA at the time of billing and upon request at any time by Kent County Water Authority.

- Water Resources Board in anticipation of future expansion of water use in the area generally southerly from the location of the Bald Hill Tanks and that the use of this water by KCWA has necessitated a pumping facility because of the difference in water pressure between the two systems. KCWA will make available at no expense to City all records, data and other information required by the City regarding the location, design, capacities and operation of such pumps and other incidentals to this end.
- 11. The parties agree that they will review this AGREEMENT at each and every ten(10) year interval in order to address changing conditions.
- 12. The individuals executing this AGREEMENT represent that they have been duly authorized to do so and that this Agreement has been specifically approved by the respective authorized governing bodies of the City and KCWA.
- 13. This AGREEMENT has been executed in contemplation of statutory law in the State of Rhode Island including the Charter and Ordinances of the City of Warwick, and the enabling legislation of the KCWA current as of the date of this Agreement. In the event of any inconsistency between any term or provision of this Agreement and such laws and ordinances, such laws and ordinances shall prevail, but the remainder of this Agreement, to the extent not inconsistent with such laws and ordinances, shall remain in full force and effect.
- 14. Any modification or amendment to this Agreement shall not be effective unless it shall be in writing, and signed by duly authorized representatives of the parties hereto.
- 15. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNE	ESS WHEREO	F, the parties hereto have caused this Agreement to be execute
and seals affixed b	y their respecti	ve proper officers, thereunto duly authorized this
day of	June	, 2006.
		CITY OF WARWICK
		By Suncil
		KENT COUNTY WATER AUTHORITY
		By Ofeaners / Least

PETRARCA AND McGAIR, INC. Attorneys at Law 797 Bald Hill Road Warwick, RI 02886



#### **AGREEMENT**

This Agreement is made by and between the City of Warwick, a municipal corporation organized and existing under the laws of the State of Rhode Island, with its principal office located at 3275 Post Road, Warwick, Rhode Island, hereinafter identified as the City, and the Kent County Water Authority, a water district incorporated and existing under the General Laws of the State of Rhode Island (R.I.G.L. 39-16-1, et seq.) and is regulated by the Rhode Island Public Utilities Commission, with its principal office located at 1072 Main Street, West Warwick, Rhode Island hereinafter identified as KCWA.

WHEREAS, KCWA previously installed a water main near the intersection of Post

Road and Old Forge Road, Rhode Island (the "Potowomut Connection") to supply water to the

City water system.

WHEREAS, the City currently draws water from said main and supply water connection for purposes of use by customers of the City.

WHEREAS, the City, in consideration of water service, is willing to share expenses with the KCWA concerning the Potowomut Connection, and associated transmission and supply equipment,

WHEREAS, KCWA is willing to agree to permit the City to have said water service, but only on the terms and conditions continued in this Agreement.

NOW, THEREFORE, the City and KCWA, upon the premises stated above and for valuable consideration as stated herein, agree as follows:

City acknowledges that title to said Potowomut Connection at Post Road and Old
Forge Roads remains vested solely in KCWA and that the entire care, custody and control of said
transmission and equipment, including all valves and other items controlling the flow of water

but excluding the Warwick Water System infrastructure and improvements from same to the City, is and shall remain solely in the KCWA at all times.

- 2. Subject to the other terms and conditions of this Agreement, including but not limited to Sections 3. and 4. hereof, the KCWA agrees to permit water service to the City to meet with the demands of Warwick's customers.
- 3. The parties agree that the primary obligation and responsibility of the KCWA at all times is to maintain a sufficient supply of water, with adequate pressure and flow rates, within the KCWA water system to provide for the fire protection requirements of the City and to satisfy all other water needs of the Water customers of the KCWA, all as determined by the KCWA in its exclusive discretion bearing in mind that City serves Warwick residents and businesses through the Potowomut connection.
- 4. At times, there may be an emergency such as the Providence Water Supply
  Board can not supply an adequate amount of water or a breach or maintenance in the KCWA
  infrastructure causes serious interruption of supply or, the suspension or reduction of the supply
  of water to City from the Potowomut connection located at Post and Forge Road to the City
  pursuant to this Agreement.
- 5. The parties agree that in any period where there are water supply deficits that each entity shall endeavor to assist the other in a cooperative manner to prevent interruption of water supply to any of their customers and to have the Potowomut Connection fully operational as soon as practical.
- 6. That in the event that there must be a water interruption to the City, KCWA agrees to provide advance notice to City or without advance notice to City, whenever necessary to respond to a threat of immediate harm to persons or property and, or, KCWA customers and KCWA will

endeavor to notify City of the KCWA decision and actions as soon as may be possible under the circumstances and that under any circumstance, the parties will cooperate to assist each other to promptly return the connection to full capacity.

- 7. City will pay its share of all costs of operation, maintenance and repair with respect to said transmission main, Booster Station, East Greenwich Well valves and all other apparatus and equipment associated therewith. City will pay to KCWA its share of such operations, maintenance and repair expenses based on the percentage of water from said Potowomut Connection used by City. City has installed a meter at its own expense for the purpose of measuring the amount of such water used by Warwick, which meter shall be read jointly by the parties at regular intervals.
- 8. City agrees to pay to KCWA the same rate for water it uses as City pays to the Providence Water Supply Board for said water. The KCWA shall bill City for the cost of water used by City, and fair share of all operational, maintenance and repair costs as aforesaid on a monthly basis pursuant to the Agreement, or at such other regular intervals as may be agreed upon by the parties from time to time
- 9. The KCWA shall maintain complete records detailing the basis for all water usage rates, operational costs, maintenance and repairs associated with the Transmission Main Booster station, East Greenwich Well and all apparatus and equipment associated therewith. All billings from the KCWA to City concerning operations, maintenance, repairs and water rates shall be evidenced by and based upon such records, copies of which shall be supplied to City at the time of billing and upon request at any time by City.
- 10. The parties agree that they will review this Agreement at each and every ten (10) year interval in order to address changing conditions.

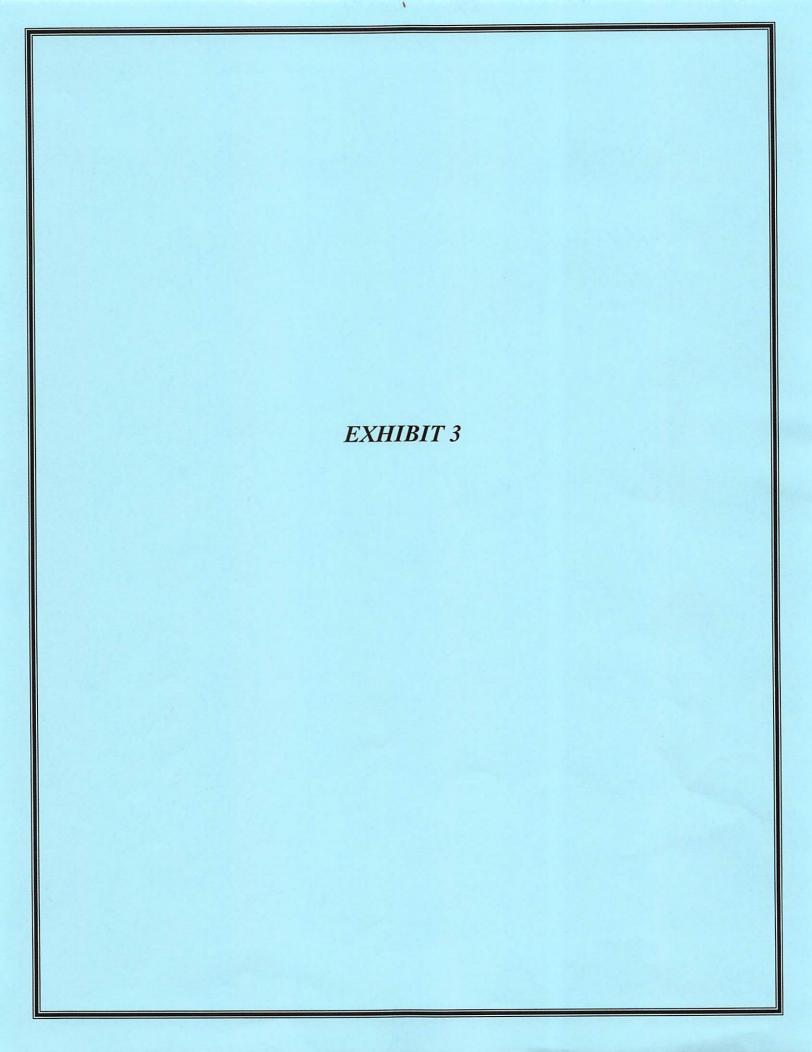
- 11. The individuals executing this Agreement represent that they have been duly authorized to do so and that this Agreement has been specifically approved by the respective authorized governing bodies of the City and KCWA.
- 12. This Agreement has been executed in contemplation of statutory law in the State of Rhode Island including the Charter and Ordinances of the City of Warwick, and the enabling legislation of the KCWA current as of the date of this Agreement. In the event of any inconsistency between any term or provision of this Agreement and such laws and ordinances, such laws and ordinances shall prevail, but the remainder of this Agreement, to the extent not inconsistent with such laws and ordinances, shall remain in full force and effect.
- 13. Any modification or amendment to this Agreement shall not be effective unless it shall be in writing, and signed by duly authorized representatives of the parties hereto.
- 14. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

CITY OF WARWICK

Ву

KENT COUNTY WATER AUTHORITY

4



### KENT COUNTY WATER AUTHORITY RATE SCHEDULE

Page 1 KCWA PUC DOCKET# 4641 EFFECTIVE: 1/1/2018

#### **METER SALES VOLUME:**

Applicable to all metered water in the Kent County system for residential, commercial and industrial consumption.

Rates:	Rate Per
	<u>100 cu. ft.</u>
Small (5/8" to 2" meters)	\$6.161
Medium (3" to 4" meters)	\$4.913
Large (6" meters and up)	\$4.475

#### **Terms of payment:**

All metered sales bills are rendered quarterly or monthly and are due and payable in full when rendered.

#### **METERED SALES SERVICE CHARGE:**

Applicable to all metered sales of customers of Kent County Water Authority exclusive of fire service connections.

Rates:	Meter Size (in)	Quarterly Accounts	Monthly Accounts
	5/8 & 3/4	\$ 15.41	\$11.22
	1	\$ 20.42	\$12.89
	1 ½	\$ 29.48	\$16.03
	2	\$ 37.99	\$18.75
	3	\$ 48.67	\$22.31
	4	\$ 69.37	\$29.21
	6	\$ 115.19	\$44.48
	8 &up	\$ 194.89	\$71.05

#### **Terms of Payment:**

All customer service charges are billed quarterly or monthly in advance, and are due and payable in full when rendered.

#### **PUBLIC FIRE SERVICE:**

Applicable for service to public fire hydrants in the Kent County service area.

	Quarterly
Hydrant Plus	\$189.69 hydrant \$ 9.13/billing
	Hydrant Plus

#### **Terms of Payment:**

All bills for public fire service are rendered quarterly in advance and are due payable in full when rendered.

#### **PRIVATE FIRE SERVICE:**

Applicable for service to private fire protection systems and private hydrants in the Kent County service area.

Rates:	Service Size (in.)	Quarterly Accounts
	4	\$ 76.35
	6	\$204.38
	8	\$425.23
	10	\$757.42
	12	\$1271.84
	hydrant	\$204.38

#### **Terms of Payment:**

All bills for private fire services are rendered quarterly in advance and are due and payable in full when rendered.

#### **OTHER CHARGES**

WHOLESALE RATE WARWICK WATER DEPARTMENT: Same rate as charged by Providence Water Supply Board. Rate will change upon changes to Providence Water Supply Board wholesale rate charge.

INTEREST ON DELINQUENT ACCOUNTS: Applicable to all water account balances over 30 days from billing date. Interest charges are payable as incurred.

CHARGE: 1.5% per month on unpaid balances.

<u>TURN OFF CHARGE:</u> Applicable to all services turned off due to a specific violation which resulted in the requirement to terminate service and requests prior to 8:00 a.m. and after 3:00 p.m., Monday thru Friday and all day Saturday, Sunday, and any Holiday. Charges payable in full prior to subsequent turn-on.

CHARGE: \$55.00 per occurrence

<u>TURN ON CHARGE:</u> Applicable to all services turned on after the interruption of a service due to a specific violation which resulted in the service shut off and requests prior to 8:00 a.m. and after 3:00 p.m., Monday thru Friday and all day Saturday, Sunday, and any Holiday. Charges payable in full prior to turn-on.

CHARGE: \$45.00 per occurrence

INSTALLATION AND REPAIR WORK: Applicable to all installation and repair work.

CHARGE: Cost of all material, labor and equipment plus applicable overhead, as determined by the

Kent County Water Authority on a yearly basis, usually on July 1.

CHLORINATION CHARGE: Applicable to all main extensions to existing systems.

CHARGE: Cost of laboratory and labor to collect, transport to lab, flush and test sample, as determined

by the Kent County Water Authority on a yearly basis, usually on July 1.

**MATERIAL PURCHASE:** Applicable to all material sales.

CHARGE: Cost of material plus handling and applicable overhead, as determined by the Kent County

Water Authority on a yearly basis, usually on July 1.

**INSUFFICIENT FUND RETURNED CHECKS:** Applicable to all payment checks returned to Kent County Water Authority by our bank due to insufficient funds available or account problems will bear a charge for our handling and bank charges.

CHARGE: \$20.00 Per occurrence.

**METER TESTING:** Applicable to all meter testing services.

CHARGE: \$100.00 Per occurrence.

**INSPECTION FEE'S:** Applicable to all developer installation work, public or private, in regards to all main or service extensions.

CHARGE: \$5.00/ft of installed main or for service pipe from main to curb stop.

<u>LEGAL FEE's:</u> Applicable to all services requiring legal assistance by the Kent County Water Authority's legal counsel including but not limited to easement description preparation or review, deed restriction preparation or review, involvement with actions necessary for review or approvals of any water service request to the Authority.

CHARGE: Cost as billed to Kent County Water Authority by legal counsel on a monthly basis.

Terms Of Payment For All Other Charges: All bills rendered quarterly or monthly are due and payable in full when rendered.