



June 11, 2021

Mrs. Luly Massaro
Commission Clerk
RI Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

The Hon. Jorge O. Elorza
Mayor

Ricky Caruolo
General Manager

RE: Dk 4994; Multi-Year Rate Filing-Rate Year 2

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Dear Mrs. Massaro:

Enclosed please find Providence Water’s responses to the first (1st) set of data requests from Bristol County Water Authority. BCWA 1-3 will be filed on Monday, June 14th.

Thank you for your attention to this matter.

Sincerely,

Mary L. Deignan-White

Mary L. Deignan-White
Division Manager-Finance

cc: service list(via email)

MEMBER

Rhode Island Water Works Assn.
New England Water Works Assn.
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PROVIDENCE WATER Docket 4994

**MULTI-YEAR RATE FILING-RATE YEAR 2
Bristol County Water Authority Data Requests - Set 1
(Issued May 21, 2021)**

BCWA 1-1: In Schedule HJS Amended Settlement-1: Cost Of Service Summary from the Settlement Agreement approved by the Commission on August 27, 2020, Providence anticipated it would incur \$1,026,295 for increased Operations and Maintenance Expenses in FY 2022. Please set forth all facts and provide all supporting data that evidences, memorializes or supports Providence's contention that it will incur this increased level of actual expense in FY 2022.

Response:

Our understanding is that a previously approved step increase is not an opportunity for relitigation of the approved amount of the step increase, except for issues the Commission reserved for later examination in its Report and Order. Therefore we believe that these questions are inappropriate and objectionable. Nevertheless, in the spirit of cooperation and full disclosure, our response is as follows.

Please see the attached schedule BCWA 1-1 for the breakdown and details relative to the FY 2022 Operations and Maintenance Expense increase of \$1,026,295.

Schedule BCWA 1-1
 Providence Water
 Details for FY22 Operations and Maintenance Expense Increase

Summary of Adjustments					
Naruc	Description	Rate Year FY2021	FY2022 Adjustment	2nd Phase FY2022	Comments
Salary & Wages	Salaries	\$16,250,923.00	\$582,013.00	\$16,832,936.00	3% Contractual Wage Increase on 7/1/21 and Estimated Step Increases.
Employee Pension & Benefits	Benefits	\$11,172,009.00	\$557,791.00	\$11,729,800.00	Fringe Benefit projected increases.
Purchased Power	Purchased Power	\$1,010,124.00	-\$3,865.00	\$1,006,259.00	Reduction in electric costs associated with solar production.
	Sand and Gravel	\$62,815.38	\$2,456.08	\$65,271.46	Projected material price increase.
	Pipe	\$8,683.63	\$1,960.12	\$10,643.75	Projected material price increase.
	Gate Valves	\$19,106.19	\$2,433.73	\$21,539.92	Projected material price increase.
	Fittings	\$76,626.98	\$9,048.66	\$85,675.64	Projected material price increase.
	Gate & Service Boxes	\$18,368.91	\$1,802.70	\$20,171.61	Projected material price increase.
	Copper	\$21,644.18	\$4,546.95	\$26,191.14	Projected material price increase.
TOTAL 62060 Materials & Supplies - T&DM			\$22,248.25		
	Digsafe & Answering Service	\$39,400.52	\$1,970.03	\$41,370.54	Projected contract price increase.
TOTAL 63650 Contractual Services Other - T&DO			\$1,970.03		
	Police Details	\$156,527.31	\$4,695.82	\$161,223.13	3 year Contractual Wage Increase for Officers (FY20 - FY23) of 3%.
TOTAL 63660 Contractual Services Other - T&DM			\$4,695.82		
	Innovyze - Potential Increase in Maintenance Costs	\$17,551.80	\$877.59	\$18,429.39	Projected contract price increase.
	Tintri SAN Storage	\$49,530.16	-\$15,000.00	\$34,530.16	Tintri SAN Storage -3 year Contract renewal 3/20. Will renew 3/23.
	Sophos UTM	\$100,000.00	-\$100,000.00	\$0.00	
	Dell RS Server Maintenance	\$0.00	\$81,250.00	\$81,250.00	Contract renewal.
	Network Switch Maintenance	\$0.00	\$28,000.00	\$28,000.00	Switch maintenance support to renew in FY22 for 3yrs.
TOTAL 63680 Contractual Services Other - A&GO			-\$4,872.41		
	Regulatory & Rate Case Expenses	\$575,550.00	\$3,515.00	\$579,065.00	
TOTAL 65080 Transportation Expenses - AG&O			\$3,515.00		
	NEWWA & Safety Training	\$28,400.00	\$12,300.00	\$40,700.00	Additional NEWWA training
	Filtered Watering Stations for Public Schools	\$150,000.00	-\$150,000.00	\$0.00	
	Association of Metropolitan Water Agencies (AMWA) renewal increase.	\$11,118.00	\$500.00	\$11,618.00	Membership price increase.
TOTAL 67580 Miscellaneous Expenses - AG&O			-\$137,200.00		
Totals			\$1,026,295.68		

PROVIDENCE WATER Docket 4994

**MULTI-YEAR RATE FILING-RATE YEAR 2
Bristol County Water Authority Data Requests - Set 1
(Issued May 21, 2021)**

BCWA 1-2: In Schedule HJS Amended Settlement-1: Cost Of Service Summary from the Settlement Agreement approved by the Commission on August 27, 2020, Providence anticipated it would incur \$305,166 for increased Property Tax Payments in FY 2022. Please provide the following:

- a. Please set forth all facts and provide all supporting data that evidences, memorializes or supports Providence's contention that it will incur this increased level of actual expense in FY 2022.
- b. Please provide documentation of the actual property tax payments Providence made in FY 2021.

RESPONSE:

Our understanding is that a previously approved step increase is not an opportunity for relitigation of the approved amount of the step increase, except for issues the Commission reserved for later examination in its Report and Order. Therefore we believe that these questions are inappropriate and objectionable. Nevertheless, in the spirit of cooperation and full disclosure, our response is as follows.

- a. Please see attached HJS-9 Adjustments to Property Tax which supports our projections for the \$305,166 increase in FY2022. However, we will not know the actual FY 2022 tax increases until we receive the actual property tax bills for FY 2022
- b. See attached general ledger file from Lawson Financial system listing all property tax payments for FYE 6/30/2021.

Schedule HJS-9: Adjustment to Property Taxes

Providence Water Supply Board

Docket # _____

Request for General Rate Relief

Direct Testimony of Harold J. Smith

Test Year Ending June 30, 2019

Rate Years Ending June 30, 2021 through 2023

Account	Description	Adjusted Test Year			Pro-Forma Rate Year (Year 1)			Pro-Forma Rate Year (Year 2)			Pro-Forma Rate Year (Year 3)		
		Test Year FY 2019	Test Year FY 19 Adj. 1	Test Year FY 19 Adj. 2	Rate Year FY 21 Adj. 1	Rate Year FY 21 Adj. 2	Rate Year FY 21 Adj. 1	Rate Year FY 22 Adj. 1	Rate Year FY 22 Adj. 1	Rate Year FY 2022	Rate Year FY 23 Adj. 1	Rate Year FY 2023	Actual FY 2020
40820	North Providence	\$ 285,488	\$ -	\$ 285,488	\$ 6,406	\$ 11,676	\$ 12,143	\$ 303,569	\$ 315,712	\$ 328,340	\$ 291,893		
40821	Glocester	\$ 67,742	\$ -	\$ 67,742	\$ 8,500	\$ 3,050	\$ 3,172	\$ 79,292	\$ 82,463	\$ 85,762	\$ 76,242		
40822	West Gloucester Fire	\$ 3,708	\$ -	\$ 3,708	\$ 701	\$ 176	\$ 183	\$ 4,585	\$ 4,769	\$ 4,959	\$ 4,409		
40823	Harmony Fire Dist.	\$ 200	\$ -	\$ 200	\$ -	\$ 8	\$ 8	\$ 208	\$ 217	\$ 225	\$ 200		
40824	Chepachet Fire Dist.	\$ 129	\$ -	\$ 129	\$ -	\$ 5	\$ 5	\$ 134	\$ 139	\$ 145	\$ 129		
40825	Scituate	\$ 6,252,460	\$ -	\$ 6,252,460	\$ 248,223	\$ 259,993	\$ 270,427	\$ 6,760,676	\$ 7,031,103	\$ 7,312,347	\$ 6,500,683		
40827	Johnston	\$ 89,354	\$ -	\$ 89,354	\$ 7,049	\$ 3,856	\$ 4,010	\$ 100,258	\$ 104,269	\$ 108,439	\$ 96,402		
40828	Foster	\$ 289,570	\$ -	\$ 289,570	\$ 10,776	\$ 12,014	\$ 12,494	\$ 312,360	\$ 324,855	\$ 337,849	\$ 300,347		
40829	Cranston	\$ 101,868	\$ -	\$ 101,868	\$ 2,395	\$ (43,198)	\$ 2,443	\$ 61,065	\$ 63,507	\$ 66,047	\$ 104,262		
40830	West Warwick	\$ 3,500	\$ -	\$ 3,500	\$ 3,229	\$ 269	\$ 280	\$ 6,988	\$ 7,278	\$ 7,569	\$ 6,729		
Total		\$ 7,094,018	\$ -	\$ 7,094,018	\$ 287,278	\$ 247,850	\$ 305,166	\$ 7,629,145	\$ 7,934,311	\$ 8,251,684	\$ 7,381,296		

(1) Increase to FY 2020 Actual

(2) 4% Maximum Statutory Increase

(3) Remove Property Taxes for Demolished Cranston Operations Center

GL Commitment Analysis Report

GL298 Date 06/10/21
Time 10:30

Company 3 Providence Water Supply Board USD
GL Commitment - Combined Detail
Periods 1 - 12
Year 2021

BCWA 2-1(b)

Acct Unit	601-000	Balance Sheet	Budget	1 FY 2021 Budget	Amount
Transaction Type Account	System Year Period	Post Date	Journal	Document/Description	Amount
Expenditures PREPAYMENTS	012610 0000 AP 2021 1	07/01/2020 N	35	13118TOWN OF FOSTER	75,403.60
Expenditures PREPAYMENTS	012610 0000 AP 2021 1	07/01/2020 N	35	31633CITY OF CRANSTON	19,392.53
Expenditures PREPAYMENTS	012610 0000 AP 2021 1	07/22/2020 N	87	40032TOWN OF GLOCESTER	19,350.25
Expenditures PREPAYMENTS	012610 0000 AP 2021 1	07/22/2020 N	87	77788WEST GLOCESTER FIRE D	4,905.12
Expenditures PREPAYMENTS	012610 0000 AP 2021 2	08/14/2020 N	37	4344TOWN OF WEST WARWICK	1,713.66
Expenditures PREPAYMENTS	012610 0000 AP 2021 2	08/14/2020 N	37	12459TOWN OF NORTH PROVIDE	65,041.79
Expenditures PREPAYMENTS	012610 0000 AP 2021 2	08/14/2020 N	37	25030TOWN OF SCITUATE	1,668,855.15
Expenditures PREPAYMENTS	012610 0000 AP 2021 2	08/14/2020 N	37	62885TOWN OF JOHNSTON	24,100.60
Expenditures PREPAYMENTS	012610 0000 AP 2021 3	09/17/2020 N	74	68406HARMONY FIRE DISTRICT	192.44
Expenditures PREPAYMENTS	012610 0000 AP 2021 3	09/28/2020 N	125	4344TOWN OF WEST WARWICK	1,713.62
Expenditures PREPAYMENTS	012610 0000 AP 2021 3	09/28/2020 N	125	13118TOWN OF FOSTER	75,403.59
Expenditures PREPAYMENTS	012610 0000 AP 2021 3	09/28/2020 N	125	25030TOWN OF SCITUATE	1,668,855.10
Expenditures PREPAYMENTS	012610 0000 AP 2021 3	09/28/2020 N	125	31633CITY OF CRANSTON	19,183.76
Expenditures PREPAYMENTS	012610 0000 AP 2021 4	10/14/2020 N	43	40032TOWN OF GLOCESTER	19,350.25
Expenditures PREPAYMENTS	012610 0000 AP 2021 4	10/14/2020 N	43	62885TOWN OF JOHNSTON	24,100.50
Expenditures PREPAYMENTS	012610 0000 AP 2021 5	11/09/2020 N	23	12459TOWN OF NORTH PROVIDE	65,025.76
Expenditures PREPAYMENTS	012610 0000 AP 2021 6	12/09/2020 N	40	31633CITY OF CRANSTON	183.21
Expenditures PREPAYMENTS	012610 0000 AP 2021 6	12/18/2020 N	89	4344TOWN OF WEST WARWICK	1,713.62
Expenditures PREPAYMENTS	012610 0000 AP 2021 6	12/18/2020 N	89	13118TOWN OF FOSTER	75,403.60
Expenditures PREPAYMENTS	012610 0000 AP 2021 6	12/18/2020 N	89	25030TOWN OF SCITUATE	1,668,855.10
Expenditures PREPAYMENTS	012610 0000 AP 2021 6	12/18/2020 N	89	31633CITY OF CRANSTON	19,184.32
Expenditures PREPAYMENTS	012610 0000 AP 2021 7	01/13/2021 N	45	40032TOWN OF GLOCESTER	19,350.25
Expenditures PREPAYMENTS	012610 0000 AP 2021 7	01/14/2021 N	47	62885TOWN OF JOHNSTON	24,100.50

GL Commitment Analysis Report

GL298 Date 06/10/21
Time 10:30

Company 3 Providence Water Supply Board USD
GL Commitment - Combined Detail
Periods 1 - 12
Year 2021

Acct Unit	601-000	Balance Sheet			Budget	1 FY 2021 Budget	Amount	
Transaction Type	Account	System	Year	Period	Journal	Document/Description	Amount	
Expenditures PREPAYMENTS	012610 0000	AP	2021	7	83	12459TOWN OF NORTH PROVIDE	65,025.76	
Expenditures PREPAYMENTS	012610 0000	AP	2021	9	88	25030TOWN OF SCITUATE	1,668,855.10	
Expenditures PREPAYMENTS	012610 0000	AP	2021	9	134	13118TOWN OF FOSTER	75,403.59	
Expenditures PREPAYMENTS	012610 0000	AP	2021	9	134	31633CITY OF CRANSTON	19,183.76	
Expenditures PREPAYMENTS	012610 0000	AP	2021	9	134	4344TOWN OF WEST WARWICK	1,713.62	
Expenditures PREPAYMENTS	012610 0000	AP	2021	10	29	40032TOWN OF GLOCESTER	19,350.25	
Expenditures PREPAYMENTS	012610 0000	AP	2021	10	29	62885TOWN OF JOHNSTON	24,100.50	
Expenditures PREPAYMENTS	012610 0000	AP	2021	11	23	12459TOWN OF NORTH PROVIDE	65,025.76	
Total Expenditures detail for Account 012610 0000 PREPAYMENTS							7,500,036.66	
Acct Unit : 601-000					Balance Sheet		Total	7,500,036.66
Company: 3 Providence Water Supply Board					Total		Total	7,500,036.66
Report Total							7,500,036.66	