

***Mary B. Shekarchi***  
**Attorney at Law**

33 College Hill Road, Suite 15-E  
Warwick, Rhode Island 02886

Phone: 401-828-5030  
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July 17, 2020

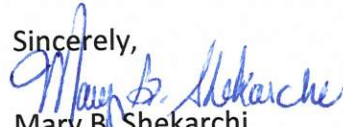
Ms. Luly Massaro, Clerk  
RI Division of Public Utilities and Carriers  
89 Jefferson Blvd.  
Warwick, RI 02888

RE: Kent County Water Authority – Docket No. 5012

Dear Ms. Massaro:

Please find enclosed herewith Kent County Water Responses to the Commission's Second Set of Data Requests in the above-referenced Docket. Thank you.

Sincerely,

  
Mary B. Shekarchi  
Attorney at Law

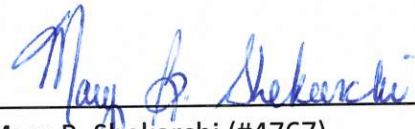
MBS/mdc  
Enclosure

Cc: Service List via electronic mail  
In Docket # 5012

STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION  
DOCKET NO. 5012

Respectfully submitted,  
Kent County Water Authority  
By its Attorney,

Dated: July 17, 2020



Mary B. Shekarchi (#4767)  
Attorney at Law  
33 College Hill Rd., Suite #15E  
Warwick, RI 02886  
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CERTIFICATION OF SERVICE

I hereby certify on this 17<sup>th</sup> day of July, 2020, I sent a copy of the within to the Parties listed on the attached service list.



**Docket No. 5012 - Kent County Water Authority – Abbreviated Rate Filing  
Service List 2/11/2020**

<b>Name/Address</b>	<b>E-mail Address</b>	<b>Phone</b>
<b>Kent County Water Authority (KCWA)</b> Mary B. Shekarchi, Esq. 33 College hill Rd., Suite 15-E Warwick, RI 02886	<a href="mailto:marybali@aol.com">marybali@aol.com</a> ;	401-828-5030
David L. Simmons, P.E. Executive Director/Chief Engineer Kent County Water Authority 1072 Main St. West Warwick, RI 02893-0192	<a href="mailto:dsimmons@kentcountywater.org">dsimmons@kentcountywater.org</a> ;	401-821-9300
David Bebyn, CPA B&E Consulting, LLC 21 Dryden Lane Providence, RI 02904	<a href="mailto:dbebyn@gmail.com">dbebyn@gmail.com</a> ;	
<b>Division of Public Utilities &amp; Carriers (Division)</b> Tiffany Parenteau, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Tparenteau@riag.ri.gov">Tparenteau@riag.ri.gov</a> ;	401-274-4400 Ext. 2218
	<a href="mailto:Chetherington@riag.ri.gov">Chetherington@riag.ri.gov</a> ;	
	<a href="mailto:John.bell@dpuc.ri.gov">John.bell@dpuc.ri.gov</a> ;	
	<a href="mailto:Al.mancini@dpuc.ri.gov">Al.mancini@dpuc.ri.gov</a> ;	
	<a href="mailto:Pat.smith@dpuc.ri.gov">Pat.smith@dpuc.ri.gov</a> ;	
	<a href="mailto:Hakeem.ottun@dpuc.ri.gov">Hakeem.ottun@dpuc.ri.gov</a> ;	
	<a href="mailto:Robert.Bailey@dpuc.ri.gov">Robert.Bailey@dpuc.ri.gov</a> ;	
	<a href="mailto:Mfolcarelli@riag.ri.gov">Mfolcarelli@riag.ri.gov</a> ;	
Jerome Mierzwa Layfayette Morgan Exeter Associates, Inc. 10480 Little Patuxent Parkway, Suite 300 Columbia, MD 21044	<a href="mailto:jmierzwa@exeterassociates.com">jmierzwa@exeterassociates.com</a> ;	
	<a href="mailto:lmorgan@exeterassociates.com">lmorgan@exeterassociates.com</a> ;	
<b>Original &amp; nine (9) copies file w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;	401-780-2107
	<a href="mailto:Cynthia.WilsonFrias@puc.ri.gov">Cynthia.WilsonFrias@puc.ri.gov</a> ;	
	<a href="mailto:Margaret.hogan@puc.ri.gov">Margaret.hogan@puc.ri.gov</a> ;	
	<a href="mailto:Alan.nault@puc.ri.gov">Alan.nault@puc.ri.gov</a> ;	
	<a href="mailto:Sharon.ColbyCamara@puc.ri.gov">Sharon.ColbyCamara@puc.ri.gov</a> ;	
Kathleen Crawley Water Resources Board	<a href="mailto:Kathleen.crawley@wrb.ri.gov">Kathleen.crawley@wrb.ri.gov</a> ;	401-222-6696

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
ABBREVIATED RATE FILING : DOCKET NO. 5012

PUBLIC UTILITIES COMMISSION'S SECOND SET OF DATA REQUESTS  
DIRECTED TO KENT COUNTY WATER AUTHORITY (KCWA)

(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-1. Did the KCWA Board approve the Settlement at a public meeting? If so, please provide a copy of the public notice and any public minutes. If not, have customers, including fire districts, of KCWA been made aware a Settlement had been executed and filed with the Commission?

RESPONSE:

See attached public notice. The Settlement Agreement was approved by the KCWA Board of Directors on July 16, 2020. The minutes of the July 16, 2020 meeting will be approved at the next board meeting being held on August 20th, 2020.

Witness responsible: David L. Simmons, P.E.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
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(Please respond no later than July 17, 2020)

- 2-2. Settlement paragraph 4 states that KCWA sought approval of new rates designed to reduce revenues in the amount of \$2,050,751 to support total operating revenue of \$23,925,096. Why does the Settlement reference Rate Year revenues at current rates (DGB-RY-1 and Joint Settlement Schedule 1.0) instead of the total expenses of \$21,894,055 on DGB-RY-1 or DGB-COS-9?

RESPONSE:

Paragraph 4 should have stated the total expenses of \$21,894,055 as this what Kent proposed in Mr. Bebyn's pre-filed testimony. The Division is in agreement with the \$21,894,055 after consulting them in preparation for the response to this data request.

Witness responsible: David G. Bebyn, CPA



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
ABBREVIATED RATE FILING : DOCKET NO. 5012

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(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-3. Referencing Joint Settlement Schedule 1.0, please add a column (summary of adjustments) to include Rate Year revenues at the rates proposed in the Settlement.

RESPONSE:

Please see attached

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
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(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-4. Please provide a schedule showing a comparison between DGB-COS-7 and Joint Settlement Schedule 8.0.

RESPONSE:

Please see attached

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
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- 2-5. Please explain the source of the differences shown in the schedule provided in response to PUC-2-4 (ex: reduction of the subsidy to fire service rates, reduction of revenue requirement, etc.).

RESPONSE:

The main difference is due to the reduction in the revenue requirement. The most notable component of the change in the revenue requirement is the removal of the meter replacement program funding which was allocated to general water rates. The next difference is the reduction in the overall reduction in the fire rates. The primary reduction to fire rates in the originally filed testimony were the additional accounts included from the addition of combined fire and domestic metered services identified as part of the Commission required (Docket#4611) investigation of fire services being provided by large and medium compound meters. Since fire was be subsidized there was an opportunity to reduce this subsidy as part of the settlement.

Witness responsible: David G. Bebyn, CPA



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

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DIRECTED TO KENT COUNTY WATER AUTHORITY (KCWA)

(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-6. Please provide a schedule, in the same format as Joint Settlement Schedule 1.0, which presents the pro forma revenues and expenses as of July 1, 2021 under the Settlement (after the bonds are paid off. (Reference paragraphs 19 and 20).

RESPONSE:

Please see attached

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
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(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-7. Referencing Joint Settlement Schedule 1.0, please explain why the O&M and R&R reserve expenses are eliminated in the Rate Year.

RESPONSE:

The funding of these two accounts were primarily the result of meeting debt service covenants. In the rate year, both of the accounts were fully funded and are no longer required once the debt is paid off the following year.

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: KENT COUNTY WATER AUTHORITY :  
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(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-8. In Order No. 23343 (Docket 4611), the Commission approved funding for a meter replacement program for small meters, funded exclusively through the small class metered water rates. Medium and large meter replacement will now be funded through the meter replacement funds already collected. In his testimony at page 10, Mr. Bebyn explains how KCWA proposed to address the inequity of one customer class subsidizing another. Was this proposal accepted in the Settlement and reflected in proposed rates?

RESPONSE:

Yes. As part of the settlement, the KCWA pre-filed model was agreed to be used to generate the settlement rates and schedules. The only modification was the reduction of the fire service subsidy as mentioned in the response to Commission 2-5.

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
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(Issued July 7, 2020)

(Please respond no later than July 17, 2020)

- 2-9. How much was included in the rate year revenue requirement for credit card/debit card or ACH fees? Where is it reflected in the schedules?

RESPONSE:

There was no adjustment made to the rate year revenue requirement for credit card/ debit card or ACH fees.

Witness responsible: David G. Bebyn, CPA

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

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- 2-10. Please provide a table that shows (1) public or private customer class (size); (2) amount to be recovered under settled rates from each; (3) amount that should be recovered from each; and (4) the difference.

RESPONSE:

Please see attached

Witness responsible: David G. Bebyn, CPA



# Agenda



# Agenda

**BOARD MEETING AGENDA**  
**July 16, 2020 – 3:30 P.M.**  
**VIRTUAL MEETING VIA**  
**VIDEO- AND TELE-CONFERENCING**

Join Zoom Meeting

Please click or type this URL into a web browser to join: <https://us02web.zoom.us/j/81129216041>

To join by Telephone call **1 312 626 6799**

Webinar ID: **811 2921 6041**

See attachment for detailed public access instructions

<u>Approval - Minutes of Meetings:</u>	Board Meeting – June 18, 2020 & Special Board Meeting – Executive Session -June 23, 2020
<u>Board Declaration</u>	Recognition and citation presentation. Retirement 44 years of service for Cindy Heard
<u>PUC Matters</u>	Board Action Abbreviated Rate Filing Docket 5012 - Settlement Agreement approval Providence Rate Filing Docket 4994-Update on settlement and wholesale rates COVID-19 Updates - Continuity of Operations -PUC Dockets 5022 and 5026
<u>Land Acquisition:</u>	May go into closed session pursuant to RIGL 42-46-5(a)5 discussions or considerations related to the acquisition or lease of real property for public purposes.
<u>Legal Counsel:</u>	CONE Receivership
<u>Director of Finance Report:</u>	Closing Report June 2020, Cash Report
<u>Point of Personal Privilege &amp; Communication:</u>	
<u>Executive Director/Chief Engineer's Report:</u>	
<u>General:</u>	Board Action Recommendation for Hire (Customer Service) –Danielle Diaz Board Action Award bid- RFP for Well Rehabilitation Services -Mishnock Board Action – Request by the Town of West Warwick to reduce meter data fees
<u>Infrastructure Projects:</u>	IFR 2016A to include Frenchtown Road Services transfer from 12AC to 16 DI Approval Task order No 3 to include Frenchtown Road in the design.
<u>Capital Projects:</u>	Water Main North/South Interconnection High Service Update East Greenwich Well - Preliminary Design Report Update

The offices of the Kent County Water Authority are handicapped accessible. Individuals requesting interpreter services for the hearing impaired must contact the offices of the Kent County Water Authority 72 hours before the meeting at 821-9300. (Telecommunications device for the hearing impaired available).

Agenda Posted July 10, 2020

1. KCWA Main Entry Office Public Bulletin Board
2. KCWA Side Entry Door Entrance
3. West Warwick Town Hall Public Bulletin Board
4. Secretary of State Website

Agenda Sent Via U.S. Post Office July 10, 2020 for Posting on Public Bulletin Board

1. City of Warwick
2. Town of Coventry
3. Town of East Greenwich
4. Town of West Greenwich
5. Town of West Warwick



## **PUBLIC MEETING ACCESS INSTRUCTIONS**

### **JULY 16, 2020 Board Meeting**

Please note that as of 4/15/2020, Governor Raimondo has issued [Executive Order 20-25 Open Meetings](#), allowing for certain public meetings to be held via phone or video conference.

Public bodies conducting meetings, as those terms are defined by OMA, are hereby relieved from the prohibitions regarding use of telephonic or electronic communication to conduct meetings, contained in Rhode Island General Laws § 42-46-5(b), and are required to make provisions to ensure public access to the meeting of the public body for members of the public through adequate, alternative means.

#### **A. MEMBERS OF THE PUBLIC**

The public can join this Zoom meeting electronically by computer, smartphone or tablet using the instructions below. If you do not have a smartphone or other electronic device capable of joining the Zoom meeting room, you may also join by telephone only.

#### Testing Computer & Audio Equipment

Attendees are encouraged to test their internet connection and audio capabilities in advance of the meeting. Please use the following link for detailed information from Zoom on how to test your equipment: <https://support.zoom.us/hc/en-us/articles/115002262083>

#### Accessing the Zoom Meeting via Computer, Tablet or Smartphone:

**Click on this link to join the meeting:** <https://us02web.zoom.us/j/81129216041>

- When prompted you will be asked to join via computer audio, or telephone. Use of computer audio is recommended, however you can also use your telephone for audio.
- When you enter the meeting room, your phone will be muted.
- You will be able to view see members and participate when called on for public comment.
- If you would like to speak when the Chairman opens the floor for public comment, use the 'raise your hand' in the Zoom platform. You will be recognized to speak and can share your comments via audio when recognized.

#### Accessing the Meeting by Telephone Only:

- If you do not have access to a device capable of accessing the internet-based Zoom meeting, you may use your telephone to join the meeting.
- **Dial this phone number to join the meeting: 1 312 626 6799**
- When prompted to enter the Meeting ID, use your phone to dial the following meeting ID:  
**Webinar ID: 811 2921 6041** When you join the meeting, your phone will be muted.

## Attachment to Comm 2-1

- If you would like to speak during public comment, dial \*9 to 'raise your hand' and you will be recognized to speak. Once recognized to speak, dial \*6 to unmute your telephone; and when done speaking \*6 to mute yourself

### Basic Troubleshooting when Speaking:

If you have been recognized to speak but cannot be heard in the Zoom meeting use the following steps to troubleshoot your computer audio, or telephone connection.

- Ensure your microphone or telephone is unmuted. For users joining the meeting in the virtual meeting room you will find your 'mute' control in the lower left-hand corner of the Zoom meeting screen. For telephone only users, dial \*6.
- If you still cannot be heard and have joined by computer audio, you may need to switch to a telephone to improve the audio connection. Click on the 'drop-down' menu located beside the 'mute' control on the screen to change your audio connection to telephone. Use the information that pops-up on the Zoom screen to join the meeting using a telephone. You will need to enter a meeting id after calling the phone number, and a participant ID.
- If you are still unable to be heard, you may need to disconnect from the Zoom meeting and rejoin. If you rejoin the meeting and still cannot speak, use the 'Q&A' function on the Zoom screen to inform the host that you cannot be heard.

### Accessing Documents:

To access any documents referenced on the agenda, please contact [customerservice@kentcountywater.org](mailto:customerservice@kentcountywater.org)

## **B. PRESENTERS, APPLICANTS & INVITED GUESTS**

Presenters, applicants, and invited guests should use the invitation provided via email to access the meeting. If you cannot find the email invitation provided to you in advance of the meeting you may join using the instructions above for public access.

Detailed of Rate Year Revenue & Expenses  
Kent County Water Authority

Attachment to Comm 2-3

Joint Settlement Schedule-1.0

Page 1 of 2

Adjusted Test Year <u>1/1/18-12/31/18</u>	Summary of Adjustments	Adjustment for rates proposed	Rate Year <u>1/1/20-12/31/20</u>	Adjustment as percent of Test Year	Adjustment Supporting Schedule
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**Revenues - (Rate Year at proposed rates)**

Service Charges	\$ 1,907,853	\$ -	\$ (22,566)	\$ 1,885,287	
Metered Rates	19,523,270	157,229	(2,877,670)	16,802,829	0.8% DGB-RY-2
Public Fire	1,788,689	0	(240,423)	1,548,267	
Private Fire	217,404	0	564,061	781,465	
Rate Revenues	<u>\$ 23,437,217</u>	<u>\$ 157,229</u>	<u>\$ (2,576,598)</u>	<u>\$ 21,017,848</u>	
Miscellaneous Income	244,795	-	0	244,795	
Interest Income	21,464	-	0	21,464	
Merchand & Jobbing	18,811	-	0	18,811	
6.9% of Water Prot Fee	45,581	-	0	45,581	
Miscellaneous	<u>\$ 330,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 330,651</u>	
Total Revenue	<u>\$ 23,767,867</u>	<u>\$ 157,229</u>	<u>\$ (2,576,598)</u>	<u>\$ 21,348,499</u>	

**Expenses**

**SOURCE OF SUPPLY**

maint of wells/supply study	\$ 19,149	\$ -	\$ -	\$ 19,149	
purchased water	4,629,127	50,065	-	4,679,192	1.1% DGB-Testimony (Page 9)
Subtotal	<u>\$ 4,648,276</u>	<u>\$ 50,065</u>	<u>\$ -</u>	<u>\$ 4,698,340</u>	

**PUMPING OPERATIONS**

fuel for pumping	\$ 24,497	\$ 265	\$ -	\$ 24,762	1.1% DGB-Testimony (Page 9)
power	795,804	8,607	-	804,411	1.1% DGB-Testimony (Page 9)
labor-pumping	88,457	-	-	88,457	
pumping expense	-	-	-	-	
maint. - structures & improv	89,053	-	-	89,053	
diesel oil	-	-	-	-	
maint. - equip	60,420	-	-	60,420	
Subtotal	<u>\$ 1,058,232</u>	<u>\$ 8,872</u>	<u>\$ -</u>	<u>\$ 1,067,104</u>	

**WATER TREATMENT**

chemicals	\$ 168,441	\$ 1,822	\$ -	\$ 170,263	1.1% DGB-Testimony (Page 9)
labor	199,893	-	-	199,893	
operating / Mishnock	70,718	-	-	70,718	
maint. - water treat equip	18,978	-	-	18,978	
maint. - structure	704	-	-	704	
Subtotal	<u>\$ 458,734</u>	<u>\$ 1,822</u>	<u>\$ -</u>	<u>\$ 460,556</u>	

**TRANS & DISTR. EXPENSE**

storage facilities exp.	\$ -	\$ -	\$ -	\$ -	
labor	25,794	-	-	25,794	
supplies	115,531	-	-	115,531	
labor-meter	56,374	-	-	56,374	
meter - supp & exp	13	-	-	13	
cust. install.	-	-	-	-	
misc.	14,332	-	-	14,332	
maint - struct. & improv.	61,616	-	-	61,616	
maint.- res & stdp	21,960	-	-	21,960	
maint. - mains	649,344	-	-	649,344	
maint. - service	155,029	-	-	155,029	
maint. - meters	150,716	-	-	150,716	
maint. - hydrants	85,649	-	-	85,649	
construction labor	(70)	-	-	(70)	
Subtotal	<u>\$ 1,336,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,336,287</u>	

**CUSTOMER ACCOUNT**

labor- meter read	\$ 118,526	\$ -	\$ -	\$ 118,526	
cust record labor	218,968	-	-	218,968	
cust records sup	103,571	-	-	103,571	
meter read supplies	2,708	-	-	2,708	
uncollectible	62,046	-	-	62,046	
Subtotal	<u>\$ 505,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 505,818</u>	

Detailed of Rate Year Revenue & Expenses

Attachment to Comm 2-3

Kent County Water Authority

Joint Settlement Schedule-1.0

Page 2 of 2

		Adjusted Test Year	Summary of	Adjustment	Rate Year	Adjustment as	Adjustment Supporting
		<u>1/1/18-12/31/18</u>	Adjustments	for rates proposed	<u>1/1/20-12/31/20</u>	percent of Test Year	Schedule
ADMIN. & GENERAL							
salaries	\$	479,217	\$ -	\$ -	\$ 479,217		
office supplies & expenses		278,498	-	-	278,498		
insurance (property/liability/wc)		278,482	-	-	278,482		
OPEB Trust Contrib.		82,715	-	-	82,715		
employee benefits		1,091,013	-	-	1,091,013		
maint. - plant		157,568	-	-	157,568		
maint. - vehicles		65,155	-	-	65,155		
miscellaneous		17,123	-	-	17,123		
vacation, holiday, sick		321,965	-	-	321,965		
regul. exp.		157,881	-	-	157,881		
outside service		97,156	-	-	97,156		
Subtotal	\$	3,026,772	\$ -	\$ -	\$ 3,026,772		
TOTAL O&M	\$	11,034,118	\$ 60,758	\$ -	\$ 11,094,876		
FIXED CHARGES							
Debt Service							
Existing	\$2,183,250	\$0	\$0	\$ 2,183,250			
New	-	-	-	-			
Reserves and Coverage							
O&M Reserve	14,185	(14,185)	-	0			Joint Settlement Schedule-1.1
R&R Reserve	132,336	(132,336)	-	(0)			Joint Settlement Schedule-1.1
Renewal & Replacement - Equip	100,000	-	-	100,000			
Infrastructure Replacement	6,000,000	-	-	6,000,000			
Meter Replacement	2,300,000	(2,300,000)	-	-			-100.0% Joint Settlement Schedule-1.1
CIP	1,453,819	-	-	1,453,819			
Payroll Taxes	175,621	-	-	175,621			
PILOT	23,123	-	-	23,123			
SUBTOTAL FIXED	\$12,382,334	(\$2,446,521)	\$0	\$9,935,813			
OPERATING REVENUE RESERVE	\$ 348,494	\$ (35,786)	\$ -	\$ 312,708			
TOTAL EXPENSES	\$ 23,764,946	\$ (2,421,550)	\$ -	\$ 21,343,396			



COMPARISON of Pre-file and settlement proposed rates  
Kent County Water Authority

Attachment to Comm 2-4

		<u>DGB-COS-7</u>		<u>Settlement Sch 8</u>	<u>\$ Change</u>	<u>% Change</u>
<b><u>METERED RATES</u></b>						
	Small (5/8-2" meters) Single Register	\$5.405		\$5.143	(\$0.262)	-4.85%
	Medium (3&4" meters) Single Register	\$5.726		\$5.471	(\$0.255)	-4.45%
	Large (6" & up meters) Single Register	\$5.261		\$5.012	(\$0.249)	-4.73%
	Medium Compound Meters with Bypass	\$5.726		\$5.471	New Rate	-4.59%
	Large Compound Meters with Bypass	\$5.261		\$5.012	New Rate	-10.61%
	Wholesale	\$3.861		\$3.739	New Rate	
<b><u>SERVICE CHARGES</u></b>						
Quarterly	5/8 & 3/4	\$15.22	\$	15.18	(\$0.040)	-0.26%
	1	\$20.31	\$	20.24	(\$0.070)	-0.34%
	1 1/2	\$29.84	\$	29.73	(\$0.110)	-0.37%
	2	\$38.10	\$	37.96	(\$0.140)	-0.37%
	3	\$48.91	\$	48.71	(\$0.200)	-0.41%
	4	\$69.89	\$	69.59	(\$0.300)	-0.43%
	6	\$116.29	\$	115.79	(\$0.500)	-0.43%
	8 & up	\$197.01	\$	196.15	(\$0.860)	-0.44%
Monthly		\$0.00	\$	-		
	5/8 & 3/4	\$10.98	\$	10.96	(\$0.020)	-0.18%
	1	\$12.68	\$	12.64	(\$0.040)	-0.32%
	1 1/2	\$15.86	\$	15.81	(\$0.050)	-0.32%
	2	\$18.61	\$	18.55	(\$0.060)	-0.32%
	3	\$22.21	\$	22.14	(\$0.070)	-0.32%
	4	\$29.20	\$	29.10	(\$0.100)	-0.34%
	6	\$44.67	\$	44.49	(\$0.180)	-0.40%
	8 & up	\$71.58	\$	71.28	(\$0.300)	-0.42%
<b><u>FIRE CHARGES</u></b>						
<u>Fire Service (per quarter)</u>						
Public	/hydrant	\$146.45		\$164.19	\$17.740	12.11%
	/bill	\$8.86		\$8.85	(\$0.010)	-0.11%
Private (per quarter)						
	4 in	\$55.43		\$66.15	\$10.720	19.34%
	6 in	\$144.13		\$175.30	\$31.170	21.63%
	8 in	\$297.12		\$363.57	\$66.450	22.36%
	10 in	\$527.24		\$646.77	\$119.530	22.67%
	12 in	\$846.18		\$1,039.26	\$193.080	22.82%
	hydrant	\$144.13		\$175.30	\$31.170	21.63%

Detailed of Rate Year Revenue & Expenses  
Kent County Water Authority

Attachment to Comm 2-6

Joint Settlement Schedule-1.0

Page 1 of 2

Adjusted Test Year <u>1/1/18-12/31/18</u>	Summary of Adjustments	Adjustment for rates proposed	Rate Year <u>once bonds are paid off</u>	Adjustment as percent of Test Year	Adjustment Supporting Schedule
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**Revenues - (Rate Year at proposed rates)**

Service Charges	\$ 1,907,853	\$ -	\$ (22,566)	\$ 1,885,287	
Metered Rates	19,523,270	157,229	(2,877,670)	16,802,829	0.8% DGB-RY-2
Public Fire	1,788,689	0	(240,423)	1,548,267	
Private Fire	217,404	0	564,061	781,465	
Rate Revenues	<u>\$ 23,437,217</u>	<u>\$ 157,229</u>	<u>\$ (2,576,598)</u>	<u>\$ 21,017,848</u>	
Miscellaneous Income	244,795	-	0	244,795	
Interest Income	21,464	-	0	21,464	
Merchand & Jobbing	18,811	-	0	18,811	
6.9% of Water Prot Fee	45,581	-	0	45,581	
Miscellaneous	<u>\$ 330,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 330,651</u>	
Total Revenue	<u>\$ 23,767,867</u>	<u>\$ 157,229</u>	<u>\$ (2,576,598)</u>	<u>\$ 21,348,499</u>	

**Expenses**

**SOURCE OF SUPPLY**

maint of wells/supply study	\$ 19,149	\$ -	\$ -	\$ 19,149	
purchased water	4,629,127	50,065	-	4,679,192	1.1% DGB-Testimony (Page 9)
Subtotal	<u>\$ 4,648,276</u>	<u>\$ 50,065</u>	<u>\$ -</u>	<u>\$ 4,698,340</u>	

**PUMPING OPERATIONS**

fuel for pumping	\$ 24,497	\$ 265	\$ -	\$ 24,762	1.1% DGB-Testimony (Page 9)
power	795,804	8,607	-	804,411	1.1% DGB-Testimony (Page 9)
labor-pumping	88,457	-	-	88,457	
pumping expense	-	-	-	-	
maint. - structures & improv	89,053	-	-	89,053	
diesel oil	-	-	-	-	
maint. - equip	60,420	-	-	60,420	
Subtotal	<u>\$ 1,058,232</u>	<u>\$ 8,872</u>	<u>\$ -</u>	<u>\$ 1,067,104</u>	

**WATER TREATMENT**

chemicals	\$ 168,441	\$ 1,822	\$ -	\$ 170,263	1.1% DGB-Testimony (Page 9)
labor	199,893	-	-	199,893	
operating / Mishnock	70,718	-	-	70,718	
maint. - water treat equip	18,978	-	-	18,978	
maint. - structure	704	-	-	704	
Subtotal	<u>\$ 458,734</u>	<u>\$ 1,822</u>	<u>\$ -</u>	<u>\$ 460,556</u>	

**TRANS & DISTR. EXPENSE**

storage facilities exp.	\$ -	\$ -	\$ -	\$ -	
labor	25,794	-	-	25,794	
supplies	115,531	-	-	115,531	
labor-meter	56,374	-	-	56,374	
meter - supp & exp	13	-	-	13	
cust. install.	-	-	-	-	
misc.	14,332	-	-	14,332	
maint - struct. & improv.	61,616	-	-	61,616	
maint.- res & stdp	21,960	-	-	21,960	
maint. - mains	649,344	-	-	649,344	
maint. - service	155,029	-	-	155,029	
maint. - meters	150,716	-	-	150,716	
maint. - hydrants	85,649	-	-	85,649	
construction labor	(70)	-	-	(70)	
Subtotal	<u>\$ 1,336,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,336,287</u>	

**CUSTOMER ACCOUNT**

labor- meter read	\$ 118,526	\$ -	\$ -	\$ 118,526	
cust record labor	218,968	-	-	218,968	
cust records sup	103,571	-	-	103,571	
meter read supplies	2,708	-	-	2,708	
uncollectible	62,046	-	-	62,046	
Subtotal	<u>\$ 505,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 505,818</u>	

Detailed of Rate Year Revenue & Expenses

Attachment to Comm 2-6

Kent County Water Authority

Joint Settlement Schedule-1.0

Page 2 of 2

Adjusted Test Year <u>1/1/18-12/31/18</u>	Summary of Adjustments	Adjustment for rates proposed	Rate Year <u>once bonds are paid off</u>	Adjustment as percent of Test Year	Adjustment Supporting Schedule
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ADMIN. & GENERAL

salaries	\$ 479,217	\$ -	\$ -	\$ 479,217	
office supplies & expenses	278,498	-	-	278,498	
insurance (property/liability/wc)	278,482	-	-	278,482	
OPEB Trust Contrib.	82,715	-	-	82,715	
employee benefits	1,091,013	-	-	1,091,013	
maint. - plant	157,568	-	-	157,568	
maint. - vehicles	65,155	-	-	65,155	
miscellaneous	17,123	-	-	17,123	
vacation, holiday, sick	321,965	-	-	321,965	
regul. exp.	157,881	-	-	157,881	
outside service	97,156	-	-	97,156	
Subtotal	\$ 3,026,772	\$ -	\$ -	\$ 3,026,772	
TOTAL O&M	\$ 11,034,118	\$ 60,758	\$ -	\$ 11,094,876	

FIXED CHARGES

Debt Service

Existing	\$2,183,250	(\$2,183,250)	\$0	\$ -	
New	-	-	-	-	
Reserves and Coverage	-	-	-	-	
O&M Reserve	14,185	(14,185)	-	0	
R&R Reserve	132,336	(132,336)	-	(0)	
Renewal & Replacement - Equip	100,000	-	-	100,000	
Infrastructure Replacement	6,000,000	-	-	6,000,000	
Meter Replacement	2,300,000	(2,300,000)	-	-	
CIP	1,453,819	2,183,250	-	3,637,069	
Payroll Taxes	175,621	-	-	175,621	
PILOT	23,123	-	-	23,123	
SUBTOTAL FIXED	\$12,382,334	(\$2,446,521)	\$0	\$9,935,813	

Joint Settlement Schedule-1.1

Joint Settlement Schedule-1.1

-100.0% Joint Settlement Schedule-1.1

OPERATING REVENUE RESERVE	\$ 348,494	\$ (35,786)	\$ -	\$ 312,708	
TOTAL EXPENSES	\$ 23,764,946	\$ (2,421,550)	\$ -	\$ 21,343,396	

REVENUE RECONCILLIATION FROM  
PUBLIC AND PRIVATE FIRE CUSTOMER CLASS (BY SIZE)  
 Kent County Water Authority

Attachment to Comm 2-10

Service Charge:		<----- Proposed Settlement----->			<----- No Subsidy ----->			<----- Difference ----->			
Fire Protection:											
Public Hydrants	2,357.00	\$164.19	\$	1,547,983	\$192.62	\$	1,816,021	\$28.43	\$	268,038	
# bills	32.00	\$8.85	\$	283	\$8.85	\$	283	\$0.00	\$	-	
Private Fire Protection									\$0.00	\$	-
4 in	97.00	\$66.15	\$	25,666	\$71.31	\$	27,668	\$5.16	\$	2,002	
6 in	200.00	\$175.30	\$	140,240	\$190.28	\$	152,224	\$14.98	\$	11,984	
8 in	84.00	\$363.57	\$	122,160	\$395.48	\$	132,881	\$31.91	\$	10,722	
10 in	17.00	\$646.77	\$	43,980	\$704.15	\$	47,882	\$57.38	\$	3,902	
12 in	1.00	\$1,039.26	\$	4,157	\$1,131.95	\$	4,528	\$92.69	\$	371	
hydrant	635.00	\$175.30	\$	445,262	\$190.28	\$	483,311	\$14.98	\$	38,049	