

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

IN RE: KENT COUNTY WATER AUTHORITY  
MOTION TO PASSTHROUGH WHOLESALE  
RATE INCREASE

DOCKET NO. 3181

**ORDER**

WHEREAS, On June 30, 2000, the Providence Water Supply Board (“PWSB”) filed an application with the Public Utilities Commission (“Commission”) seeking to implement new rates designed to generate additional operating revenue requirements in the amount of \$5,412,622<sup>1</sup>; and

WHEREAS, The PWSB’s application included a proposed wholesale rate increase which, if approved by the Commission, would raise the PWSB’s wholesale rate from \$945 per million gallons to \$1,188 per million gallons; and

WHEREAS, On August 10, 2000, the Kent County Water Authority (“KCWA”) filed an application pursuant to R.I.G.L. Section 39-3-38.1, seeking to pass through to its ratepayers any wholesale rate increase resulting from the PWSB’s rate filing; and

WHEREAS, KCWA’s application stated that PWSB’s proposed wholesale rate, if approved as filed by the Commission, would increase the annual purchased water expense of KCWA to approximately \$634,000; and

WHEREAS, On December 4, 2000, a Stipulation/Settlement<sup>2</sup> (“Stipulation”) was entered in Docket No. 3163 whereby KWCA, a signatory to the Stipulation, agreed to a wholesale rate of \$1,017 per million gallons; and

WHEREAS, On December 5, 2000, KCWA filed revised rates and supporting calculations reflecting the PWSB's new wholesale rates per the Stipulation; and

WHEREAS, On December 6, 2000, after examination, the Division of Public Utilities and Carriers ("Division") filed a memorandum indicating that it had reviewed the calculation of the KCWA's amended pass through rates, and found them to be accurate and reasonable; and

WHEREAS, The Commission finds that the KCWA is entitled to pass through the aforementioned increase in wholesale rates; and

WHEREAS, The Commission finds that the KCWA's compliance tariff filing is reasonable and appropriate for recovering the increased wholesale purchased water expense of \$187,849;

Accordingly, it is

(16527) ORDERED:

1. That the motion to pass through the wholesale rate increase filed by the Kent County Water Authority on August 10, 2000 is hereby approved.
2. That the revised tariffs filed by KCWA on December 5, 2000 hereby approved for consumption on and after January 1, 2001. The revised tariffs are attached hereto and incorporated by reference<sup>3</sup>.

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<sup>1</sup> Docket No. 3163.

<sup>2</sup> Stipulation/Settlement was approved at open meeting held on December 6, 2000.

<sup>3</sup> Appendix 1.

EFFECTIVE AT PROVIDENCE, RHODE ISLAND ON DECEMBER 6, 2000,  
PURSUANT TO OPEN MEETING DECISION. WRITTEN ORDER ISSUED ON  
FEBRUARY 9, 2001.

PUBLIC UTILITIES COMMISSION

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Elia Germani, Chairman

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Kate F. Racine, Commissioner

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Brenda K. Gaynor, Commissioner