

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NARRAGANSETT BAY COMMISSION :
ABBREVIATED RATE APPLICATION : DOCKET NO. 3409

ORDER

WHEREAS, On December 21, 2001, the Narragansett Bay Commission (“NBC”) filed an abbreviated application with the Rhode Island Public Utilities Commission (“Commission”) seeking an increase in its existing rate schedules, effective January 21, 2002. The rate increase was suspended by the Commission at an open meeting on January 11, 2002.

WHEREAS, NBC’s abbreviated rate filing was designed to generate total annual revenues in the amount of \$45,467,359. This request, if granted, would increase NBC’s current total annual revenues by \$8,834,420 or by 24.1%. To achieve this revenue increase, NBC proposed to increase its rates for wastewater service by a uniform or across-the-board increase of 24.9 %.

WHEREAS, On March 11, 2002, the Division of Public Utilities and Carriers (“Division”) filed its Direct Testimony. The Division’s position was that NBC had a total revenue requirement of \$45,467,359, and supported an increase in total annual revenues of \$8,834,420 or 24.1%. In addition, the Division recommended the inclusion of an increase in the connection permit fees and BOD/TSS surcharges so that rates for waste water service would increase by 24.8% across-the-board.

WHEREAS, Following public notice, on April 16 and 17, 2002, the Commission conducted public hearings on NBC's abbreviated rate application at its offices at 89 Jefferson Boulevard, Warwick, RI.

WHEREAS, At an open meeting on June 6, 2002, the Commission reviewed the evidence presented and approved NBC's abbreviated rate application, as modified by the inclusion of an increase in the connection permit fees and BOD/TSS surcharges so that rates for waste water service would increase by 24.8% across-the-board. The Commission determined that, as so modified, the rate application was just, reasonable and in the best interests of the ratepayers.¹

Accordingly, it is

(17200) ORDERED:

1. The general rate increase filed by NBC on December 21, 2001, as modified by the inclusion of an increase in the connection permit fees and BOD/TSS surcharges allowing rates for waste water service to increase by 24.8%, is hereby approved.

¹ This Order is being issued to implement NBC's abbreviated rate application. A full Report and Order to address all issues raised in the filing and during the hearing will follow.

EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN MEETING DECISION ON JUNE 6, 2002. WRITTEN ORDER ISSUED OCTOBER 18, 2002.

PUBLIC UTILITIES COMMISSION

Elia Germani, Chairman

Kate F. Racine, Commissioner

Brenda K. Gaynor, Commissioner