

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

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

DOCKET NO. 3453

**ORDER**

WHEREAS, On July 1, 2002, the Providence Water Supply Board (“Providence Water”) 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 \$5,448,798<sup>1</sup>; and

WHEREAS, Providence Water’s application included a proposed wholesale rate increase which, if approved by the Commission, would raise Providence Water’s wholesale rate from \$1,017 per million gallons to \$1,153.12 per million gallons; and

WHEREAS, On August 1, 2002, the Kent County Water Authority (“KCWA”) filed an Amended Motion pursuant to R.I.G.L. Section 39-3-38.1, seeking to pass through to its ratepayers any wholesale rate increase resulting from Providence Water’s rate filing; and

WHEREAS, KCWA’s application stated that Providence Water’s proposed wholesale rate, if approved as filed by the Commission, would increase the annual purchased water expense of KCWA to approximately \$384,953; and

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<sup>1</sup> Docket No. 3446.

WHEREAS, On November 14, 2002, a Stipulation/Settlement<sup>2</sup> (“Stipulation”) was entered in Docket No. 3446 whereby KWCA, a signatory to the Stipulation, agreed to a wholesale rate of \$1,132.89 per million gallons; and

WHEREAS, On or about November 6, 2002, KCWA filed revised rates and supporting calculations reflecting the Providence Water’s new wholesale rates per the Stipulation; and

WHEREAS, On December 13, 2002, after examination, the Division of Public Utilities and Carriers ("Division") filed a memorandum indicating that it had reviewed the calculation of KCWA’s amended pass through rates, and found them to be accurate and reasonable; and

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

WHEREAS, The Commission finds that KCWA’s compliance tariff filing is reasonable and appropriate for recovering the increased wholesale purchased water expense of \$327,742;

Accordingly, it is

(17345) ORDERED:

1. That the amended motion to pass through the wholesale rate increase filed by the Kent County Water Authority on August 1, 2002 is hereby approved.
2. That the revised tariffs filed by KCWA on or about November 6, 2002, hereby approved for consumption on and after January 1, 2003. The revised tariffs are

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<sup>2</sup> Settlement in Docket No. 3446 was approved at open meeting held on December 4, 2002.

attached hereto and incorporated by reference<sup>3</sup>.

EFFECTIVE AT WARWICK, RHODE ISLAND ON DECEMBER 20, 2002,  
PURSUANT TO AN OPEN MEETING DECISION. WRITTEN ORDER ISSUED ON  
JANUARY 23, 2003.

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

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<sup>3</sup> Appendix 1.