

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

IN RE: NARRAGANSETT BAY COMMISSION

DOCKET NO. 4890

AMENDED SETTLEMENT AGREEMENT

I. INTRODUCTION

The Narragansett Bay Commission (hereinafter “NBC”) and the State of Rhode Island Division of Public Utilities and Carriers (hereinafter “Division”) have reached an agreement on NBC’s rate application filed on October 10, 2018. Thus, the Division and NBC jointly request that the State of Rhode Island Public Utilities Commission (hereinafter “Commission”) approve this Amended Settlement Agreement, pursuant to the Commission’s decision at an Open Meeting on June 12, 2019.

II. RECITALS

1. On October 10, 2018, NBC filed a rate application pursuant to R.I.G.L § 39-3-11 and Part II of the Commission’s Rules of Practice and Procedure.
2. NBC’s proposed rates were designed to collect \$6,388,424 of additional revenue that would increase total rate year revenue to \$107,249,751. This represented an increase over the adjusted test year revenue of 6.33%. For an average residential customer, using 150 gallons of water per day, the request would have resulted in a \$26.63 increase in their annual bill from \$491.48 to \$518.11. The impact of the rate increase on all other customers would have varied depending on the customer’s classification and consumption.
3. NBC filed testimony and schedules from the following witnesses in support of its application:

- a. Harold J. Smith, Vice President, Raftelis Financial Consultants, Inc. (Direct Testimony and Rebuttal Testimony);
 - b. Kathryn Kelly, CSO Program Manager, Narragansett Bay Commission (Direct Testimony);
 - c. Kerry M. Britt, Pretreatment Manager, Narragansett Bay Commission (Direct Testimony); and,
 - d. Karen L. Giebink, Chief Financial Officer, Narragansett Bay Commission (Rebuttal Testimony).
4. NBC's request for additional revenues was primarily driven by the following factors:
 - a. Decreased consumption;
 - b. Updates to the number of non-residential meters and residential dwelling units;
 - c. Updates to miscellaneous revenues;
 - d. Increased salaries and fringe benefits;
 - e. The impact of NBC's renewable energy projects and increases to electricity rates;
 - f. Increased biosolid disposal and regulatory expenses; and,
 - g. An increase to the NBC's operating reserve.
5. On October 31, 2018, the Commission issued a procedural schedule that set a December 7, 2018 deadline for intervention. As of that date, no parties had moved to intervene.
6. Following the NBC's initial filing, the Division began investigating NBC's proposed rate increase with assistance from its staff and outside expert consultant.
7. On February 24, 2019, the Division filed the direct testimony and schedules of Ralph Smith, CPA, Senior Regulatory Consultant at Larkin & Associates, PLLC, and suggested an increased revenue requirement of \$4,783,146 based on number of proposed adjustments to NBC's rate application in the following categories:

- a. Consumption;
 - b. Dwelling units;
 - c. Miscellaneous revenues;
 - d. Environmental enforcement revenues;
 - e. Capacity charge fees;
 - f. Biosolid disposal expense;
 - g. Overtime expense;
 - h. Payroll tax expense;
 - i. REC revenues;
 - j. Repair and maintenance expense;
 - k. Worker's compensation insurance expense; and,
 - l. Operating allowance.
8. The Division also disagreed with NBC's request for a collection posting notice fee.
 9. On February 4, 2019, the Rhode Island Treasurer and the George Wiley Center filed motions to intervene out of time. The Rhode Island Treasurer also filed direct testimony, and the George Wiley Center's attorney filed written comments. The submissions filed by the Rhode Island Treasurer and the George Wiley Center addressed issues related to the affordability of sewer treatment charges for low-income residents in the NBC service area, but did not specifically address NBC's requests for revenues to meet its proposed expenses.
 10. On February 20, 2019, the Providence Apartment Association filed a motion to intervene out of time.
 11. On February 28, 2019, the Commission granted the motions to intervene out of time filed by the Rhode Island Treasurer and the George Wiley Center.
 12. On March 19, 2019, the Commission granted the Providence Apartment Association's motion to intervene out of time on the condition that the attorney,

whose name appeared on the motion, certified in writing that he represented the Providence Apartment Association and would act as its attorney in this docket.

13. No such certification was ever filed with the Commission on behalf of the Providence Apartment Association.
14. On April 10, 2019, NBC filed its rebuttal testimony and schedules.
15. NBC accepted certain Division adjustments including those to capacity fee revenue, PUC Assessment expense, overtime expense, RECs generated by the Field's Point wind turbines, and UV disinfection expense.
16. However, NBC continued to disagree with some adjustments suggested by the Division, including consumption, environmental enforcement fund revenue, biosolid disposal expense, REC revenue, repair and maintenance expense, and worker's compensation insurance. NBC also continued to request a collections posting notice fee.
17. In addition, NBC proposed a number of new adjustments based on expenses that came to NBC's attention after it filed its direct testimony. These new adjustments included expenses for screening and grit, maintenance contracts, electricity, and chemicals.
18. NBC's rebuttal sought to collect \$6,744,299 of additional revenue, which would increase its total rate year revenue to \$107,574,553.
19. On May 9, 2019, the Division filed the surrebuttal testimony and schedules of Ralph Smith, which accepted many of NBC's expenses, but also set forth additional adjustments.

20. The Division withdrew its adjustments regarding consumption and Environmental Enforcement Fund Revenue. In addition, the Division made adjustments to screening and grit, maintenance contracts, electricity, gas, net metering credits, power purchase agreements, industrial consumption revenue, flat fee revenue for residential customers, revenue for a new large industrial customer, biosolid disposal expense, REC revenue, chemicals, buildings repair and maintenance, and workers compensation insurance.
21. The Division's surrebuttal adjustments resulted in a \$6,631,559 revenue increase for a total rate year revenue of \$107,159,162.
22. In addition, the Division continued to disagree with NBC's request for a Collection Posting Notice Fee.
23. Following the submission of the Division's surrebuttal testimony, the Division and NBC engaged in settlement discussions.
24. During these discussions, the Division and NBC agreed to several additional adjustments that resulted in a net reduction of the amounts set forth in the Division's surrebuttal position:
 - a) Flat Fee Residential Revenues – NBC discovered that residential wells were inadvertently omitted from the user charge calculation and residential flat fees. This increased revenues by \$148,256 over the Division's surrebuttal figure of \$27,050,793. Thus, the flat fee residential revenue increased to \$27,199,049.

- b) Health Insurance – NBC received notice that the rate year health insurance expense will be lower than projected. Thus, the rate year amount is reduced by \$249,305.
- c) Fuel-Gas– NBC and the Division agreed that the expense for Fuel-Gas should remain at the level set forth in NBC’s rebuttal (\$338,381), and not increased to the amount in the Divisions’ surrebuttal (\$682,226). This leads to a reduction of \$343,845 in the Division’s surrebuttal rate year expense.
- d) Electricity – NBC and the Division agreed that the Division’s surrebuttal electricity expense of \$3,839,356 should be increased by \$391,475 to a total rate year expense of \$4,230,831. This is a reduction of \$218,555 from NBC’s rebuttal position of \$4,449,386.
- e) NBC and the Division agreed that the overall settlement will result in NBC collecting \$6,278,603 of additional revenue that will increase total rate year revenue to \$106,954,460.

25. On May 17, 2019, NBC and the Division submitted a fully executed Settlement Agreement to the Commission for its review and approval.

26. On May 23, 2019, the Commission conducted a public hearing to examine the May 17, 2019 Settlement Agreement submitted by NBC and the Division.

27. On June 12, 2019, the Commission held an Open Meeting at which time it voted unanimously to approve four revisions to the May 17, 2019 Settlement Agreement:

- a. An update the settlement to include the rate year expenses based on actual bids for Hypochlorite (\$588,212) and Bisulfite (\$418,145) as set forth in NBC's response to Commission Hearing Record Request 1.
- b. An Update to NBC's electricity expense using the actual bid price in NBC's response to Commission Hearing Record Request 10 as applied against a two-year average – FY 2018 actual (28,407,699) and the kWh set forth in NBC Record Request 10 (31,402,077) – for kWh purchased, which results in a rate year electricity expense of \$4,074,708.
- c. An update to the Operating Allowance to remove personnel costs from the calculation of the Operating Allowance, which results in a total Operating Allowance of \$280,707.
- d. An update to the rate case expense using the actual rate case expense for this Docket in the amount of \$242,987. The three-year amortization of the rate case expense results in an increase to Regulatory Expense of \$30,996.

28. Following the Commission's decision at the June 12, 2019 Open Meeting, NBC and the Division agreed to the revisions requested by the Commission as set forth above.

29. In settlement discussions and in reaching this Amended Settlement Agreement, the Division and NBC gave due consideration to the testimony, exhibits, schedules, data requests from both the Division and Commission, NBC's data

responses, the Commission's decision at the June 12, 2019 Open Meeting and other documentation in this Docket and agreed to an amended comprehensive settlement that resolves all issues relating to NBC's application to increase rates.

30. The Division and NBC agree this Amended Settlement Agreement is a just and reasonable resolution of the issues in this proceeding and jointly request its approval by the Commission.

III. TERMS OF SETTLEMENT

31. The Division and NBC agree that the Amended Joint Settlement Schedules attached as Exhibit 1 (Schedules AJS1A – AJS12) are accurate and reflect the agreement reached in this Docket.

32. The agreed rates allow NBC to collect additional operating revenue in the amount of \$5,918,237 to support a total cost of service of \$106,594,096.

33. This increase results in a 5.88% increase in total revenue. For an average residential customer, using 150 gallons of water per day, this Amended Settlement results in a \$24.83 increase in their annual bill from \$491.48 to \$516.30. The impact of the rate increase on all other customers will vary depending upon the customer's classification and consumption.

34. NBC withdraws, without prejudice, its request for a Collections Posting Notice Fee.

IV. EFFECT OF SETTLEMENT

35. This Amended Settlement Agreement is a negotiated agreement. The Division and NBC conducted the discussions that produced this Amended Settlement

Agreement with the explicit understanding that all offers of settlement and discussion relating thereto are, and shall be, privileged, shall be without prejudice to the position of any party or participant presenting such offer or participating in any such discussion, and are not to be used in any manner in connection with these or any other proceedings.

36. The terms of this Amended Settlement Agreement shall not be construed as an agreement to any matter of fact or law beyond the terms hereof. By entering into this Amended Settlement Agreement, matters or issues other than those explicitly identified in this agreement have not been settled upon or conceded by any party to this Amended Settlement Agreement, and nothing in this Amended Settlement Agreement shall preclude any party from taking any position in any future proceeding regarding settled or unsettled matters.

37. This Amended Settlement Agreement is the product of negotiation and compromise. The making of this Amended Settlement Agreement does not establish any principle or precedent. This Amended Settlement Agreement shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation.

38. If the Commission rejects this Amended Settlement Agreement, or modifies any provision herein, this Amended Settlement Agreement shall be deemed withdrawn and shall be null and void in all respects.

IN WITNESS WHEREOF, the Parties agree that this Amended Settlement Agreement is reasonable, in the public interest, in accordance with applicable law and

regulatory policy, and is executed by their respective representatives, each being authorized to do so.

Dated this 14th day of June, 2019.

THE NARRAGANSETT BAY COMMISSION
By its Attorney,



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Dated this 14th day of June, 2019.

STATE OF RHODE ISLAND DIVISION
OF PUBLIC UTILITIES AND CARRIERS,
By its Attorney,



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ADJUSTED JOINT SETTLEMENT TEST YEAR AND RATE YEAR

Account Number	Account Description	Adjusted Test Year 6/30/18	Summary of Adjustments	Settlement Rate Year
Revenue				
41000	Flat Fees Residential	\$ 26,992,885	\$ 206,164	\$ 27,199,049
41100	Consumption Fee - Residential	29,937,010	(291,760)	29,645,250
41501 41502	Flat Fees Commercial/Industrial	14,855,924	(309,040)	14,546,884
41510	Consumption Fee - Commercial	24,751,931	(81,235)	24,670,696
41511	Consumption Fee - Industrial	2,222,684	61,522	2,284,206
42000	Pretreatment Fees	1,066,370	(1,003,570)	62,800
42500	Connection Permit Fees	123,319	(79,739)	43,580
	Capacity Charge	-	128,800	128,800
42599	Real Estate Closing Fee	204,120	-	204,120
42600	Abatement Application Fee	6,720	-	6,720
42602	Returned Check Fee	20,670	-	20,670
42603	Collection Posting Notice Fee	-	(0)	(0)
42604, 42605, 42606	REC Income	152,339	266,990	419,329
43500	Septage Income	333,037	-	333,037
45100	Interest Income Revenue	136,230	-	136,230
45200	Interest Income O & M	63,177	-	63,177
45500	Late Charge Penalty	796,362	-	796,362
46500	Environmental Enforcement	-	-	-
49000	Discounts Earned	4,743	-	4,743
49002	Miscellaneous Income	30,733	-	30,733
49003	Rental Revenue	79,475	-	79,475
TOTAL REVENUE		\$ 101,777,729	\$ (1,101,870)	\$ 100,675,859
Revenue Requirement				
Operation & Maintenance Expense				
PERSONNEL SERVICES				
52100	Union - Regular	\$ 5,837,666	\$ 439,795	6,277,461
52150	Union Overtime	585,669	25,231	610,900
52300	Non-Union Regular	9,937,147	503,068	10,440,215
52350	Non-Union Overtime	167,974	14,527	182,501
52400	Non-Union Limited	19,209	972	20,181
52800	Union Pension	1,598,937	120,460	1,719,397
52810	FICA	1,192,404	128,587	1,320,991
52820	Unemployment	15,353	-	15,353
52920	Non Union Pension	1,010,512	53,175	1,063,687
52940	Union Retirement Health	348,509	68,942	417,451
52950	Health Insurance	3,934,797	223,909	4,158,706
52970	Dental Insurance	294,725	-	294,725
52980	Vision Insurance	45,532	-	45,532
52990	Disability Insurance	40,901	-	40,901
TOTAL PERSONNEL SERVICES		\$ 25,029,335	\$ 1,578,666	\$ 26,608,001
59000	Salary Reimbursement	(1,025,156)	(51,899)	(1,077,055)
59001	Fringe Reimbursement	(546,081)	(27,645)	(573,726)
NET PERSONNEL SERVICES		\$ 23,458,098	\$ 1,499,122	\$ 24,957,220
OPERATING SUPPLIES/EXPENSES				
52610	Medical Services	\$ 9,328	\$ -	9,328
53200	Bad Debt Expense	97,396	-	97,396
53210	Postage	392,555	4,840	397,395
53240	Dues & Subscriptions	56,310	-	56,310
53250	Freight	46,775	-	46,775
53310	Printing & Binding	134,638	-	134,638
53320	Advertising	8,752	-	8,752
53330	Rental- Equipment	13,594	-	13,594
53340	Rental- Clothing	22,783	-	22,783
53350	Rental-Outside Property	13,441	-	13,441
53360	Miscellaneous Expense	4,956	-	4,956
53370	Public Outreach Education	42,358	-	42,358
53380	Environmental Enforcement Fund	-	-	-
53410	Local Travel	1,737	-	1,737
53420	Long Distance Travel	66,979	-	66,979
53470	Building & Ground Maintenance	222,421	46,708	269,129
53480	Biosolids Disposal	4,731,063	753,024	5,484,087
53490	Screening & Grit Disposal	210,874	38,379	249,253
53510	Vehicle Fuel & Maintenance	191,410	-	191,410
53610	Repairs Building, Structure, Equipment	848,496	178,185	1,026,681
53620	Repair-Highway & Walks	4,528	-	4,528
53630	Maintenance Contracts	1,009,627	404,209	1,413,836
53635	Maintenance Contracts - Office Equipment	132,703	-	132,703
53640	Service Agreements	362,767	-	362,767
53650	Highway & Landscape	12,397	-	12,397
53660	Insurance	668,632	80,386	749,018
53680	Workers' Compensation Insurance	439,801	32,767	472,568

ADJUSTED JOINT SETTLEMENT TEST YEAR AND RATE YEAR

Account Number	Account Description	Adjusted Test Year 6/30/18	Summary of Adjustments	Settlement Rate Year
53690	Workers Comp. - Old Claims	-	-	-
53900	Central Phone Services	4,761	-	4,761
54000	Telephone	186,299	-	186,299
54020	Fuel Oil #2 - Diesel	22,515	-	22,515
54060	Fuel-Gas	371,847	(33,466)	338,381
54090	Electricity	3,704,375	370,333	4,074,708
54091	Net Metering Credit	(1,550,082)	(1,147,533)	(2,697,615)
54092	Field's Point Turbines	125,510	58,490	184,000
54093	WED Turbines	269,670	60,330	330,000
54095	WED PPA	155,088	930,036	1,085,124
54096	Biogas	-	-	-
54110	Water	78,619	-	78,619
54200	Clothing	28,628	-	28,628
54330	Chem, House, Laund Supp.	-	-	-
54332	Chlorine/Hypochlorite	363,657	224,555	588,212
54333	Carbon Feed	2,890	-	2,890
54335	Polymer	105,078	-	105,078
54336	Sodium Hydroxide	-	-	-
54337	Sodium Bisulfite	288,794	129,351	418,145
54338	Soda Ash	45,192	-	45,192
54339	UV Disinfection	151,801	23,199	175,000
54340	Lab Supplies	346,650	7,671	354,321
54370	Supplies Building & Maintenance	468,542	(3,075)	465,467
54410	Educational Supplies & Expense	58,745	-	58,745
54420	Computer Supplies	95,302	-	95,302
54430	Other Operating Supplies & Expense	13,253	-	13,253
54440	Safety Equipment	53,415	-	53,415
54500	Office Expense	98,465	-	98,465
57913	Lease Expense	-	-	-
57800	Bond And Note Fees	-	0	0
TOTAL OPERATING SUPP. & EXP.		\$ 15,235,336	\$ 2,158,389	\$ 17,393,725
PROFESSIONAL SERVICES				
52600	Regulatory Expense	\$ 514,986	\$ 132,850	647,836
52630	Educational Professional Services	-	-	-
52650	Security Services	32,787	-	32,787
52660	Legal Services	200,062	-	200,062
52670	Management/Audit Services	188,918	-	188,918
52680	Clerical Services	67,777	-	67,777
52690	Other Services	182,673	1	182,674
TOTAL PROFESSIONAL SERVICES		\$ 1,187,204	\$ 132,850	\$ 1,320,054
TOTAL OPERATIONS & MAINTENANCE		\$ 39,880,637	\$ 3,790,362	\$ 43,670,999
DEPRECIATION				
57500	Depreciation	\$ -	\$ -	-
TOTAL DEPRECIATION		\$ -	\$ -	-
CAPITAL OUTLAYS				
16510	Automotive Equipment	\$ 84,903	\$ (84,903)	-
16520	Building & Plant Equipment	270,842	(270,842)	-
16580	Office Furniture & Equipment	48,163	(48,163)	-
16583	Computer Software	1,271,673	(1,271,673)	-
16585	Computer Hardware	84,727	(84,727)	-
16600	Replacement Reserve	2,473,607	(2,473,607)	-
TOTAL CAPITAL OUTLAYS		\$ 4,233,915	\$ (4,233,915)	-
DEBT SERVICE				
	Debt Service	\$ 50,113,912	\$ -	50,113,912
	Debt Service Coverage	12,528,478	-	12,528,478
TOTAL DEBT SERVICE		\$ 62,642,390	\$ -	\$ 62,642,390
	Operating Allowance	246,338	34,369	280,707
	Hardship Fund	-	-	-
TOTAL REVENUE REQUIREMENT		\$ 107,003,280	\$ (409,184)	\$ 106,594,096
NET INCOME		\$ (5,225,551)	\$ (692,686)	\$ (5,918,237)

ADJUSTED JOINT SETTLEMENT TEST YEAR AND RATE YEAR

Account Number	Account Description	Test Year 6/30/2018	Test Year Adjustments	Adjusted Test Year 6/30/18	Rate Year Adjustments	NBC Rate Year 6/30/20	Rebuttal Adjustments	Rebuttal Rate Year	Division Adjustments	Division Surrebuttal Position	Settlement Adjustments	Settlement Rate Year
Revenue												
41000	Flat Fees Residential	\$ 26,231,403	\$ 761,482	\$ 26,992,885	\$ 0	\$ 26,992,885	\$ 206,164	\$ 27,199,049	\$ 57,907	\$ 27,050,793	\$ 148,256	\$ 27,199,049
41100	Consumption Fee - Residential	29,072,492	864,518	29,937,010	(291,760)	29,645,250	(1,603)	29,643,647	-	29,645,250	-	29,645,250
41501 41502	Flat Fees Commercial/Industrial	14,424,177	431,747	14,855,924	-	14,855,924	(309,040)	14,546,884	(309,040)	14,546,884	-	14,546,884
41510	Consumption Fee - Commercial	24,033,736	718,195	24,751,931	(133,965)	24,617,966	(4,277)	24,613,689	52,730	24,670,696	-	24,670,696
41511	Consumption Fee - Industrial	2,158,429	64,255	2,222,684	-	2,222,684	61,522	2,284,206	61,522	2,284,206	-	2,284,206
42000	Pretreatment Fees	1,066,370	-	1,066,370	(1,003,570)	62,800	-	62,800	-	62,800	-	62,800
42500	Connection Permit Fees	123,319	-	123,319	(79,739)	43,580	-	43,580	-	43,580	-	43,580
	Capacity Charge	-	-	-	109,550	109,550	19,250	128,800	19,250	128,800	-	128,800
42599	Real Estate Closing Fee	15,990	188,130	204,120	-	204,120	-	204,120	-	204,120	-	204,120
42600	Abatement Application Fee	2,188	4,532	6,720	-	6,720	-	6,720	-	6,720	-	6,720
42602	Returned Check Fee	20,670	-	20,670	-	20,670	-	20,670	-	20,670	-	20,670
42603	Collection Posting Notice Fee	-	-	-	213,000	213,000	-	213,000	(213,000)	(0)	-	(0)
42604, 42605, 42606	REC Income	152,339	-	152,339	270,082	422,421	(3,089)	419,332	(3,092)	419,329	-	419,329
43500	Septage Income	333,037	-	333,037	-	333,037	-	333,037	-	333,037	-	333,037
45100	Interest Income Revenue	136,230	-	136,230	-	136,230	-	136,230	-	136,230	-	136,230
45200	Interest Income O & M	63,177	-	63,177	-	63,177	-	63,177	-	63,177	-	63,177
45500	Late Charge Penalty	796,362	-	796,362	-	796,362	-	796,362	-	796,362	-	796,362
46500	Environmental Enforcement	3,400	(3,400)	-	-	-	-	-	-	-	-	-
49000	Discounts Earned	4,743	-	4,743	-	4,743	-	4,743	-	4,743	-	4,743
49002	Miscellaneous Income	30,733	-	30,733	-	30,733	-	30,733	-	30,733	-	30,733
49003	Rental Revenue	79,475	-	79,475	-	79,475	-	79,475	-	79,475	-	79,475
TOTAL REVENUE		\$ 98,748,270	\$ 3,029,459	\$ 101,777,729	\$ (916,402)	\$ 100,861,327	\$ (31,074)	\$ 100,830,253	\$ (333,724)	\$ 100,527,603	\$ 148,256	\$ 100,675,859
Revenue Requirement												
Operation & Maintenance Expense												
PERSONNEL SERVICES												
52100	Union - Regular	\$ 5,837,666	\$ -	\$ 5,837,666	\$ 439,795	\$ 6,277,461	\$ -	\$ 6,277,461	\$ -	\$ 6,277,461	\$ -	\$ 6,277,461
52150	Union Overtime	585,669	-	585,669	60,800	646,469	(35,569)	610,900	(35,569)	610,900	-	610,900
52300	Non-Union Regular	9,937,147	-	9,937,147	503,068	10,440,215	-	10,440,215	-	10,440,215	-	10,440,215
52350	Non-Union Overtime	167,974	-	167,974	8,504	176,478	6,024	182,502	6,024	182,501	-	182,501
52400	Non-Union Limited	19,209	-	19,209	972	20,181	-	20,181	-	20,181	-	20,181
52800	Union Pension	1,758,798	(159,861)	1,598,937	120,460	1,719,397	-	1,719,397	-	1,719,397	-	1,719,397
52810	FICA	1,192,404	-	1,192,404	130,848	1,323,252	(2,260)	1,320,992	(2,260)	1,320,991	-	1,320,991
52820	Unemployment	15,353	-	15,353	-	15,353	-	15,353	-	15,353	-	15,353
52920	Non Union Pension	579,166	431,346	1,010,512	53,175	1,063,687	-	1,063,687	-	1,063,687	-	1,063,687
52940	Union Retirement Health	318,478	30,031	348,509	68,942	417,451	-	417,451	-	417,451	-	417,451
52950	Health Insurance	3,934,797	-	3,934,797	473,214	4,408,011	-	4,408,011	-	4,408,011	(249,305)	4,158,706
52970	Dental Insurance	294,725	-	294,725	-	294,725	-	294,725	-	294,725	-	294,725
52980	Vision Insurance	45,532	-	45,532	-	45,532	-	45,532	-	45,532	-	45,532
52990	Disability Insurance	40,901	-	40,901	-	40,901	-	40,901	-	40,901	-	40,901
TOTAL PERSONNEL SERVICES		\$ 24,727,819	\$ 301,516	\$ 25,029,335	\$ 1,859,779	\$ 26,889,112	\$ (31,805)	\$ 26,857,307	\$ (31,806)	\$ 26,857,308	\$ (249,305)	\$ 26,608,001
59000	Salary Reimbursement	(1,025,156)	-	(1,025,156)	(51,899)	(1,077,055)	-	(1,077,055)	-	(1,077,055)	-	(1,077,055)
59001	Fringe Reimbursement	(546,081)	-	(546,081)	(27,645)	(573,726)	-	(573,726)	-	(573,726)	-	(573,726)
NET PERSONNEL SERVICES		\$ 23,156,582	\$ 301,516	\$ 23,458,098	\$ 1,780,235	\$ 25,238,331	\$ (31,805)	\$ 25,206,526	\$ (31,806)	\$ 25,206,527	\$ (249,305)	\$ 24,957,220
OPERATING SUPPLIES/EXPENSES												
52610	Medical Services	\$ 9,328	\$ -	\$ 9,328	\$ -	\$ 9,328	\$ -	\$ 9,328	\$ -	\$ 9,328	\$ -	\$ 9,328
53200	Bad Debt Expense	97,396	-	97,396	-	97,396	-	97,396	-	97,396	-	97,396
53210	Postage	392,555	-	392,555	4,840	397,395	-	397,395	-	397,395	-	397,395
53240	Dues & Subscriptions	56,310	-	56,310	-	56,310	-	56,310	-	56,310	-	56,310
53250	Freight	46,775	-	46,775	-	46,775	-	46,775	-	46,775	-	46,775
53310	Printing & Binding	134,638	-	134,638	-	134,638	-	134,638	-	134,638	-	134,638
53320	Advertising	8,752	-	8,752	-	8,752	-	8,752	-	8,752	-	8,752
53330	Rental- Equipment	13,594	-	13,594	-	13,594	-	13,594	-	13,594	-	13,594
53340	Rental- Clothing	22,783	-	22,783	-	22,783	-	22,783	-	22,783	-	22,783
53350	Rental-Outside Property	283,111	(269,670)	13,441	-	13,441	-	13,441	-	13,441	-	13,441
53360	Miscellaneous Expense	4,956	-	4,956	-	4,956	-	4,956	-	4,956	-	4,956
53370	Public Outreach Education	42,358	-	42,358	-	42,358	-	42,358	-	42,358	-	42,358
53380	Environmental Enforcement Fund	21,000	(21,000)	-	-	-	-	-	-	-	-	-
53410	Local Travel	1,737	-	1,737	-	1,737	-	1,737	-	1,737	-	1,737
53420	Long Distance Travel	66,979	-	66,979	-	66,979	-	66,979	-	66,979	-	66,979
53470	Building & Ground Maintenance	222,421	-	222,421	114,080	336,501	(67,372)	269,129	(67,372)	269,129	-	269,129
53480	Biosolids Disposal	4,731,063	-	4,731,063	599,436	5,330,499	153,588	5,484,087	153,588	5,484,087	-	5,484,087
53490	Screening & Grit Disposal	210,874	-	210,874	-	210,874	38,379	249,253	38,379	249,253	-	249,253
53510	Vehicle Fuel & Maintenance	191,410	-	191,410	-	191,410	-	191,410	-	191,410	-	191,410
53610	Repairs Building, Structure, Equipment	848,496	-	848,496	159,602	1,008,098	18,583	1,026,681	18,583	1,026,681	-	1,026,681
53620	Repair-Highway & Walks	4,528	-	4,528	-	4,528	-	4,528	-	4,528	-	4,528
53630	Maintenance Contracts	1,125,399	(115,772)	1,009,627	30,850	1,040,477	420,962	1,461,439	373,359	1,413,836	-	1,413,836
53635	Maintenance Contracts - Office Equipment	132,703	-	132,703	-	132,703	-	132,703	-	132,703	-	132,703
53640	Service Agreements	362,767	-	362,767	-	362,767	-	362,767	-	362,767	-	362,767
53650	Highway & Landscape	12,397	-	12,397	-	12,397	-	12,397	-	12,397	-	12,397
53660	Insurance	668,632	-	668,632	80,386	749,018	-	749,018	-	749,018	-	749,018
53680	Workers' Compensation Insurance	436,708	3,093	439,801	128,232	568,033	-	568,033	(95,465)	472,568	-	472,568

ADJUSTED JOINT SETTLEMENT TEST YEAR AND RATE YEAR

Account Number	Account Description	Test Year 6/30/2018	Test Year Adjustments	Adjusted Test Year 6/30/18	Rate Year Adjustments	NBC Rate Year 6/30/20	Rebuttal Adjustments	Rebuttal Rate Year	Division Adjustments	Division Surrebuttal Position	Settlement Adjustments	Settlement Rate Year
53690	Workers Comp. - Old Claims	-	-	-	-	-	-	-	-	-	-	-
53900	Central Phone Services	4,761	-	4,761	-	4,761	-	4,761	-	4,761	-	4,761
54000	Telephone	186,299	-	186,299	-	186,299	-	186,299	-	186,299	-	186,299
54020	Fuel Oil #2 - Diesel	22,515	-	22,515	-	22,515	-	22,515	-	22,515	-	22,515
54060	Fuel-Gas	371,847	-	371,847	(33,466)	338,381	-	338,381	343,845	682,226	(343,845)	338,381
54090	Electricity	3,704,375	-	3,704,375	745,011	4,449,386	-	4,449,386	(610,030)	3,839,356	235,352	4,074,708
54091	Net Metering Credit	(1,550,082)	-	(1,550,082)	(351,622)	(1,901,704)	(795,911)	(2,697,615)	(795,911)	(2,697,615)	-	(2,697,615)
54092	Field's Point Turbines	-	125,510	125,510	58,490	184,000	-	184,000	-	184,000	-	184,000
54093	WED Turbines	-	269,670	269,670	60,330	330,000	-	330,000	-	330,000	-	330,000
54095	WED PPA	155,088	-	155,088	324,177	479,265	605,859	1,085,124	605,859	1,085,124	-	1,085,124
54096	Biogas	-	-	-	-	-	-	-	-	-	-	-
54110	Water	78,619	-	78,619	-	78,619	-	78,619	-	78,619	-	78,619
54200	Clothing	28,628	-	28,628	-	28,628	-	28,628	-	28,628	-	28,628
54330	Chem, House, Laund Supp.	-	-	-	-	-	-	-	-	-	-	-
54332	Chlorine/Hypochlorite	363,657	-	363,657	3,716	367,373	86,208	453,581	86,208	453,581	134,631	588,212
54333	Carbon Feed	2,890	-	2,890	-	2,890	-	2,890	-	2,890	-	2,890
54335	Polymer	105,078	-	105,078	-	105,078	-	105,078	-	105,078	-	105,078
54336	Sodium Hydroxide	-	-	-	-	-	-	-	-	-	-	-
54337	Sodium Bisulfite	288,794	-	288,794	6,354	295,148	118,714	413,862	118,714	413,862	4,283	418,145
54338	Soda Ash	45,192	-	45,192	-	45,192	-	45,192	-	45,192	-	45,192
54339	UV Disinfection	151,801	-	151,801	41,579	193,380	(18,380)	175,000	(18,380)	175,000	-	175,000
54340	Lab Supplies	346,650	-	346,650	7,671	354,321	-	354,321	-	354,321	-	354,321
54370	Supplies Building & Maintenance	468,542	-	468,542	(3,075)	465,467	-	465,467	-	465,467	-	465,467
54410	Educational Supplies & Expense	58,745	-	58,745	-	58,745	-	58,745	-	58,745	-	58,745
54420	Computer Supplies	95,302	-	95,302	-	95,302	-	95,302	-	95,302	-	95,302
54430	Other Operating Supplies & Expense	13,253	-	13,253	-	13,253	-	13,253	-	13,253	-	13,253
54440	Safety Equipment	53,415	-	53,415	-	53,415	-	53,415	-	53,415	-	53,415
54500	Office Expense	98,465	-	98,465	-	98,465	-	98,465	-	98,465	-	98,465
57913	Lease Expense	-	-	-	-	-	-	-	-	-	-	-
57800	Bond And Note Fees	23,485	(23,485)	0	-	0	-	0	-	0	-	0
TOTAL OPERATING SUPP. & EXP.		\$ 15,266,990	\$ (31,654)	\$ 15,235,336	\$ 1,976,592	\$ 17,211,927	\$ 560,630	\$ 17,772,558	\$ 151,377	\$ 17,363,304	\$ 30,421	\$ 17,393,725
PROFESSIONAL SERVICES												
52600	Regulatory Expense	\$ 514,986	\$ -	\$ 514,986	\$ 303,287	\$ 818,273	\$ (201,433)	\$ 616,840	\$ -	\$ 616,840	\$ 30,996	\$ 647,836
52630	Educational Professional Services	-	-	-	-	-	-	-	-	-	-	-
52650	Security Services	32,787	-	32,787	-	32,787	-	32,787	-	32,787	-	32,787
52660	Legal Services	200,062	-	200,062	-	200,062	-	200,062	-	200,062	-	200,062
52670	Management/Audit Services	188,918	-	188,918	-	188,918	-	188,918	-	188,918	-	188,918
52680	Clerical Services	67,777	-	67,777	-	67,777	-	67,777	-	67,777	-	67,777
52690	Other Services	192,411	(9,738)	182,673	-	182,673	-	182,673	1	182,674	-	182,674
TOTAL PROFESSIONAL SERVICES		\$ 1,196,941	\$ (9,738)	\$ 1,187,204	\$ 303,287	\$ 1,490,491	\$ (201,433)	\$ 1,289,057	\$ 1	\$ 1,289,058	\$ -	\$ 1,320,054
TOTAL OPERATIONS & MAINTENANCE		\$ 39,620,513	\$ 260,124	\$ 39,880,637	\$ 4,060,114	\$ 43,940,750	\$ 327,392	\$ 44,268,141	\$ 119,572	\$ 43,858,889	\$ (187,890)	\$ 43,670,999
DEPRECIATION												
57500	Depreciation	\$ 16,091,344	\$ (16,091,344)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL DEPRECIATION		\$ 16,091,344	\$ (16,091,344)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL OUTLAYS												
16510	Automotive Equipment	\$ -	\$ 84,903	\$ 84,903	\$ (84,903)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16520	Building & Plant Equipment	-	270,842	270,842	(270,842)	-	-	-	-	-	-	-
16580	Office Furniture & Equipment	-	48,163	48,163	(48,163)	-	-	-	-	-	-	-
16583	Computer Software	-	1,271,673	1,271,673	(1,271,673)	-	-	-	-	-	-	-
16585	Computer Hardware	-	84,727	84,727	(84,727)	-	-	-	-	-	-	-
16600	Replacement Reserve	-	2,473,607	2,473,607	(2,473,607)	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAYS		\$ -	\$ 4,233,915	\$ 4,233,915	\$ (4,233,915)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE												
Debt Service		\$ 17,994,682	\$ 32,119,230	\$ 50,113,912	\$ -	\$ 50,113,912	\$ -	\$ 50,113,912	\$ -	\$ 50,113,912	\$ -	\$ 50,113,912
Debt Service Coverage		-	12,528,478	12,528,478	-	12,528,478	-	12,528,478	-	12,528,478	-	12,528,478
TOTAL DEBT SERVICE		\$ 17,994,682	\$ 44,647,708	\$ 62,642,390	\$ -	\$ 62,642,390	\$ -	\$ 62,642,390	\$ -	\$ 62,642,390	\$ -	\$ 62,642,390
Operating Allowance		-	246,338	246,338	412,773	659,111	4,911	664,022	(1,228)	657,883	(377,176)	280,707
Hardship Fund		-	-	-	7,500	7,500	(7,500)	-	-	-	-	-
TOTAL REVENUE REQUIREMENT		\$ 73,706,539	\$ 33,296,741	\$ 107,003,280	\$ 246,471	\$ 107,249,751	\$ 324,803	\$ 107,574,553	\$ 118,344	\$ 107,159,162	\$ (565,066)	\$ 106,594,096
NET INCOME		\$ 25,041,731	\$ -	\$ (5,225,550)	\$ -	\$ (6,388,424)	\$ (355,877)	\$ (6,744,299)	\$ (452,068)	\$ (6,631,559)	\$ 713,322	\$ (5,918,237)

ADJUSTED JOINT SETTLEMENT REVENUE BY SOURCE

Revenue Item Description	Adjusted Test Year Rates	Original Rate Year Units	Original Rate Year Revenue	Rate Year Rebuttal Units	Rebuttal Adjustment	Rebuttal Rate Year Revenue	Division Units	Division Adjustments	Division Rate Year Revenue	Settlement Rate Year Units	Settlement Adjustment	Settlement Rate Year Revenue
User Charge Revenue												
<u>Residential</u>												
Dwelling Units	\$ 225.32	119,798	\$ 26,992,885	120,055	\$ 57,907	\$ 27,050,793	120,055	\$ -	\$ 27,050,793	120,055	\$ -	\$ 27,050,793
Consumption	\$ 3.636	8,153,259	29,645,250	8,152,818	(1,603)	29,643,646	8,153,259	1,603	29,645,250	8,153,259	-	29,645,250
Residential Wells	\$ 514.78	-	-	288	148,257	148,257	61,522	(148,257)	-	288	148,256	148,257
Total Residential			\$ 56,638,135		\$ 204,561	\$ 56,842,695	\$ -	\$ (146,654)	\$ 56,696,042		\$ 148,256	\$ 56,844,299
<u>Non-Residential</u>												
Commercial and Industrial Customer Charges												
5/8"	\$ 539	3,530	\$ 1,902,670	3,465	\$ (35,035)	\$ 1,867,635	3,465	-	\$ 1,867,635	3,465	\$ -	\$ 1,867,635
3/4"	805	1,014	816,270	999	(12,075)	804,195	999	-	804,195	999	-	804,195
1"	1,339	1,216	1,628,224	1,227	14,729	1,642,953	1,227	-	1,642,953	1,227	-	1,642,953
1 1/2"	2,685	825	2,215,125	809	(42,960)	2,172,165	809	-	2,172,165	809	-	2,172,165
2"	4,288	1,229	5,269,952	1,172	(244,416)	5,025,536	1,172	-	5,025,536	1,172	-	5,025,536
3"	8,034	80	642,720	81	8,034	650,754	81	-	650,754	81	-	650,754
4"	13,387	38	508,706	37	(13,387)	495,319	37	-	495,319	37	-	495,319
6"	26,785	42	1,124,970	41	(26,785)	1,098,185	41	-	1,098,185	41	-	1,098,185
8"	42,855	16	685,680	17	42,855	728,535	17	-	728,535	17	-	728,535
10"	61,607	1	61,607	1	-	61,607	1	-	61,607	1	-	61,607
Subtotal Customer Charges			\$ 14,855,924		\$ (309,040)	\$ 14,546,884			\$ 14,546,884		\$ -	\$ 14,546,884
Commercial Consumption Charges	\$ 5.273	4,668,683	\$ 24,617,966	4,667,872	\$ (4,277)	\$ 24,613,689	4,678,683	\$ 52,730	\$ 24,670,696	4,678,683	\$ -	\$ 24,670,695
Industrial Consumption Charges	\$ 3.390	655,659	2,222,684	673,807	61,522	2,284,206	673,807	61,522	2,284,206	673,807	-	2,284,206
Total Non-Residential			\$ 26,840,650		\$ (251,795)	\$ 41,444,779	5,352,490	\$ 114,252	\$ 41,501,786	5,352,490	\$ -	\$ 41,501,785
Total User Fee Revenue Adjustments			\$ 98,334,709		\$ (47,234)	\$ 98,287,474		\$ (32,402)	\$ 98,197,828		\$ 148,256	\$ 98,346,084

Non-User Charge Revenue	Original Rate Year Revenue	Rebuttal Adjustment	Rebuttal Rate Year Revenue	Division Adjustment	Division Rate Year	Settlement Adjustment	Settlement Rate Year Revenue
Pretreatment Fees	\$ 62,800	\$ -	\$ 62,800	\$ 6,024	\$ -	\$ 62,800	\$ 62,800
Connection Permit Fees	43,580	-	43,580	-	-	43,580	43,580
Capacity Charge	109,550	19,250	128,800	-	-	128,800	128,800
Real Estate Closing Fee	204,120	-	204,120	(2,260)	-	204,120	204,120
Abatement Application Fee	6,720	-	6,720	-	-	6,720	6,720
Returned Check Fee	20,670	-	20,670	-	-	20,670	20,670
Collection Posting Notice Fee	213,000	-	213,000	(213,000)	-	-	-
REC Income*	422,421	(3,092)	419,329	-	-	419,329	419,329
Septage Income	333,037	-	333,037	-	-	333,037	333,037
Interest Income Revenue	136,230	-	136,230	-	-	136,230	136,230
Interest Income O & M	63,177	-	63,177	-	-	63,177	63,177
Late Charge Penalty	796,362	16,159	796,362	-	-	796,362	796,362
Environmental Enforcement	-	-	-	-	-	-	-
Discounts Earned	4,743	-	4,743	-	-	4,743	4,743
Miscellaneous Income	30,733	-	30,733	-	-	30,733	30,733
Rental Revenue	79,475	-	79,475	-	-	79,475	79,475
Total Non-User Charge Revenue	\$ 2,526,618	\$ 32,317	\$ 2,542,776	\$ (213,000)	\$ 2,329,776	\$ -	\$ 2,329,776

ADJUSTED JOINT SETTLEMENT CONSUMPTION RATE BASE

Consumption in HCF							
Rate Year as Filed	Adjustments	Rebuttal Rate Year	Division Adjustment	Division Rate Year	Settlement Adjustments	Settlement Rate Year	
Residential	8,153,259	(441)	8,152,818	441	8,153,259	-	8,153,259
Commercial	4,668,683	(811)	4,667,872	10,811	4,678,683	-	4,678,683
Industrial	655,659	18,148	673,807	-	673,807	-	673,807
	13,477,601	16,896	13,494,497	11,252	13,505,749	-	13,505,749

ADJUSTED JOINT SETTLEMENT FLAT FEE RATE BASE

	Rate Year as Filed	Rebuttal Adjustments	Rebuttal Rate Year
Residential			
Dwelling Units	119,798	257	120,055
Wells	70	218	288
Non-Residential			
Meter Size			
5/8"	3,530	(65)	3,465
3/4"	1,014	(15)	999
1"	1,216	11	1,227
1 1/2"	825	(16)	809
2"	1,229	(57)	1,172
3"	80	1	81
4"	38	(1)	37
6"	42	(1)	41
8"	16	1	17
10"	1	-	1
Total	7,991	(142)	7,849

ADJUSTED JOINT SETTLEMENT MISCELLANEOUS REVENUES

Revenue	Rate Year as Filed	Rebuttal Adjustment	Rebuttal Rate Year
Capacity Charge Revenue	\$ 109,550	\$ 19,250	\$ 128,800
REC Revenue (all sources)	\$ 422,421	\$ (3,089)	\$ 419,332

CAPACITY CHARGE REVENUE

Meter Size	Factor	Rate	Number of Permits	Revenue
5/8"	1.0	\$ 350	297	\$ 103,950
3/4"	1.5	525	4	2,100
1"	2.5	875	4	3,500
1 1/2"	5.0	1,750	3	5,250
2"	8.0	2,800	5	14,000
3"	15.0	5,250	0	-
4"	25.0	8,750	0	-
6"	50.0	17,500	0	-
8"	80.0	28,000	0	-
10"	115.0	40,250	0	-
		Total	313	\$ 128,800

REC REVENUE

Narragansett Bay Commission
Renewable Energy Credits (RECs)

	RECs as Filed	Rate	Rate Year Revenue	Change in Rebuttal RECs	Rebuttal RECs	Rebuttal REC Rate	NBC Rebuttal Revenue	Rebuttal Year Adjustment
42604 - Field's Point Wind Turbines	7,544	\$ 21	\$ 155,595	4	7,548	\$ 20.47	\$ 154,509	\$ (1,086)
42605 - WED Turbines								
WED 1	2,763	\$ 21	\$ 56,987		2,763	\$ 20.47	56,559	
WED 3	3,170	\$ 21	\$ 65,381		3,170	\$ 20.47	64,891	
WED 4	2,657	\$ 21	\$ 54,801		2,657	\$ 20.47	54,389	
Total 42605 - WED Turbines	8,590		\$ 177,169		8,590		175,839	\$ (1,330)
42606 - Solar PPA								
K1	1,555	\$ 21	\$ 32,072		1,555	\$ 20.47	31,831	
K2	2,792	\$ 21	\$ 57,585		2,792	\$ 20.47	57,153	
Total 42606 - Solar PPA	4,347		\$ 89,657		4,347		88,984	\$ (673)
Total RECs and REC Revenue	20,481		\$ 422,421		20,485	\$ 20.47	\$ 419,332	\$ (3,089)

2019 REC's sold Under Contract in FY 2020

Quantity	Rate		Calculation of Avg. Rate/REC		
10,000	\$ 25.00	Firm	10,000	\$ 25.00	\$ 250,000
2,000	25.00	Contingent	2,000	25.00	50,000
6,000	13.25	Firm	6,000	13.25	79,500
3,000	13.25	Contingent	3,000	13.25	39,750
21,000			Total		\$ 419,250
			Average Rate		\$ 20.47

ADJUSTED JOINT SETTLEMENT USER CHARGE CALCULATION

Projected Rate Year Revenue Requirements	\$ 106,594,096
Less: Projected Rate Year Miscellaenous Revenues	(2,329,775)
Net Revenue Requirements to be Recovered through User Charges	\$ 104,264,321

	Rebuttal Rate Year Revenue at Test Year Rates	Allocation of Pretreatment Permit Costs	Rebuttal Rate Year Revenue at Adjusted Test Year Rates	Total Necessary Rebuttal Rate Year Revenue for Sufficiency
Residential Customer Charges	\$ 27,199,049	\$ -	\$ 27,199,049	\$ 28,502,009
Residential Wells	148,257	-	148,257	155,359
Residential Consumption Charges	29,645,250	-	29,645,250	31,065,395
Commercial & Industrial Flat Fees	14,546,884	-	14,546,884	15,243,747
Commercial Consumption Charges	24,670,696	876,978	25,547,674	26,771,526
Industrial Consumption Charges	2,284,206	126,592	2,410,798	2,526,286
	\$ 98,494,341	\$ 1,003,570	\$ 99,497,911	\$ 104,264,321

Calculation of New User ChargesResidential Well Charge

Revenue to be Recovered	\$ 155,359
Annual Wells	288
Calculated Residential Customer Charge per Dwelling Unit	\$ 539.44

Residential Customer Charge

Revenue to be Recovered	\$ 28,502,009
Annual Dwelling Units	120,055
Calculated Residential Customer Charge per Dwelling Unit	\$ 237.41

Residential Consumption Charge

Revenue to be Recovered	\$ 31,065,395
Annual Billable Consumption (HCF)	8,153,259
Calculated Residential Consumption Charge per HCF	\$ 3.810

Commercial & Industrial Customer Charge

Revenue to be Recovered	\$ 15,243,747
Annual Equivalent Units	27,068
Calculated Equivalent Customer Charge	\$ 563
Calculated Customer Charge per Meter Size	
5/8"	\$ 563
3/4"	845
1"	1,408
1 1/2"	2,815
2"	4,504
3"	8,445
4"	14,075
6"	28,150
8"	45,040
10"	64,745

Commercial Consumption Charge

Revenue to be Recovered	\$ 26,771,526
Annual Billable Consumption (Hcf)	4,678,683
Calculated Commercial Consumption Charge per HCF	\$ 5.722

Industrial Consumption Charge

Revenue to be Recovered	\$ 2,526,286
Annual Billable Consumption (Hcf)	673,807
Calculated Industrial Consumption Charge per HCF	\$ 3.749

ADJUSTED JOINT SETTLEMENT RATE YEAR REVENUE PROOF WITH RATE INCREASE

Revenue Item Description	Rate Year Rates	Rate Year Units	Rate Year Revenues
User Fee Revenue			
<u>Residential</u>			
Customer Charges (per dwelling unit)	\$ 237.41	120,055	\$ 28,502,258
Residential Wells	\$ 539.44	288	\$ 155,359
Consumption Charges (per HCF)	\$ 3.810	8,153,259	31,063,917
Total Residential			\$ 59,721,533
<u>Non-Residential</u>			
Commercial and Industrial Customer Charges (per Meter Size)			
5/8"	\$ 563	3,465	\$ 1,950,795
3/4"	845	999	843,656
1"	1,408	1,227	1,727,003
1 1/2"	2,815	809	2,277,335
2"	4,504	1,172	5,278,688
3"	8,445	81	684,045
4"	14,075	37	520,775
6"	28,150	41	1,154,150
8"	45,040	17	765,680
10"	64,745	1	64,745
Subtotal Customer Charges			\$ 15,266,871
Commercial Consumption Charges (per HCF)	\$ 5.722	4,678,683	\$ 26,771,424
Industrial Consumption Charges (per HCF)	\$ 3.749	673,807	\$ 2,526,102
Total Non-Residential			\$ 44,564,398
Total User Fee Revenue			\$ 104,285,931
Non-User Fee Revenues			
Pretreatment Fees			\$ 62,800
Connection Permit Fees			43,580
Capacity Charge			128,800
Real Estate Closing Fee			204,120
Abatement Application Fee			6,720
Returned Check Fee			20,670
Collection Posting Notice Fee			-
REC Income*			419,329
Septage Income			333,037
Interest Income Revenue			136,230
Late Charge Penalty			796,362
Environmental Enforcement			-
Discounts Earned			4,743
Miscellaneous Income			30,733
Rental Revenue			79,475
Total Non-User Charge Revenue			\$ 2,329,776
Total Revenue			\$ 106,615,707
Total Revenue Requirement			\$ 106,594,096
Difference (due to rounding)			\$ 21,611

ADJUSTED JOINT SETTLEMENT ANNUAL BILL IMPACTS

	Adjusted Test Year	Proposed Rate Year	Dollar Increase	Percent Increase
<u>Residential - 73.2 Hcf</u>				
Customer Charge	\$ 225.32	\$ 237.41	\$ 12.09	5.37%
Consumption	266.16	278.89	12.74	4.79%
<i>Total: Residential - 73.2 Hcf</i>	\$ 491.48	\$ 516.30	\$ 24.83	5.05%
<u>Commercial - 244 Hcf, 5/8"</u>				
Customer Charge	\$ 539.00	\$ 563.00	\$ 24.00	4.45%
Consumption	1,286.61	1,396.17	109.56	8.52%
<i>Total: Commercial - 244 Hcf, 5/8"</i>	\$ 1,825.61	\$ 1,959.17	\$ 133.56	7.32%
<u>Commercial - 2,440 Hcf, 2"</u>				
Customer Charge	\$ 4,288.00	\$ 4,504.00	\$ 216.00	5.04%
Consumption	12,866.12	13,961.68	1,095.56	8.52%
<i>Total: Commercial - 2,440 Hcf, 2"</i>	\$ 17,154.12	\$ 18,465.68	\$ 1,311.56	7.65%
<u>Industrial - 244 Hcf, 5/8"</u>				
Customer Charge	\$ 539.00	\$ 563.00	\$ 24.00	4.45%
Consumption	827.16	914.76	87.60	10.59%
<i>Total: Industrial - 244 Hcf, 5/8"</i>	\$ 1,366.16	\$ 1,477.76	\$ 111.60	8.17%
<u>Industrial - 2,440 Hcf, 2"</u>				
Customer Charge	\$ 4,288.00	\$ 4,504.00	\$ 216.00	5.04%
Consumption	8,271.60	9,147.56	875.96	10.59%
<i>Total: Industrial - 2,440 Hcf, 2"</i>	\$ 12,559.60	\$ 13,651.56	\$ 1,091.96	8.69%

ADJUSTED JOINT SETTLEMENT CHEMICALS

Account 54332	Division Surrebuttal	Actual Rate	Settlement Adjustment
Gallons Hypochlorite	853,718	853,718	-
Rate	\$ 0.5313	\$ 0.6890	\$ 0.1577
Rate Year Expense Hypochlorite	\$ 453,580	\$ 588,212	\$ 134,632

Account 54337	Division Surrebuttal	Actual Rate	Settlement Adjustment
Gallons Bisulfite	339,956	339,956	-
Rate	\$ 1.2174	\$ 1.2300	\$ 0.0126
Rate Year Expense Bisulfite	\$ 413,862	\$ 418,145	\$ 4,283

ADJUSTED JOINT SETTLEMENT ELECTRICITY

Electricity				
Account	Division Surrebuttal Position	Adjustment Based on Avg.	Rate Year Based on Avg.	
54090	\$ 3,839,356	\$ 235,352	\$ 4,074,708	

Rate Year Electricity Rates						
Rate Year Rates	COB/WQSB	Interceptor Maintenance	Field's Point	Tunnel Pump Station	Bucklin Point	
Monthly Customer Charge	\$ 1,101	\$ 1,495	\$ 1,101	\$ 1,101	\$ 1,101	\$ 1,101
Projected Supply Rate	\$ 0.06642	\$ 0.06642	\$ 0.06642	\$ 0.06642	\$ 0.06642	\$ 0.06642
Average Delivery Rate per kwh	\$ 0.05469	\$ 0.11092	\$ 0.06515	\$ 0.06406	\$ 0.05555	\$ 0.05555
RI Gross Earnings Tax (RIGET)	\$ 0.04167	\$ 0.04167	\$ 0.04167	\$ 0.04167	\$ 0.04167	\$ 0.04167

Rate Year Electricity Use Projections kWh							
	COB/WQSB	Interceptor Maintenance	Field's Point	Tunnel Pump Station	Bucklin Point	Field's Point Turbines	Total Use
Projected FY 2019 Use	2,022,646	1,336,374	6,736,393	8,034,750	13,271,914	7,613,237	39,015,314
FY 2018 Actual	2,036,057	1,137,663	7,415,179	5,776,800	12,042,000	7,772,190	36,179,889
Average	2,029,351	1,237,018	7,075,786	6,905,775	12,656,957	7,692,714	37,597,601

Rate Year Electricity Expense Projection						
	COB/WQSB	Interceptor Maintenance	Field's Point	Tunnel Pump Station	Net Bucklin Point	Total
kWh Purchased	2,029,351	1,237,018	7,075,786	6,905,775	12,656,957	29,904,888
Fixed Annual Customer Charge	\$ 13,209.60	\$ 17,938.56	\$ 13,209.60	\$ 13,209.60	\$ 13,209.60	\$ 70,777
Supply and Delivery Composite Rate	\$ 0.1211	\$ 0.1773	\$ 0.1316	\$ 0.1305	\$ 0.1220	
Supply and Delivery	245,775	219,374	930,961	901,066	1,543,769	\$ 3,840,945
Subtotal	\$ 258,984	\$ 237,313	\$ 944,171	\$ 914,275	\$ 1,556,979	\$ 3,911,722
Rhode Island Gross Earnings Tax	10,791	9,888	39,340	38,094	64,873	162,986
with RIGET	\$ 269,775	\$ 247,201	\$ 983,511	\$ 952,369	\$ 1,621,852	\$ 4,074,708

Actual supply rate \$ 0.06642 /kWh

Adjusted Electricity Expense \$ 4,074,708

ADJUSTED JOINT SETTLEMENT RATE CASE EXPENSE

Docket 4890 Rate Case Expense - Adjustment to Account 52600

Calculation of Settlement Adjustment Prior to Rate Case Expense "True-up"		
Adjusted Test Year	\$ 514,986	A
NBC Adjustment PUC Annual Assessment	221,268	
3-year Avg. Other Rate Year Regulatory Expense	32,019	
Normalized Rate Year Expense (\$150,000/3 years)	50,000	
NBC Rate Year Request	<u>\$ 818,273</u>	
Division Adjustment - PUC Annual Assessment (Accepted by NBC in Rebuttal)	\$ (201,433)	
Settlement Agreement Amount prior to Rate Case Expense Adjustment	<u>616,840</u>	B
Settlement Adjustment prior to Rate Case Expense Adjustment (A-B)	<u><u>\$ 101,854</u></u>	
Rate Case Expense "True-up"		
Actual Expense Docket 4890		
Division	\$ 45,615	
Keough and Sweeny	35,533	
Cathedral	3,312	
Raftelis	158,527	
Total	<u>\$ 242,987</u>	
Amortized over 3 years	\$ 80,996	
Less: amortized rate case expense included in Regulatory Expense 52600	(50,000)	
Additional Adjustment for Actual Rate Case Expense	<u><u>\$ 30,996</u></u>	
Total Settlement Adjustment	<u><u>\$ 132,850</u></u>	

ADJUSTED JOINT SETTLEMENT OPERATING RESERVE

Rate Year Operations and Maintenance Expense	\$	43,670,999
less: personnel	\$	(24,957,220)
	\$	<u>18,713,779</u>
 Rate Year Operating Reserve	\$	<u><u>280,707</u></u>

CERTIFICATION

I hereby certify that on June 17, 2019, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and hand delivery.

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