



E-NEWS
A Publication of KCWA
Issue No. 16
April 2010

Shutoff For Nonpayment On The Rise

Over the past four billing periods we have seen a marked increase in delinquent accounts. Failure to make payment on your bill eventually leads to a shutoff notice and subsequent discontinuance of service. The charge for shutoff of a delinquent account is \$55.00. After payment of the delinquent amount the turn on charge is \$45.00. This amounts to an additional \$100.00 dollars added to the delinquent amount before water service can be restored to your property. It is very important that you contact us as soon as you think you may not be able to make payment within the normal 30 day grace period. At that time we can discuss options for payment and perhaps offer a onetime payment plan to get you through a tough period and avoid the shutoff and turn on charges. If you stay within your payment structure it will save you from the additional \$100.00 charge associated with the shutoff and turn on policy.

Water Legislation

2010 water legislation currently under consideration that may affect your water quality and cost of service:

- H 7131 Would repeal the cross connection legislation passed in 2007.

The current enacted legislation was approved as a measure to protect public safety by providing a preventative measure of containment control through the installation of a service connection backflow device to prevent the backflow of contaminants into the public water system.

Repeal of this law impedes the installation of necessary safeguard devices designed to protect the public health.

- H 7160 Would prevent public water suppliers from assessing hydrant/fire protection fees to municipalities that have enacted ordinances to that effect. These known and measurable costs of service would then be shifted from the municipal property tax base to the retail customer rate structure in the municipalities with such ordinances. It is unknown if each affected customer would realize an offset in the municipal property tax structure in the municipalities that enact an ordinance as this is not addressed in the current form of the proposed legislation.
- H 7226 Would prohibit the legal fees associated with a PUC rate increase request from being included in determining the rate increase.

Legal fees are a cost of doing business under the Public Utilities Commission utility administrative rate proceedings that provide oversight and transparency of the rate process for the benefit of the customers. These costs must be included in the rate review structure as it provides the only method of revenue to pay these administrative costs. It is unclear as to the intent of this proposed legislation or impact on the customer and Commission rate proceeding.

- H 7060 Would require public utilities to be responsible for any costs incurred from the relocation of utility infrastructure during public works projects.

If enacted this act would subject the utility to unknown and uncontrolled costs from obligations made by an outside entity, effectively taking away the review and transparency of the Public Utility Commission rate making process prior to the obligation of funding. Inevitably these unforeseen costs must be passed onto the customer along with the administrative costs associated with additional request for rate relief to the PUC.

Contact Your Legislators - Proposed changes in legislation seem to be always in the works. We have identified just a few that may have a significant effect on you as a public water system customer. Please feel free to contact your local Legislator if you have questions concerning water supply legislation or would like more information on the efforts of the Rhode Island Legislation in 2010.

Did You Know In 2009 Kent County Water Authority Employees:

Responded to the homes and businesses of 3,430 of its 26,500 customers upon request for assistance.

Repaired 70 underground infrastructure leaks.

Flush 400 miles of main twice this year to help maintain the quality of your drinking water.

Inspected and tested 2,200 hydrants of which 98 hydrants were either repaired or replaced.

Processed 5,300 DigSafe marking requests, requiring the marking of 37 miles of underground infrastructure.

Recorded 109,000 meter reads

Processed 108,000 customer bills, 18,000 delinquent notices and 15,000 shutoff/collections

Pumped 2.9 billion gallons of water to supply both domestic and fire service at less than $\frac{3}{4}$ of a cent per gallon.

Traveled 198,000 vehicle miles in service to our customers.

Replaced 7 miles of failing underground water mains and associated valves, services and appurtenances to improve water quality and service to our customers.

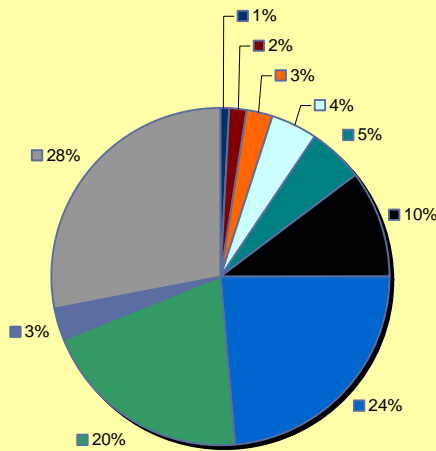
Kent County Water Authority Rate Case

On January 29, 2010 the Kent County Water authority filed a revised tariff request to the Public Utilities Commission. The revised tariff represent a general increase in rates revenue in the amount of the current revenue shortfall of \$1,460,031.00. The rate structure and all other expenditures remain consistent with the rate order for Docket # 3942 except for a purchase water expense decrease of \$360,000.00 The rate increase is necessary to contend with the realized revenue shortfall from sales that did not meet the PUC

anticipated sales projections necessary to remain solvent and continue operations within the budgetary constraint of the rate order.

Water continues to be the best deal in town. *Less than 1¢ per gallon!* No one enjoys an increase. The rate correction associated with this recent filing continues to keep the cost of water below 1 cent per gallon delivered to your home.

BUDGETED CASH DISBURSEMENTS FYE 2009



- 1% INSURANCE: Property, Liability and Workers' Compensation
- 2% TREATMENT/SERVICE MATERIALS: Chemicals, Replacement Parts, Gravel and Asphalt
- 3% ELECTRICITY: Pumps, Wells, Tanks, Pressure Control Stations and Office Facility
- 4% BENEFITS: Life, Disability, Health, Dental Insurance and Pension
- 5% OPERATIONS: Vehicle Maintenance, Customer Records Support, Legal and Accounting Fees, Regulatory Commission Expense, Fuel, PILOT, Sample Testing and Dig Safe
- 10% PAYROLL: Base Salary and Overtime
- 24% PURCHASED WATER: Wholesale Water Purchases from Providence and Warwick
- 20% BOND RESTRICTED: Debt Service -Bonds for Capital Improvement Principal and Interest Payments
- 3% RESTRICTED: Renewal and Replacement Fund, Operations and Maintenance Fund and Operating Allowance
- 28% IFR RESTRICTED: Legislatively Mandated Infrastructure Replacement Program

Design & Construction Projects Underway

KCWA is continuously making improvements to the water system to better serve you. We have a busy schedule for 2010. Below is a summary of our major projects.

Mishnock Well Field Treatment Plant - KCWA's Mishnock Wells have been offline for several years because of high levels of iron and manganese. It is anticipated that the new water treatment plant will commence construction this year. We look forward to the opportunity to once again make full use of the well field's capacity in meeting our customer's needs with a high quality state of the art treatment technology.

Mishnock Transmission Mains - The design phase for this project is currently underway. The transmission water mains are intrinsically necessary to facilitate use of the anticipated supply output from the Mishnock Well Field Treatment Plant. Construction of this infrastructure is dependent upon funding availability during this fiscal year.

Quaker Lane Pump Station Rehabilitation - The Quaker Lane Pump Station rehabilitation project is under design to increase capacity and replace its aged equipment. This will provide Kent County Water Authority with remote control and monitoring capabilities and will allow us to streamline operational costs at this station. Construction of this infrastructure is dependent upon funding availability during this fiscal year.

IFR 2009A- This project is in the final stages of construction and should be completed when final pavement occurs this fall. This project involves the replacement of approximately 22,000 linear feet of undersized and failing water mains, valves, hydrants and appurtenances throughout the KCWA system.

IFR 2009B - Is currently under design and will completely refurbish 22,000 feet of undersized, deteriorated and failing water mains. Funding availability has caused this project to be temporarily placed on hold.

IFR 2010 - Is currently under design and will completely refurbish 22,000 feet of undersized, deteriorated and failing water mains. Funding availability has caused this project to be temporarily placed on hold.

Wise Use of Water

Wise use is paramount to the viability and continued use of any natural resource. Lawn watering represents perhaps the largest demand factor to our public water supply. Most customers do not realize this until they see their bill. With the current method of quarterly billing your summer use could be an unpleasant surprise. We recommend that everyone refrain from wasteful practices. Grass will go naturally dormant during periods of dry weather and become active as precipitation increases in the fall. If you must water, only apply as much as necessary to supplement the deficit of one inch per week natural rainfall. A rain gauge is a simple tool that can be used to help ensure you do not waste money and water by over watering your lawn.

April is Fix a Leak Month

Fix a leak month is an opportunity to remind all of our customers to check their household plumbing fixtures and irrigation systems for leaks. Plumbing and irrigation system leaks waste millions of gallons of water each year. The EPA reports that on average leaks account for approximately 11,000 gallons of water wasted in the home each year. This is enough to fill a backyard swimming pool. Ten percent of homes have leaks that waste 90 gallons or more a day. Common types of leaks include:

- Leaking toilet flappers or maladjusted tank level floats
- Dripping faucets and shower heads
- Damaged or broken underground irrigation system piping
- Dripping outside hose bib

If your toilet is running constantly or intermittently sounds like it is filling chances are you have a leak. Toilet repair parts are inexpensive and made for the do-it-yourself project in mind. Replacing faucet washes, o-rings and gaskets is an inexpensive and effective repair for most leaking fixtures. All irrigation systems should be checked each spring before use to ensure the underground piping and fixtures were not damaged by frost or freezing. As we get into the warmer weather take this opportunity to check your plumbing for leaks, make repairs and save money while conserving this most precious resource. For more information on this type of initiative, please visit the EPA's Water Sense website at www.epa.gov/watersense .

Household Water Audit

How Low Can You Flow? On our website we have a brochure outlining easy steps to conduct a household water audit. A household water audit provides you with a complete understanding of the water use patterns in your household. This personal water use assessment involves simple steps to calculating water use and presents opportunities for saving water in your everyday activities.

The Household Water Audit Brochure is just one of the ways we assist our customers to conserve and save money in the process. Please visit our website and take full advantage of this easy saving process (www.kentcountywater.org). While you are on the website don't forget to look at our Wise Water Use brochure and Consumer Confidence Water Quality Report.

Construction Projects

The contractor has commenced work on the majority of the infrastructure replacement projects for this year in Coventry, East Greenwich and West Warwick. The completion stages including final paving for last year's construction projects in Cranston, East Greenwich and West Warwick will commence as weather permits this summer.

If you have any questions or comments please feel free to call our offices at 821-9300 between 8:00 a.m. and 4:00 p.m. or email us at customerservice@kentcountywater.org.

Be sure to check your mail within the next two months as you will receive our new 2009 Water Quality Report. It contains valuable information about the quality of your water.

Watch for our next issue in June.