



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS
89 Jefferson Boulevard
Warwick, Rhode Island 02888
(401) 941-4500
(401) 941-9248 - Fax

To: Ms. Stephanie De La Rosa, Commission Clerk
Public Utilities Commission

From: Joseph Drane, Chief Financial Analyst
Division of Public Utilities & Carriers

Date: July 14, 2026

Re: R.I.P.U.C. Docket No. 26-24-WW
Kent County Water Authority Pass Through Water Wholesale Rate Decrease
Compliance Filing

Introduction

On June 26, 2026, Kent County Water Authority ("KCWA") filed with the Public Utilities Commission ("Commission") a Motion to Pass Through the Providence Water Supply Board's ("PWSB") wholesale rate change, which became effective on July 1, 2026, in Docket 24-51-WW. The motion requested an effective date of August 1, 2026, and was supported by the pre-filed direct testimony and schedules of Mr. David Bebyn.

According to the filing, the Motion was submitted pursuant to Rhode Island General Laws, §39-3-38.1 which states:

Rate Adjustments – Purchase and Sales of water between regulated water supply boards. Regulated water supply boards which purchase wholesale water from another regulated water supply board may impose a retail rate increase. The total amount of the retail rate so imposed shall not exceed the amount of the wholesale rate increase. The proposed retail rate increase to be applied by the wholesale purchase shall be submitted no less than thirty (30) days prior to its effective date to the public utilities commission for its review and approval.

Summary of Filing

The purpose of KCWA's filing is to reflect, in its consumption charges, the lower purchased water costs resulting from PWSB's wholesale rate decrease. DGB Compliance – Schedule-2 shows that the lower wholesale rate results in an annual decrease of \$121,139 in purchase water costs and reduces KCWA's required revenues from consumption charges from \$16,802,428 to \$16,681,289, a decrease of 0.72%. DGB Compliance – Schedule 2 shows that the proposed rates were calculated by applying the 0.72% decrease to the current consumption rates. The following table is a comparison of the current and proposed consumption rates.

Proposed Rates Consumption Charge:	Current Rates	% Change	Proposed Rates
Small-Single Register	\$ 5.142	-0.72%	\$ 5.105
Medium-Single Register	\$ 5.465	-0.72%	\$ 5.426
Large-Single Register	\$ 5.014	-0.72%	\$ 4.978
Medium-with Bypass	\$ 5.465	-0.72%	\$ 5.426
Large-with Bypass	\$ 5.014	-0.72%	\$ 4.978
Wholesale	\$ 3.763	-0.72%	\$ 3.736

KCWA DGB Compliance - Schedule 2 Current rates vs. Proposed rates¹

The annual bill impact for a residential customer using 100 HCF per year is a decrease of \$3.70, or 0.65%, from \$573.60 to \$569.90.

The tariff pages submitted with the filing state the new rates are effective "For bills issued on or after August 1, 2026". The Division confirmed with KCWA that bills issued in July reflect only June consumption, while bills issued in August will include all July consumption. Accordingly, customers will receive the benefit of the lower consumption rates beginning July 1, 2026, which appropriately corresponds with the effective date of PWSB's wholesale rate decrease.

Conclusion and Recommendation

The Division reviewed the calculation of KCWA's proposed rates and found them to be accurate. The Division notes that the above-cited statutory provision (R.I.G.L. §39-3-38.1) explicitly references retail rate increases; however, the Division finds it is reasonable and appropriate to apply the same mechanism to pass through wholesale rate decreases to customers.

Based on its review, the Division recommends that the Commission approve the proposed consumption rates as filed.

¹ DGB Compliance-Schedule-2 pg.2