



STATE OF RHODE ISLAND

Public Utilities Commission

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Chairman Ronald T. Gerwatowski
Commissioner Marion S. Gold
Commissioner Abigail Anthony

The Honorable Joseph J. Solomon, Jr.
Chair, House Committee on Corporations
State House
Providence, RI 02903

Re: House Bill 5030 – Resolution for Review of Kent County Water and Public Utilities Commission

Dear Chair Solomon:

I am submitting the following comments on behalf of the Public Utilities Commission (PUC) on House Bill 5030, entitled, “Respectfully Requesting Rhode Island’s Attorney General to Review the Recent Increase in Water Charges by the Kent County Water Authority and the Public Utilities Commission.” We are concerned that the Resolution may reflect a misunderstanding of the role of the PUC in this matter.

First, the PUC is aware of the recent customer complaints regarding increased bills following the quarterly billing that included most of the 2020 summer months. It is important to note, however, that customer billing complaints are managed by the Division of Public Utilities and Carriers (Division). The Division has certain supervisory roles with staff that address the complaints of individual customers. The Division, rather than the PUC, has a consumer section and engineering department qualified to assist customers with their complaints. It is our understanding that the Division has been reviewing substantial information provided by Kent County Water Authority (KCWA) in an informal investigation of the issues.

Second, in contrast to the role of the Division, the PUC is a quasi-judicial agency with the primary role of reviewing and approving rates that are deemed just and reasonable based on evidence provided by the utility and other parties in rate cases. The Division participates as a party in those rate proceedings as the ratepayer advocate and the PUC acts in a role that is analogous to a judge. If there is an allegation that a utility has violated a PUC rate order, the PUC would open a proceeding to investigate, but the PUC does not initiate investigations of individual consumer billing complaints. In this case, there has been no evidence or allegation that KCWA has violated any PUC orders. While the KCWA billing dispute has been complicated, the nature of the dispute does *not* relate to the rates being charged. Rather, it relates to the calculation of bills based on disputed meter readings apparently showing larger than normal amounts of water consumption.

In fact, with respect to the rates charged, it is important to note that on September 1, 2020, the PUC approved a rate *decrease* for KCWA. In the most recent rate case, the Attorney General provided legal

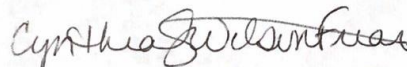
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representation for the Division in support of a Settlement Agreement entered into between the Division and KCWA and filed with the PUC. The Settlement proposed the rate decrease ultimately approved by the PUC.

Should the General Assembly pass a Resolution requesting the review by the Attorney General, we urge and respectfully request that the Resolution make clear that the nature and scope of any such review is directed at the water utility, since the high bill complaints in this instance are outside of the regulatory actions of the PUC.

Please feel free to contact me with any questions at 401-780-2147 or cynthia.wilsonfrias@puc.ri.gov.

Sincerely,



Cynthia G. Wilson-Frias
Chief of Legal Services

cc: Committee Members
Representative McNamara