

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

**IN RE: CITY OF NEWPORT, UTILITIES DEPARTMENT, WATER DIVISION  
APPLICATION TO CHANGE RATE SCHEDULES**

**DOCKET NO. 4025**

**NOTICE TO CUSTOMERS OF THE CITY OF NEWPORT, UTILITIES DEPARTMENT,  
WATER DIVISION, OF FILING AND CHANGE IN RATE SCHEDULES**

On December 9, 2008 pursuant to Rhode Island General Laws § 39-3-11 and Part II of the Public Utilities Commission's ("Commission") Rules of Practice and Procedure, the City of Newport, Utilities Department, Water Division ("Newport Water") hereby gives notice that it has filed with the Commission an application to increase its rates.

The proposed rates are designed to collect additional operating revenue in the amount of \$3,353,023 to support total cost of service of \$12,754,756. For a typical residential customer, the impact of this request will result in an increase of \$92.84 per year or 28.8% increase over current rates. The impact on all other customers will vary based on customer class and consumption. Please note that while Newport Water is requesting this revenue increase, the Commission, after full investigation and hearings, may order a different revenue requirement and rate.

No rate change will take effect until the Commission has conducted a full investigation and hearing on the proposal. The Public Utilities Commission has set a schedule of hearings on this rate filing with a Public Hearing scheduled for 7:00 PM on March 26, 2009\* in the Newport City Hall Council Chambers, 43 Broadway, Newport, Rhode Island. Ratepayers may comment on the proposed rate increases at that time. Evidentiary hearings are scheduled to commence at 9:30 AM on May 27, 2009 at the Public Utilities Commission 89 Jefferson Boulevard, Warwick, Rhode Island. The targeted decision date is June 30, 2009 with an expected implementation date of July 1, 2009.

A copy of the application is on file for examination at the Newport Water's office and at the offices of the Public Utilities Commission, 89 Jefferson Boulevard, Warwick, Rhode Island. A copy of the filing was also provided to The Town of Portsmouth, The Town of Middletown and the United States Navy. A copy was also provided to the Rhode Island Attorney General's Department, Consumer Division. Subscriber billing statements will contain notice of this filing. Some larger subscribers will receive notice in their monthly billing and others in their regular billing.

City of Newport, Utilities Department, Water Division  
70 Halsey Street  
Newport, RI 02840

\* Date change notification from PUC rec'd January 21, 2009