STATE OF RHODE ISLAND
DIVISION OF PUBLIC UTILITIES AND CARRIERS
89 JEFFERSON BOULEVARD
WARWICK, RHODE ISLAND 02888

Docket D-26-92

IN RE: REQUEST BY CITY OF NEWPORT, DEPARTMENT OF UTILITIES, WATER DIVISION FOR TEMPORARY MODIFICATION OF 815-RICR-40-00-1.3 (F)(2)

ORDER

WHEREAS: By letter dated October 13, 2026, the City of Newport, Department of Utilities, Water Division ("Newport Water") notified the Division of Public Utilities & Carriers ("Division") that it intended to implement a program to replace meter reading endpoints, restore actual readings and correct estimated bills; *and*

WHEREAS: Newport Water reported that batteries in the end points, a device attached to the meters that transmit readings to the utility, have begun failing four years earlier than the expected service life; *and*

WHEREAS: The endpoint failure cases have increased from approximately 20 per month (August 2024) to 70 per month (June 2025); *and*

WHEREAS: Most affected meters are located inside premises which then requires access by the utility; *and*

WHEREAS The failure results in estimated consumption readings for potentially many months. As of the October 2026 billing cycle, 3,289 accounts had at least one estimated reading and of these 1,100 had more than six estimated readings with 373 having twelve or more estimated readings; *and*

WHEREAS: Newport Water has developed a multi-step plan for resolving the problem, as described in its October 13, 2026 letter, attached hereto as Exhibit A; *and*

WHEREAS: Newport Water requires and seeks the following relief from 815-RICR-40-00-01, Rules for Water Utilities:

1. Modify both requirements of §1.3 (F)(2) through June 30, 2028 for accounts whose endpoints from the 2009-2011 generation is not reporting and whose first estimated bill is on or before December 31, 2027. The modification would be subject to a limit of twelve estimated bills per account, except accounts at or reaching twelve by September 30, 2027, which will require actual reading by that date.

WHEREAS: Newport Water further requests confirmation that it may bill up to three years of metered usage pursuant to 815-RICR-40-00-01-1.3 (E)(3); *and*

WHEREAS: Pursuant to 815-RICR-40-00-01-1.1 (C), the Division, for good cause shown, may modify, suspend, or repeal the provisions of any rule of the Standards For Water Utilities; *and*

WHEREAS: The Division finds that the factual recitation of the problem with the endpoints demonstrates that this is an unanticipated mechanical failure beyond the control of the utility; *and*

WHEREAS: The Division finds that the proposed resolution of the problem appears to be well thought-out with appropriate reporting requirements;

Accordingly, it is:

(25855) ORDERED:

1. That Newport Water's request to modify both requirements of 815-RICR-40-00-01-1.3 (F)(2) through June 30, 2028 is granted.

2. To the extent that the same may be applicable, Newport Water's request to modify 815-RICR-40-00-01-1.5 (E) (2) (c) (2) through June 30, 2028 is granted.

3. The Division confirms that Newport Water may bill up to three years of actual metered usage for all referenced accounts, as set forth in the October 13, 2026 correspondence.

4. Newport Water shall provide monthly reports to the Division, commencing December 15, 2026, to the service list, to be filed in this Docket. The reports shall show the items enumerated in Section 7 of Newport Water's October 13, 2026 letter.

SIGNED AND EFFECTIVE, THIS 30th day of October 2026.

Linda George

Linda D. George, Esq.
Administrator

Received 10/22/26

DEPARTMENT OF
UTILITIES
NEWPORT, RHODE ISLAND

October 13, 2026

Linda D. George
Administrator
Rhode Island Division of Public Utilities and Carriers
89 Jefferson Boulevard
Warwick, RI 02888

Subject: Request for Temporary Modification of 815 RICR 40 00 1.3(F)(2), Estimated Billing, and Confirmation of Billing Corrections, Newport Water Division

Dear Administrator George,

The City of Newport, Department of Utilities, Water Division ("Newport Water") will implement the program described in this letter to replace failed meter reading endpoints, restore actual readings, and correct estimated bills. Newport Water requests that the Division modify the estimated billing requirements of 815 RICR 40 00 1.3(F)(2) through June 30, 2028. It also requests confirmation that Newport Water may bill up to three years of actual metered usage under §1.3(E)(3).

1. Cause

The meters in this group have not failed. Each has a mechanical register that continues to record actual consumption. What has failed is the battery in the endpoint, the device attached to the meter that transmits readings to Newport Water. Endpoints installed from 2009 through 2011 are failing at least four years earlier than their projected service life. The batteries are sealed, so each failed endpoint must be replaced.

Field records show endpoints that stopped reporting beginning in August 2024, with new cases rising from about 20 per month to about 70 per month by June 2025. Each case was handled as an individual service call, and the battery cause was not evident from those records. Two changes in billing software extended the time needed to identify the pattern and respond. During the 2025 conversion to MuniLink, some accounts were also billed zero usage for one or more cycles. Newport Water disclosed this condition to the Water Resources Board in its Water Supply System Management Plan Five Year Update.

2. Scope

As of the October 2026 billing cycle, 3,289 accounts had at least one estimated reading. Of these, 1,100 had more than six consecutive estimated readings and 373 had twelve or more. Most affected meters are inside the premises, so each actual reading and endpoint replacement requires access. Installations averaged about 60 per month from August 2024 through June 2025 and about 75 per month from June through September 2026. Both rates were below the rate at which accounts became newly estimated. The account list is available on request.

3. Program and Compliance Dates

Commitment	Date
Notice letter mailed to every estimating account	Within 30 days of this letter
First monthly report to the Division	December 15, 2026, then by the 15th of each month
Replacements increased to 300 per month using in house and contracted crews	January 31, 2027
Actual reading for every account at or reaching twelve consecutive estimated bills before this date	September 30, 2027
No other account exceeds twelve consecutive estimated bills	Throughout the modification period
Last date of the first estimated bill for an account to be added to this modification	December 31, 2027
Full compliance with §1.3(F)(2) for all accounts	June 30, 2028

4. Customer Contact and Access

Newport Water will contact every estimating account in the sequence below. An access attempt fails when the customer does not respond within 14 days or misses a scheduled appointment.

Step	Action
1	Notice letter explaining estimated billing, how to submit a reading through the online customer portal or by phone, how to schedule an appointment, and how corrections and installments work. Mailed within 30 days of this letter to existing accounts and with the first estimated bill to new accounts.
2	First access attempt: appointment request letter.
3	Second access attempt: field visit, with a door hanger left if access is not obtained.
4	Third access attempt: field visit or second appointment request letter, with a door hanger left if a visit does not obtain access.
5	After three failed attempts: written notice under §1.3(H)(2)(d) that service will be terminated for lack of meter access in not less than ten days.
6	If access is not provided or scheduled within the notice period, service will be terminated. Service will be restored when access is provided. Restoration charges apply only as provided in Newport Water's tariff.

Termination will not proceed if the customer schedules an appointment within the notice period and keeps it. Residential terminations will follow the Commission's termination rules, 810 RICR 10 00 1, and Newport Water's occupant notice procedure. Customer readings submitted through the portal or by phone will be used for interim bills when they pass review. They will be recorded as estimated readings and do not replace the actual reading.

Newport Water will also:

1. State on every estimated bill that it is estimated, with instructions to submit a reading or schedule an appointment.
2. Include a notice explaining estimated billing with regular bills to all customers.
3. Post program status on utilities.newportri.gov and update it with each monthly report.

5. Billing Corrections

At the actual reading, Newport Water will bill the difference between actual usage and the estimated or zero usage already billed. Corrections will cover up to three years as §1.3(E)(3) allows, at the rates in effect during the period of use. Overestimated usage will be credited in full. Accounts where the meter itself is found not registering will be billed under §1.5(E)(2)(c).

Each correction:

1. Will appear as a separate line identifying the gallons and period corrected, with the prior and current actual readings.
2. Will be mailed with a letter explaining the correction and the installment option.
3. Will carry no late charges or interest.
4. May be paid in equal monthly installments, with no down payment, over a period up to the number of months the account was estimated.
5. Will not be grounds for termination for nonpayment while the customer is current on the installment plan.

Corrections already issued under MuniLink will receive the same protections, and those customers will be mailed the explanation letter within 60 days of this letter. If the Division considers §1.5(E)(2)(c)(2) applicable to accounts with a failed endpoint, Newport Water requests that the Division modify it for the same accounts and period.

6. Customer Responsibility

Under §1.3(E)(1), each customer is liable for the tariffed charges for water furnished. Under §1.3(H)(2)(d), each customer is responsible for providing access to the meter. Each estimated bill identified the reading as estimated and showed consumption history. Since August 2024, crews have left door hangers at premises where an actual reading could not be obtained. Billing actual usage to the customers who used the water keeps that cost from shifting to all other Newport Water customers.

7. Reporting

Monthly reports will show:

1. The number of estimated accounts, accounts beyond six consecutive estimated bills, and accounts at twelve or more.
2. Replacements completed.
3. Access termination notices issued and terminations for lack of access.
4. Corrections issued.
5. Missed deadlines.

Newport Water will submit a revised schedule with the next report if either of the following occurs after January 2027: replacements fall below 300 in two consecutive months, or the number of accounts beyond six consecutive estimated bills does not decline over three consecutive reports. Newport Water will notify the Division within five business days of identifying a deadline at risk. Filing this request does not itself modify the existing requirements.

8. Relief Requested

Newport Water requests that the Division:

1. Modify both requirements of §1.3(F)(2) through June 30, 2028, for accounts whose endpoint from the 2009 through 2011 generation is not reporting and whose first estimated bill is on or before December 31, 2027. The modification would be subject to a limit of twelve consecutive estimated bills per account, except accounts at or reaching twelve before September 30, 2027, which will receive an actual reading by that date.
2. Confirm that Newport Water may bill up to three years of actual metered usage for these accounts under §1.3(E)(3), as described above, and, if necessary, modify §1.5(E)(2)(c)(2) for the same accounts and period.

Please direct questions to me at RSchultz@Newportri.gov or (401) 845-5601.

Respectfully,

Robert C. Schultz, Jr.
General Manager & Chief Engineer

CC: Stephanie De La Rosa, Clerk, Rhode Island Public Utilities Commission;
Joseph A. Keough, Jr., Esquire, Keough & Sweeney, Ltd.;
Deborah Barrett, Deputy Director of Utilities, Finance;
Patrick Connerton, Assistant Supervisor of Administration & Finance
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