

**Chapter 353**  
**2008 -- H 7618 SUBSTITUTE A**  
**Enacted 07/05/08**

**A N A C T**  
**RELATING TO STATE AFFAIRS AND GOVERNMENT -- ENERGY FACILITY SITING**  
**ACT**

**Introduced By:** Representatives Segal, Fox, Ajello, Almeida, and Melo

**Date Introduced:** February 26, 2008

It is enacted by the General Assembly as follows:

SECTION 1. Section 42-98-1.1 of the General Laws in Chapter 42-98 entitled "Energy Facility Siting Act" is hereby amended to read as follows:

**42-98-1.1. Capital city underground utility initiative.** -- (a) The public utilities commission shall permit the city of Providence or the city of East Providence, upon petition by a duly authorized representative of such municipality, to forego some or all of the respective municipality's pro rata share of the refund accruing to the ratepayers of the respective municipality as computed under section 11(c) of the 3rd Amended Settlement Agreement in Docket No. 2930; provided, however, that the city council of each petitioning ratifies such action by passage of a resolution.

(b) The public utilities commission shall permit, upon petition by the attorney general, for the use of up to two million dollars (\$2,000,000) from Narragansett Electric Company's Storm Contingency Fund for purposes of under grounding that portion of the E-183 transmission line under consideration in Energy Facility Siting Board Docket 2003-01.

(c) Narragansett Electric Company shall be required to apply to the regional grid operator or its successor organization for approval to charge New England regional network service customers for the capital costs associated with the construction of Phase II overhead configuration labeled the "North Bridge Alignment" as defined by the Settlement Agreement that was approved by the Energy Facility Siting Board in Docket 2003-1.

(d) The Narragansett Electric Company ("company") shall be authorized to proceed with the construction of the underground alignment of the E-183 line referenced in the Settlement Agreement that was approved by the Energy Facility Siting Board in Docket 2003-01 ("Underground alignment"), including the acquisition of any property rights needed to implement the underground alignment subject to the passage of resolutions by both city councils of the cities of Providence and East Providence agreeing that any incremental costs above existing funding may be included in electric rates of electric customers in those cities. Such resolutions must be delivered to the public utilities commission no later than July 1, 2009. Notwithstanding the terms of the Settlement, to the extent the actual costs for the underground alignment exceed the funding obtained for the project pursuant to this section and from federal and other sources, the company is authorized to include the incremental costs above those funding levels in its distribution rate base and reflect the revenue requirement in rates to the electric distribution customers within the cities of Providence and East Providence, subject to the timely passage and delivery of the resolution specified above. Such rate adjustment shall be made within six (6) months from project completion, applying the same ratemaking principles as ordinarily applied to distribution capital projects when they are allowed in its distribution rate base by the public utilities commission. After completion of the underground alignment, the public utilities commission shall conduct a review of costs incurred to construct the underground alignment in order to verify that the company's calculation and implementation of rates are in compliance with this section; provided, further, the auditor general shall perform a performance audit of state costs.

(e) If the underground alignment goes forward, the company shall retain such portions of the properties acquired to implement the underground alignment as may be necessary and prudent, and shall transfer any remaining portions of said properties to the redevelopment

authority of the city in which the property is located after the completion of the project, at the city's request and at no additional cost to the city. Any easements no longer being used by the company for utility purposes after the underground alignment is completed also shall be transferred to the city after the completion of the project, at the city's request and at no additional cost to the city. If there is any dispute about the extent to which property or easements are needed and therefore should not be transferred, the public utilities commission shall decide the issue upon petition by the affected city.

SECTION 2. This act shall take effect upon passage.

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