

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: PASCOAG UTILITY DISTRICT : DOCKET NO. 3685
TARIFF ADVICE FILING TO AMEND :
LARGE COMMERCIAL AND INDUSTRIAL :
DEMAND CHARGE :

ORDER

WHEREAS, On July 14, 2005, Pascoag Utility District ("Pascoag") filed with the Public Utilities Commission ("Commission") a Tariff Advice amending the method of calculating the demand charge in its Large Commercial and Industrial ("C&I") Tariff RIPUC 404; and

WHEREAS, The demand charge will be based on the highest peak kilowatt ("KW") demand registered within any fifteen minute period during the most recent twelve-month period rather than the highest peak KW demand registered within any fifteen minute period during the billing month; and

WHEREAS, The Narragansett Electric Company Tariff under which Pascoag pays its demand charge is based on the highest peak KW demand registered within any fifteen minute period during the most recent twelve-month period; and

WHEREAS, Pascoag estimates that under the new methodology, it will realize approximately \$36,000 in additional annual transmission revenue; and

WHEREAS, On August 5, 2005, the Division filed a Memorandum recommending the Commission approve Pascoag's Tariff Advice because calculating the demand charges in the same manner as Pascoag incurs demand charges will result in a more equitable alignment of the demand costs and the Company's recovery of those costs; and

WHEREAS, On August 11, 2005, at its Open Meeting, after review of the filings, the Commission approved Pascoag's Tariff Advice, specifically approving RIPUC #405, finding that this method of calculating the demand charges for the Large C&I customers assigns the costs incurred on a more equitable basis than under the prior Tariff.

Accordingly, it is

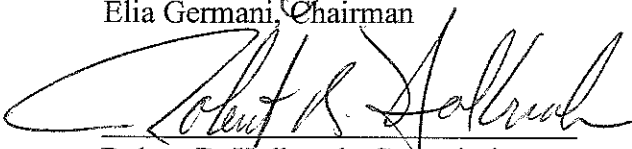
(18352) ORDERED:

1. Pascoag's Tariff RIPUC #405, canceling Tariff RIPUC #404 entitled Large Commercial and Industrial Rate is hereby approved for usage on and after August 11, 2005.
2. Pascoag shall file clean copies of the approved Tariffs within thirty (30) days of this Order.

EFFECTIVE AT WARWICK, RHODE ISLAND, PURSUANT TO AN OPEN MEETING DECISION ON AUGUST 11, 2005. WRITTEN ORDER ISSUED ON SEPTEMBER 1, 2005.

PUBLIC UTILITIES COMMISSION


Elia Germani, Chairman


Robert B. Holbrook, Commissioner

