

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held February 10, 2009

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Cindy Wilson-Frias, Sharon Colby Camara, Alan Nault, Nick Ucci and Luly Massaro. Staff member Patricia Lucarelli was not present.

Chairman Germani called the open meeting to order at 2:00 PM. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.

Minutes of Open Meetings held on January 29, 2009: After review, Chairman Germani entertained a motion to approve the minutes and Commissioner Bray moved to approve the minutes. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Competitive Telecommunications Service Providers

The following company filed an application for authority to operate as a telecommunications service provider. The Division has reviewed the application and recommends approval of:

2262(J21) – iNetworks Group, Inc.

After review, Chairman Germani entertained a motion to approve the application and Commissioner Bray moved to approve the application. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

The following companies submitted tariff revisions. The Division has reviewed the tariff revisions and recommends that they be allowed to go into effect without suspension:

2803 – AboveNet Communications, Inc. (tariff filing 1/21/09)

3442 – BullsEye Telecom, Inc. (tariff filing 1/27/09)

2618 – AT&T Corp. (tariff filings 1/30/09)

2426 – TCG Rhode Island (tariff filing 1/30/09)

3173 – Access Point, Inc. (tariff filing 1/30/09)

After review, the Commission followed the Division's recommendation that the tariff filings be allowed to go into effect without suspension.

4033 – Verizon Rhode Island – Verizon filed on January 30, 2009 a tariff filing to introduce new optional features to enhance dedicated SONET service which is transmission of high-capacity computer data backbone for large business customers. The Division has reviewed the filing and recommends that the tariff filing be allowed to go into effect without suspension. After review, Chairman Germani entertained a motion to approve the filing and Commissioner Holbrook moved to approve. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3195 – Verizon Rhode Island – The Commission reviewed Verizon's January 30, 2009 proposal to modify the Carrier-to-Carrier (C2C) Guidelines performance metrics. The

Division filed a memo summarizing that the C2C metric changes reflect adoption by the NYPSC and provide benefit to the ratepayers in RI. After review, Chairman Germani moved to approve the proposed modification to the metrics. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3605 – National Grid Electric (NGrid) – The Commission reviewed NGrid’s January 9, 2009 market assessment based on New England wholesale and competitive retail markets and a recommendation that the Company continue to procure Last Resort Service (LRS) for the May 2009 through December 2009 period under LRS Acquisition Plan. The Division filed a recommendation summarizing its review and approval of the Company’s proposal. After review, Chairman Germani moved to approve the Company procurement for LRS for the period requested. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Rules and Regulations Governing the Termination of Residential Gas, Electric and Water Service – The Commission discussed billing and termination issues that surfaced on February 3 when ratepayers came to the Commission with concerns and problems they were experiencing with National Grid. Subsequently, the Commission issued a data request to the Company regarding their billing and notice procedures. The Company filed its response to the data requests. The Commission also met with representatives of National Grid to discuss the issues that surfaced. The Chairman stated that the meeting was informative and that the Company was responsive to the concerns raised. The Company agreed to address the concerns below:

The first concern was the confusion with National Grid’s bill message which states “FINAL NOTICE” to its customers during the moratorium. The Chairman noted that the Company agreed to remove the language in the notice that is generated by the company

The second concern was that protected customers were receiving termination notices during the moratorium. National Grid will not send the termination notice unless the notice indicates that termination is on or after April 16.

The third concern was that the Company does not have a presence in RI. The Chairman requested that the Company establish a presence by setting up a facility whereby the company can meet with the customer to explain the billing and termination process and address individual customer concerns.

The fourth concern was that the current termination rules are complex, require clarity and are not working. The Chairman requested that the Commission review the termination rules in other jurisdictions.

Commissioner Holbrook agreed that the rules are not working and are in dire need of re-examination by the Commission, specifically with respect to payment plans and notices. He recommended that the Commission initiate a study to review the rules and consider incorporating guidelines to develop new rules. Such guidelines include: 1) that the utility has to be paid and who is responsible for paying, 2) recommend a limit on the amount of arrearage that will be tolerated, 3) consider affordability by the customer, meaning

keeping balances low, 4) provide clear and detail information regarding what happens to a customer when the moratorium ends and 5) address the question of welfare, it is not the Commission's role.

Commissioner Bray suggested that a study social group be represented by a member from the Company, Commission, Division, protected class and non-protected customer.

The Commission requested that the Company provide a status report on the development of the above items. The Commission agreed that something needed to done and will review further the matter at hand after National Grid files a matrix providing information on termination rules in other jurisdictions. The matrix will be filed in two weeks.

The open meeting adjourned at 2:20 P.M.