
State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held March 6, 2008

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Patricia Lucarelli, Cindy Wilson-Frias, Thomas Massaro, Alan Nault, Donna Conway and Luly Massaro.

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 2/28//08: After review, Chairman Germani moved to approve the minutes. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Competitive Telecommunications Service Providers

The following companies submitted tariff revisions. The Division reviewed the tariff filings and recommended that the tariffs be allowed to go into effect without suspension:
3807 – Matrix Telecom, Inc. (tariff filing 2/22/08)

2262(G16) – NYNEX Long Distance d/b/a Verizon Enterprises Solutions (2/21/08)

2262(F16) – Bell Atlantic Communications d/b/a Verizon Long Distance (2/21/08)

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

3923 – Verizon Rhode Island –The Commission reviewed Verizon's February 14, 2008 tariff filing to grandfather Information Delivery Services for effect March 15, 2008. After review, the Commission unanimously agreed to follow the Division's recommendation that the tariff be allowed to go into effect without suspension.

3896 – Pascoag Utility District – The Commission reviewed Pascoag's compliance filing reflecting rates for the Standard Offer Service Charge, Transmission Charge and Transition Charge that were approved by the Commission at the December 20, 2007 open meeting. Chairman Germani moved to approve the compliance filing. Commission Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3569 – Rules Governing the Acceptance of Credit Card by Utility Companies - The following matters were discussed by Commission:

- 1) **Providence Water Supply Board (PWSB)** -The Commission reviewed PWS February 8, 2008 proposed Tariff H entitled "Web page-Online ACH Payment Provision" to provide customers the option to pay their bills online through the PWSB's website. The customer will be assessed a fee of \$0.35 per transaction; PWSB will incur a one-time set up fee of \$500 and annual fee of \$3,500 to implement this optional service. The Division filed a memo summarizing the filing and recommending approval of the tariff. After review, Commissioner Bray moved to approve PWSB's proposed tariff. Chairman Germani seconded

the motion. Commissioner Holbrook dissented on the basis the fee is a cost of doing business that should be borne by all ratepayers and built into the rates and that the customer should not have to pay for this transaction fee. **Vote 2-1.**

- 2) Consideration to rescind the current rules - Commissioner Holbrook is of the opinion the transaction fee is a cost of doing business that should be borne by all ratepayers and built into the rates and it is a benefit to the utility. Commissioner Bray opined that the rules provide a benefit to the customer in that it gives an option to pay through a third party vendor. The customer should incur the cost and not all ratepayers. Chairman Germani opined that the utility should not be required to absorb these costs and he was inclined to rescind the rules.

Atty. Cindy Wilson-Frias noted based on data responses received, the utilities that offer this optional service are satisfied with current process. The Commission could review these items on a case-by-case basis in the context of a rate proceeding. The utilities can make a management decision whether they want to offer this optional service, absorb the fees or pass the cost to all the ratepayers, and it will be subject to Commission review. A motion to rescind the current rules is on the table. Chairman Germani moved to rescind the rules. Commissioner Holbrook opposed the motion. The motion was not seconded and failed. **Vote 1-1.**

Motion to Amend Agenda – It is moved that the open meeting agenda be amended to discuss the prospect of a generic docket to review the operating reserve for water utilities. Commissioner Holbrook moved to amend the agenda. Chairman Germani seconded the motion and the motion was unanimously passed. **Vote 3-0.** Commissioner Holbrook reminded that in a previous order the Commission had expressed the intent to open a generic docket to examine the need for an operating reserve/supplemental income reserve by the water utilities. Chairman Germani noted that at the present time there is pending legislation that may exempt the Commission from moving forward with a generic proceeding and that we need to thoroughly review any enacted legislation prior to proceeding.

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