

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held March 16, 2006

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Steve Frias, Cindy Wilson-Frias, Thomas Massaro, Alan Nault, Douglas Hartley and Luly Massaro.

Chairman Germani called the open meeting to order at 2:00 P.M. in the first-floor hearing room of the Public Utilities Commission.

Minutes of Open Meetings held on March 3, 2006 - After review, Chairman Germani moved to approve the minutes. The motion was seconded by Commissioner Holbrook and unanimously passed. **Vote 3-0.**

Competitive Telecommunications Service Providers

The following company filed an application for authority to operate in RI. The Division has reviewed the application and recommends approval of:

3729 – LMDS Holdings, Inc.

After review, Chairman Germani entertained a motion to approve the registration.

Commissioner Bray moved to approve the registration. Commissioner Holbrook seconded the motion. Motion to approve the registration passed. **Vote 3-0.**

The following companies submitted tariff revisions. The Division has reviewed the tariff filings and did not recommend suspension of:

2535 – Cox Rhode Island Telcom (tariff filings 2/24, 2/7 & 3/1/06)

3028 – Qwest Communications Corp. (tariff filing 3/6/06)

2736 – Conversent Communications of RI (tariff filing 3/6/06)

3173 – Access Point, Inc. (tariff filing 2/27/06)

2618 – AT&T Communications (tariff filings 2/28 & 3/2/06)

2262(P7) – MCI Communications d/b/a Verizon Business RI (tariff filing 3/3/06)

2262(P2) – NOSVA Limited Partnership (tariff filing 2/28/06)

2262(Q2) – Affinity Network Inc. (tariff filing 2/28/6)

2262(O2) – NOS Communications, Inc. (tariff filing 2/28/06)

2262(E2) – Teleconnect Long Distance (tariff filing 3/3/06)

2262(F16) – Bell Atlantic d/b/a Verizon Long Distance (tariff filing 3/2/06)

2262(G16) – NYNEX Long Distance d/b/a Verizon Enterprise Solutions (tariff filing 3/2/06)

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

The following companies filed a request to cancel their authority to operate. The Division recommends that their authority be rescinded:

3590 – Acceris Communications Corp.

2262(V1) – MCI Network Services, Inc.

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

2618 – AT&T Communications of NE, Inc. – On February 16, 2006, AT&T submitted a tariff filing to introduce “AT&T Local Connectivity Charge” for all residential customers. The proposed tariff is a recovery fee associated with increased wholesale cost, which resulted from the FCC’s decision to eliminate UNE-P pricing for CLECs. The Division filed a letter requesting that the proposed tariff be suspended to conduct further review. Chairman Germani entertained a motion to suspend the proposed tariff. Commissioner Holbrook moved to suspend the tariff filing. Commissioner Bray seconded the motion and unanimously passed. **Vote 3-0.**

3666 – UCN, Inc.: On March 14, 2006, UCN submitted a tariff filing to introduce In-State Connection Fee and In-State Cost Recovery Charge. The proposed tariff is a recovery fee associated with increased wholesale cost, which resulted from the FCC’s decision to eliminate UNE-P pricing for CLECs. The Division filed a letter requesting that the proposed tariff be suspended to conduct further review. Chairman Germani entertained a motion to suspend the proposed tariff. Commissioner Holbrook moved to suspend the tariff filing. Commissioner Bray seconded the motion and unanimously passed. **Vote 3-0.**

3727 – Verizon Rhode Island – Verizon submitted a tariff filing to increase the late payment charge for business customers to 1.5% on all outstanding balance for effect March 18, 2006. Chairman Germani entertained a motion to suspend the proposed tariff. Commissioner Holbrook moved to suspend the tariff filing. Commissioner Bray seconded the motion and unanimously passed. **Vote 3-0.**

3730 – Verizon Rhode Island – Verizon submitted for approval an Interconnection Agreement (ICA) with Amendment No. 1 to the ICA entered between Verizon RI and Ernest Communications, Inc. The Division has reviewed the filing and recommends approval. After review, Chairman Germani entertained a motion to approve the ICA and Amendment. Commissioner Bray moved to approve the ICA and Amendment. Commissioner Holbrook seconded the motion and unanimously passed. **Vote 3-0.**

3363 – Verizon Rhode Island – Verizon submitted a tariff filing to update to the quarterly Unbundled TC Reciprocal Compensation Charge calculated to reflect the average rate minute paid to CLECs by Verizon over the previous three-month period, for effect April 1, 2006. The Division has reviewed the filing and does not recommend suspension of the tariff filing. After review, the Commission followed the Division’s recommendation that the tariff filing be allowed to go into effect without suspension.

3728 - Blackstone Valley Tourism Council (BVTC) – BVTC submitted a tariff filing to increase the public tour rates by \$1.00 effective June 1, 2006. The proposed increase will apply to the adult rates only. BVTC proposed no change to the children and senior rates. BVTC also requested an exemption from notice and hearing requirements of R.I.G.L. 39-3-12. The Division has reviewed the filing indicating that a hearing is not necessary, that

the rates are reasonable and recommended approval. After review, Chairman Germani entertained a motion to approve the tariff filing. Commissioner Holbrook moved to approve the tariff filing. Commissioner Bray seconded the motion and unanimously passed. BVTC is not a lifeline service and as such good cause exists to decide the matter without a hearing. **Vote 3-0.**

3578 - Newport Water Division – On March 1, 2006, Newport Water filed a Miscellaneous Petition for Relief to be allowed to make the remaining balance of \$317,955 of its 2nd 500,000 installment payment to the City of Newport. The Division filed a reply indicating that it has no objection to the petition. Mr. Nault summarized that Newport has complied with the Commission’s requirements and improved its record keeping finances and cashflow and recommended approval of the petition. After review, Commissioner Holbrook moved to approve the petition as filed. Commissioner Bray seconded the motion and unanimously passed. **Vote 3-0.**

3438 – Certification Process of Gas Service Employees – In 2002, the Commission initiated this docket for the purpose of promulgating regulations governing the certification of gas service employees. New England Gas sought a declaratory ruling from US District Court and the docket was held in abeyance pending a decision. On February 10, 2006, the US District Court issued a decision indicating that federal law preempts state law and that the Public Utilities Commission is not the appropriate body to be promulgating such regulations. In view of the US District Court’s decision, Chairman Germani entertained a motion to close the docket. Commissioner Bray move to close the docket. Commissioner Holbrook seconded the motion and unanimously passed. **Vote 3-0.**

3716 – Narragansett Electric Co. d/b/a National Grid – In compliance with the Commission’s Order, the Company filed updated centerline foot costs as contained in its Line Extension Policy 1 and 2. Based on the analysis of its cost data, the Company is proposing to increase the Line Extension Policy rate for effect April 1, 2006. The Division filed a memo recommending suspension to conduct further investigation of the company’s filing. After review, Chairman Germani entertained a motion to suspend the Company’ proposed increase to the Line Extension Policy. Commissioner Holbrook seconded the motion and unanimously passed. **Vote 3-0.**

Narragansett Electric Co. d/b/a National Grid – On December 19, 2005, National Grid met with the Commission to explain that it was retaining new software and billing supplies to redesign and simplify its billing format. In a follow-up letter dated February 21, 2006, National Grid notified of proposed revisions of the residential bills, including revised residential proto-types of bill design. The revisions incorporated comments received from the Commission during the presentation of 12/19/05 and feedback received from company's focus group. National Grid also proposed to remove the “explanation of terms” from appearing on the monthly bills and instead, will include it as a bill insert once on an annual basis. After review and discussion, the Commission accepted the Company’s proposed residential billing modifications.

The open meeting adjourned at 2:25 A.M.