

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held May 27, 2004**

**Attendees: Chairman Elia Germani, Commissioner Kate Racine, Commissioner Robert Holbrook, Steve Frias, Cindy Wilson, 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. A quorum was present.**

**Competitive Telecommunications Service Providers:**

The following companies registered to operate in Rhode Island. The Division reviewed the registrations and recommended approval of:

2262(H19) – WDT World Discount Telecommunications Co.

2262(G19) – TON Services, Inc.

After review, Chairman Germani asked for a motion and Commissioner Racine moved to approve the registration. The motion was seconded by Commissioner Holbrook and unanimously passed. **Vote 3-0.**

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

2426 – TCG Rhode Island (filed 5/14)

2702 – Verizon Select Services, Inc. (filed 5/21)

3597 – ACN Communication Services, Inc. (5/11)

2618 – AT&T Communications of NE, Inc. (filed 5/21)

2486 – MCI Telecommunications (filed 5/20)

2472 – Sprint Communications (filed 5/20)

2262(P7) – MCI WorldCom Communications, Inc. (5/17)

2262(F16) – Bell Atlantic Communications, Inc. (5/20)

2262(V5) – BellSouth Long Distance, Inc. (filed 5/14)

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

**3436 – New England Gas Co.:** Discussion related to the Company's proposed increase to the Gas Cost Recovery (GCR) charges for all firm sales service rate classes for effect June 1, 2004 through October 31, 2004. The proposed GCR factors on a per therm cost basis are: \$0.86564 for Residential and Small C&I customers; \$0.85607 for Medium C&I customers; \$0.85748 for Large Low-Load Factor C&I customers; \$0.83133 for Large High Load Factor customers; \$0.86666 for Extra Large Low Load Factor customers; and \$0.82126 for Extra Large High Load Factor customers. The proposed Natural Gas Vehicle rate is \$0.6281 per therm. The impact on a residential heating customer using 171 therms per over the five months June through October is an increase of approximately 4.8 percent, or \$11.

It was noted in response to testimony opposing the proposed rate increase during the hearing, that the Company has not had an increase to its base rates since 2000. Also, the instant proposal will not provide New England Gas with additional profits, but merely provide a basis for collecting monies to pay for the increased gas costs the Company has incurred. The Commission works diligently to balance the interest of the ratepayers and the utilities. It is a difficult time to approve an increase, however, New England Gas is entitled to recover the increased gas costs in order for the Company to remain a viable local distribution company.

Chairman Germani asked for a motion and Commissioner Racine moved to approve the Company's proposed Gas Recover Charges as filed. The motion was seconded by Commissioner Holbrook and unanimously passed. **Vote 3-0.**

There being no further business to discuss, the open meeting adjourned at 2:20 P.M.