

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held May 28, 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 1:00 P.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.**

**2930 – Narragansett Electric Co.:** After review, Chairman Germani recommended and moved to deny the parties' Motion to Extend the Filing Date of the Allocated Cost of Service Study and to Defer Ruling on the Company's Earned Savings Filing but to allow Narragansett Electric Company until June 7, 2004 to file its revenue neutral filing of a fully allocated cost of service study and proposed new rates for all classes to take effect on and after January 1, 2005.

Chairman Germani noted he was not present as a Commissioner during the settlement proceedings held in the docket (in 2000) and did not partake during the technical session held last fall. He based his decision on the following reasons:

- That the revenue neutral filing is an important filing that will set new rates. The current parties and any other interested parties should have the opportunity to intervene and participate in settlement discussions.
- If a settlement is filed with new rates to go in effect 01/01/05 and is subsequently rejected by the Commission without having the benefit of examining a cost of service study, it would be virtually impossible to complete the case by December 31, 2004.
- The issues in this docket are too important for the Commission to consider a settlement without having the actual and detailed cost studies and methodology behind it.
- There is no linkage between the revenue neutral filing and merger savings.

Commissioners Holbrook and Racine concurred with the Chairman. 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 1:10 P.M.