

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held June 22, 2007**

**Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Steve Frias, Patricia Lucarelli, Alan Nault, Thomas Massaro, Douglas Hartley and Luly Massaro.**

**Chairman Germani called the open meeting to order at 10:00 A.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.**

**Minutes of Open Meeting held on June 14, 2007:** 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 has reviewed the tariff filings and does not recommend suspension of:

2618 – AT&T Communications of NE, Inc. (tariff filing 6/15/07)

2426 – TCG Rhode Island (tariff filings 6/8 & 6/15/07)

2486 – MCImetro Access Transmission Services, LLC (tariff filing 6/1/07)

2262(P7) – MCI Communications Services, Inc. (tariff filing 6/1/07)

2262(A6) – SBC Long Distance, LLC (tariff filing 6/5/07)

2262(V8) – Americatel Corporation (tariff filing 6/5/07)

2262(Q2) – Affinity Network Inc. (tariff filing 5/30/07)

2262(O2) – NOS Communications, Inc. (tariff filing 5/30/07)

2262(P2) – NOSVA Limited Partnership (tariff filing 5/30/07)

2262(F16) – Bell Atlantic Communications (tariff filing 6/1/07)

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

**Renewable Energy Resources Generation Units** – The Commission reviewed the following Renewable Energy Resource certification application:

3822 – Blackstone Hydro Associates for Generation Unit: Blackstone Hydro Associates.

After review, Chairman Germani moved to certify the Blackstone Hydro Associates Generation Unit as an Existing, Small Hydro Renewable Energy Resource with the conditional requirement that the applicant verify Customer-Sited operation of its Generation Unit. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**3850 – Bruce Shaw d/b/a Shaw's Water Taxi** – The Commission reviewed and took administrative notice of the record and public comments that were submitted in the Division proceeding, in support of Shaw's Water Taxi application for a certificate of authority. The Commission found that Shaw's Water Taxi services do not constitute a lifeline ferry service to an isolated ratepayer population and therefore, waived the notice and hearing requirement. Chairman Germani moved approval of Shaw's Water Taxi

rates for discretionary water carrier service between Prudence Island and different points in Bristol, Portsmouth, Newport, Warwick and Wickford. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**3709 – Pascoag Utility District** – The Commission reviewed Pascoag’s Mid-Year Status Report of the standard offer, transmission and transition reconciliation. Pascoag requested to re-align the individual charges such that it would allow Pascoag to maintain a net projected overcollection of \$71,931 and move the transition and transmission account to a zero balance. Pascoag also requested to establish a Purchase Power Restricted Fund (PPRF) to provide a positive cashflow during the months when the winter moratorium is in effect. The Division filed recommendation that Pascoag be authorized to establish the restricted fund and that the overall combined rate remain the same. After review, Chairman Germani moved to approve Pascoag’s request to re-align the individual charges and to establish a PPRF. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**3675 – Newport Water Division** – The Commission reviewed Newport Water’s Petition for Miscellaneous Relief from Order No. 17792 filed on June 1, 2007. Newport requested to postpone payment of its 4<sup>th</sup> installment payment of \$500,000 (from the restricted account) that is owed to the City of Newport until a decision is rendered in the current rate proceeding. Alternatively, Newport requested to apply the \$500,000 and remaining balance in the restricted account to pay down an existing deficit which includes paying short-term obligations and vendors. The Division filed a memo indicating that it does not oppose Newport’s petition. After review, Commissioner Bray recommended and moved to deny Newport’s petition and that Newport shall pay the 4<sup>th</sup> installment of \$500,000 to the City. Chairman Germani seconded the motion. Commissioner Holbrook dissented on the basis that Newport will not be able to pay its vendors. **Vote 2-1.** The Commission directed the Division and PUC accounting staff to meet with Newport Water to get a better assessment of the problems regarding the utility’s finances and operations.

**3797 – Narragansett Bay Commission (NBC)** – The Commission reviewed the record regarding NBC’s general rate application. The Commission adopted the Division’s surrebuttal position with the following adjustments:

1. To deny funding for the Operation and Maintenance Reserve Fund.
2. To disallow funding of \$1,695 for the aquarium and related expense.
3. To reduce Natural Gas expense by \$40,458.
4. To reduce funding by \$15,834 for net Personnel Services expense related to health care.
5. To reduce funding by \$87,706 for net Personnel Services to reflect salary increase of 3.5%
6. To reduce operating reserve by \$260,242.

Commissioner Bray moved to approve the adjustments as discussed. Commissioner Holbrook seconded Commissioner Bray’s motion. Chairman Germani disagreed with the majority on item Nos. 5 and 6 and dissented. **Vote 2-1.** As approved, NBC is authorized

to collect additional revenues \$2,621,492 for a total cost of service of \$71,503,022 effective July 1, 2007.

The meeting adjourned at 10:40 A.M.