

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held June 29, 2004**

**Attendees: Chairman Elia Germani, Commissioner Kate Racine, Commissioner Robert Holbrook, Steve Frias, Cindy Wilson, Thomas Massaro, Alan Nault and Luly Massaro.**

**Chairman Germani called the open meeting to order at 2:35 P.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.**

**Competitive Telecommunications Service Providers:**

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

3604 - KMC Telecom V, Inc.

After review, Chairman 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 filed tariff revisions. The Division has reviewed the filings and does not recommend suspension of:

2878 - Choice One Communications (filed 6/18/04)

3196 - Z-Tel Communications (filed 6/9 & 6/18/04)

2618 - AT&T Communications of New England, Inc. (filed 6/9 & 6/18/04)

3028 - Qwest Communications (filed 6/14/04)

2426 - TCG Rhode Island (filed 6/9 & 6/11/04)

3187 - Zone Telecom, Inc. (filed 6/9 & 6/10/04)

2535 - Cox RI Telcom LLC (6/12 & 6/12/04)

2262(V5) - BellSouth Long Distance, Inc. (filed 6/17/04)

2262(A6) - Southwestern Bell Communications (filed 6/11 & 6/17/04)

2262(D) - Operator Service Co. (6/11/04)

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

**Verizon RI Interconnection Agreements (ICAs):**

The following amendment to ICA was submitted for approval. The Division has reviewed the amendment and recommends approval of:

3137 - Amendment No. 2 to ICA entered between Verizon RI and Cellco Partnership d/b/a Verizon Wireless

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

**3363 – Verizon Rhode Island:** Verizon submitted a tariff revision to RIPUC No. 18 to provide for the quarterly update of the Unbundled TC Reciprocal Compensation Charge. The unbundled TC reciprocal compensation composite rates are recalculated on a quarterly basis to reflect the average rate per minute paid to CLECs by the telephone company over the previous three-month charge for effect July 1, 2004. After review, the Commission followed the Division recommendation that the tariff filing be allowed to go into effect without suspension.

**3569 - Rulemaking to Promulgate Rules Governing the Acceptance of Credit Cards by Utilities:** Ms. Wilson noted that the comments received sought clarification to the proposed regulations. She summarized the changes that were incorporated into the final regulations and recommended that the Commission 1) exempt Verizon from the regulations due to the competitive nature of the telecommunications industry. She also noted that Narragansett Bay Commission (NBC) provided a “white paper” from Master Card and Visa which basically states that if an entity accepts other forms of payment in person or by mail without charging a convenience fee, they cannot charge a convenience fee for the credit card payment that is made in person or by mail. NBC argues that if it cannot accept credit card payments in person, their collections will suffer. However, when asked earlier in the docket if NBC had undertaken any studies to show the impact of credit cards on collections, NBC had done no studies and had no data. She noted that the only data supplied with the comments showed the number of customers utilizing credit card payments and the number of dollars charged. She guessed that it would be more convenient to make your credit card payment over the telephone rather than in person anyway. NBC provided no data to show how many of the credit card payments are made in person versus over the telephone or by another alternative method. Therefore, the Rules should not adversely impact NBC’s collections. After review, Commissioner Racine accepted Ms. Wilson’s recommendation and moved to approve new Rules Governing the Acceptance of Credit Cards by Utilities effective August 1, 2004. The motion was seconded by Commissioner Holbrook and unanimously passed. **Vote 3-0.**

**3593 – Pawtucket Water Supply Board:** Discussion related to the PWSB rate application to collect additional revenue requirement in the amount of \$3,414,969 or 25% and a Settlement Agreement that was entered and executed by and between the PWSB and the Division. It was noted that PWSB needs to comply with EPA standards and therefore, needs to build a new treatment plant. Approval of the this filing will allow PWSB to pay debt service on new and sellable bonds that are to be issued in fiscal year 2004 and 2005 for purposes of financing the construction of a new water treatment plant. After review, Commissioner Holbrook moved to approve the Settlement Agreement as filed. The motion was seconded by Commissioner Racine and unanimously passed. **Vote 3-0.** The Settlement Agreement will authorize PWSB to adjust its rates effective April 1, 2005 and provide additional revenues of \$3,414,969 or 24.99% that will be utilized to service approximately \$32,000,000 of anticipated debt in order finance the completion of Capital Improvement Projects.

There being no further business to discuss, the open meeting adjourned at 2:55 P.M.