

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: PASCOAG FIRE DISTRICT STANDARD :
OFFER CHARGE, TRANSITION CHARGE : Docket No. 2861
AND TRANSMISSION CHARGE FILING. :

REPORT AND ORDER

On July 19, 2000, Pascoag Fire District ("Pascoag") filed with the Rhode Island Public Utilities Commission ("Commission") a request for waiver of the six-month reconciliation of Pascoag's Standard Offer Charge, Transition Charge, and Transmission Charge, which is required to be filed under Pascoag's current tariffs, proposing instead that reconciliation of these items occur on an annual basis beginning on February 1, 2001. Pascoag also proposed to maintain in effect through January 31, 2001 the current rates for Standard Offer Charge at \$0.03384 per kilowatt-hour ("kWh"); Transition Charge at \$0.02353 per kWh; and Transmission Charge at \$0.00517 per kWh. As a result, a typical residential customer using 500 kWh per month will continue to have a monthly electric bill of \$51.38.

On July 19, 2000, the Division of Public Utilities and Carriers ("Division") filed a memorandum with the Commission in response to Pascoag's filing. The Division noted that the total balance in the reconciling account as of the end of May 2000 is less than \$2,500 and concluded there is "no pressing need to adjust rates now." The Division also noted that a twelve-month reconciliation period should "reduce the administrative burden and costs for both Pascoag and the Commission." In conclusion, the Division recommended approval of Pascoag's request for waiver of the six-month reconciliation and continuation of

the current Standard Offer Charge, Transition Charge and Transmission Charge.¹

At an open meeting on July 31, 2000, the Commission considered the evidence presented, and approved the continuation of Pascoag's current Standard Offer Charge, Transition Charge and Transmission Charge for bills rendered on and after August 1, 2000 as reasonable and in the interest of ratepayers. The Commission also approved Pascoag's request for a waiver of the six-month reconciliation of these items as currently required under the utility's tariffs, with the understanding that the utility will amend its tariffs to provide for subsequent reconciliation of these items on an annual basis commencing February 1, 2000.

Accordingly, it is

(16392) ORDERED:

1. That the continuation of Pascoag's current Standard Offer Charge of \$0.03384 per kWh is approved, effective for bills rendered on and after August 1, 2000.
2. That the continuation of Pascoag's current Transmission Charge of \$0.00517 per kWh is approved, effective for bills rendered on and after August 1, 2000.
3. That the continuation of Pascoag's current Transition Charge of \$0.02353 per kWh is approved, effective for bills rendered on and after August 1, 2000.

¹ The Division further noted that it intended to perform a more comprehensive review of the allocation of various cost elements to each rate factor to ensure that marketers are afforded an opportunity to compete with utility-procured generation.

4. That Pascoag's request for waiver of the six-month reconciliation of the Standard Offer Charge, Transmission Charge, and Transition Charge is approved, and the utility is directed to file an annual reconciliation of these items on or before January 1, 2001.
5. That Pascoag shall comply with all other findings and directives of this Report and Order.

EFFECTIVE AT PROVIDENCE, RHODE ISLAND ON AUGUST 1, 2000
PURSUANT TO AN OPEN MEETING DECISION ON JULY 31, 2000. WRITTEN
ORDER ISSUED ON SEPTEMBER 22, 2000.

PUBLIC UTILITIES COMMISSION

Elia Germani, Chairman

Kate F. Racine, Commissioner

Brenda K. Gaynor, Commissioner