

**State of Rhode Island and Providence Plantations
Public Utilities Commission**

Minutes of Open Meeting Held September 23, 2004

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

Chairman Germani called the open meeting to order at 2:00 PM in the first-floor hearing room of the Public Utilities Commission. A quorum was present.

Minutes of Open Meetings held on September 10, 2004: Commissioner Racine moved to approve the minutes. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

Competitive Telecommunications Service Providers:

The following companies registered for authority to operate in RI. The Division has reviewed the registrations and recommends approval of:

2262(N19) - Startec Global Licensing Co.

2262(M19) - Broadband Dynamics LLC

3632 - Talk America Inc.

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

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

3098 - A.R.C. Networks, Inc. (tariffs filed 9/1/04)

2472 - Sprint Communications Inc. (tariffs filed 8/31/04)

3028 - Qwest Communications Corp. (tariffs filed 9/2/04)

2618 - AT&T Communications of NE Inc. (tariffs filed 9/9/04)

2736 - Conversent Communications of RI (tariffs filed 9/9/04)

3486 - IDT America Corp. (tariff filed 9/9/04)

2262(L10) - PaeTec Communications (tariffs filed 9/2/04)

2262(P7) - MCI WorldCom Communications Inc. (tariffs filed 9/2/04)

2262(F18) - Buyers United Inc. (tariffs filed 9/10/04)

2262(K) - SNET America Inc. (tariffs filed 9/10/04)

2262(O12) - Network Communications International Corp. (tariffs filed 9/9/04)

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

3630 - Verizon Rhode Island: Verizon submitted a tariff filing to introduce 1+Coin Rating Service for wholesalers in the payphone industry effective September 24, 2004. After review, the Commission

followed the Division's recommendation that the tariff filing to go into effect without suspension.

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 effective October 1, 2004. After review, the Commission followed the Division's recommendation that the tariff filing be allowed to go into effect without suspension.

3195 - Verizon Rhode Island: There was no discussion of this docket.

3569 - Rules Governing the Acceptance of Credit Cards by Utility Companies: Newport Water submitted its compliance tariff filing to implement Optional Telephone or Web Page Payment Provision to allow customers the option of using a credit card to pay their water bill through a third party vendor. Ms. Wilson summarized that the filing appeared to be in compliance with the Rules Governing the Acceptance of Credit Cards by Utility Companies, noting that the compliance filing reflects schedule fees that were in effect since

December 23, 2003 (under the current contract the City of Newport has with a third party vendor). She reminded that if this circumstance changes then Newport should file a new schedule of fees. After review, Chairman Germani moved to approve the compliance filing submitted on September 3, 2004. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

3634 - Providence Housing Authority (PHC): PHC filed a petition pursuant to RIGL 39-2-15.1 requesting that the Commission order the public utilities with facilities in the service area to disconnect and temporarily remove, as necessary, utility lines, conduits, poles, etc., along a proposed path to allow for the relocation two buildings to be used as low-income housing for at least 10 years. After review, Chairman Germani asked for a motion and Commissioner Racine moved to approve petition. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

3592 - Narragansett Bay Commission (NBC): The Commission openly discussed the following outstanding issues relating to NBC's rate filing to collect additional revenue requirements and deliberated as follows:

- Operating Reserve Funding - Chairman Germani recommended and moved to approve the Operating Reserve funding level at 1½%. The

motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

- Funding of Personnel Positions - Commissioner Racine moved to approve funding for 250 positions. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

The Commissioners cautioned that in its next rate filing, NBC should address health care costs noting that there should be across-the-board contribution and be comparable to the approach followed in state government.

As approved, NBC is allowed to collect additional revenue requirements in the amount of approximately \$2.9 million effective October 1, 2004.

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