

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

Minutes of Open Meeting Held May 11, 2006

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Thomas Massaro, Alan Nault and Luly Massaro.

Chairman Germani called the open meeting to order at 2:00 P.M. in the first-floor hearing room of the Public Utilities Commission.

Minutes of Open Meetings held on April 26, 2006 - After review, Chairman Germani moved to approve the minutes. The motion was seconded by Commissioner Holbrook and unanimously passed. Vote 3-0.

Competitive Telecommunications Service Providers

The following company filed an application for authority to operate as a telecommunication service provider. The Division has reviewed the application and recommends approval of:

2262(L20) – Nationwide Long Distance Service, Inc.

After review, Chairman Germani entertained a motion to approve the application. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0.

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

2618 – AT&T Communications (tariff filing 4/17/06)

2426 – TCG Rhode Island (tariff filings 4/17 & 4/18/06)

2472 – Sprint Communications (tariff filing 4/19/06)

3036 – CTC Communications Corp. (tariff filing 4/20/06)

2262(L10) – Paetec Communications (tariff filing 4/17/06)

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

3743 – Verizon Rhode Island – The Commission reviewed Verizon request for waiver from the denial by the Number Pooling Administrator (NeuStar) to release additional blocks of numbers for a commercial customer Brooks. After review, Chairman Germani entertained a motion and Commissioner Holbrook moved to approve Verizon's request. The motion was seconded by Commissioner Bray and unanimously passed. Vote 3-0.

3744 – New England Fast Ferry LLC (NEFF) – The Commission reviewed NEFF's filing to amend the tariff for RIPTA sponsored seasonal ferry rates between Providence and Newport. NEFF's seeks approval of a rate increase of a \$1.00 increase for one-way trip and \$2.00 for round trip. NEFF also seeks expedited consideration and waiver of notice and hearing requirement pursuant to RIGL 39-3-12. The Division has reviewed the filing and recommended approval.

After review, Commissioner Holbrook entertained a motion to approve the tariff filing and that pursuant to R.I.G.L. 39-3-12, no hearing is necessary on the basis that it is a purely discretionary service which does not serve as a lifeline to an isolated population. Chairman Germani seconded the motion and the motion was unanimously passed. Vote 3-0.

3690 - New England Gas Co. – The Commission continued its review of the record regarding the NEGas’ proposed Distribution Adjustment Clause (DAC). An interim DAC factor of (\$0.0031) per therm is currently in effect pending further discovery of the Earning Sharing Mechanism portion of the DAC. The following issues were deliberated upon and Chairman Germani entertained the following motions:

- To adopt NEGas’ position on accumulated deferred federal income taxes (ADFIT) which would result in no change to the refund return to ratepayers.**
- To reject Division’s position on the allocation of \$352,000 of costs related to the mercury release incident and to make no additional allocation of wages and overhead to the incident.**
- That any amount to be reconciled in the DAC be carried over to the next DAC filing to take effect on November 1, 2006. Also, NEGas is directed to file a schedule indicating the exact amount to be carried**

over within 30 days.

Chairman Holbrook moved to adopt the Chairman's motion. Commissioner Bray seconded the motion and it was unanimously passed. Vote 3-0.

The open meeting adjourned at 2:45 P.M.