

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held December 20, 2007

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Patricia Lucarelli, Cindy Wilson-Frias, 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 11/29/07, 11/8/07 and 10/30/07: 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:

2535 – Cox RI Telcom LLC (tariff filing 12/4/07)

3509 – Spectrotel, Inc. (tariff filing 12/4/07)

2486 – Verizon Access Transmission Services (tariff filings 11/30/07)

2262(P7) – Verizon Business Services, Inc. (tariff filing 11/30/07)

2262(E2) – Teleconnect Long Distance Services (tariff filing 11/30/07)

2262(O2) – NOS Communications, Inc. (tariff filing 11/30/07)

2262(P2) – NOSVA Limited Partnership (tariff filing 11/30/07)

2262(Q2) – Affinity Network, Inc. (tariff filing 11/30/07)

2262(J20) – Embarq Communications, Inc. (tariff filing 11/30/07)

2262(A6) – SBC Long Distance LLC (tariff filing 11/30/07)

2262(Y20) – Silv Communications, Inc. (tariff filing 12/6/07)

2262(F16) – Bell Atlantic Communications, Inc. (tariff filing 12/13/07)

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

The following companies ceased operations and requested to have its authority to operate be cancelled:

2262(J19) – Cognigen Networks, Inc.

2262(J9) – Telecom Resources, Inc.

After review, Chairman Germani moved to rescind the authority of the above companies. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3903 – Bandwith.com CLEC, LLC and Computer Network Technology Corp.: The companies submitted a joint petition for the transfer of the certificate of authority to operate from Computer Network to Bandwith.com. The petition includes Bandwith.com's application for authority, including its statement of business and operations in conformance with PUC's rules. The Division has reviewed Bandwith.com's application and recommends approval. After review, Chairman

Germani moved to approve the joint petition and the registration application of Bandwith.com. Commissioner Mary Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3905 – Narragansett Bay Commission (NBC) – NBC filed a rate application to implement new rates designed to generate additional revenues of \$10,924,164 or 16.48% for effect January 2, 2008. After review, Chairman Germani moved to suspend the NBC's proposed rates beyond January 2, 2008 for purpose of conducting investigation and hearing. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Renewable Energy Resources Generation Units – The Commission reviewed the Renewable Energy Resource certification applications that were submitted by the following entities:

3863 - Dodge Falls Associates, Essex Hydro Associates for Generation Unit: Dodge Falls

3864 - Nashua Hydro Associates, Essex Hydro Associates for Generation Unit: Nashua Hydro Associates

3865 - Briar Hydro Associates, Essex Hydro Associates for Generation Unit: Rolfe Canal

3873 - Briar Hydro Associates, Essex Hydro Associates for Generation Unit: Penacook Lower Falls

3880 - Benton Falls Associates, Essex Hydro Associates for Generation Unit: Benton Falls

After review, Chairman Germani moved that the above Generation Units meet the eligibility requirement as Existing, Small Hydro Renewable Energy Resources and hereby approve the certification applications as submitted. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3896 – Pascoag Utility District – The Commission reviewed the record regarding Pascoag's annual rate reconciliation filing of the Standard Offer Service Rate, Transmission Charge and Transition Charge. After review, Chairman Germani moved to approve the following motions:

1. To allow Pascoag to deposit the projected overcollection at 12/31/07 estimated at \$147,000 into the Purchase Power Restricted Fund to address cashflow needs that may come up during the moratorium and to improve the credit rating for the utility.
2. To adjust the rates to recover an additional \$125,000 in transmission cost.
3. To approve a Standard Offer Service Charge of 7.094¢ per kWh, a Transition Charge of 1.402¢ per kWh and a Transmission Charge of 1.548¢ effective January 1, 2008.
4. That Pascoag keep the Commission informed of the potential transaction relating to the Stonybrook Project

Commissioner Holbrook seconded the motions and the motions were unanimously passed. **Vote 3-0.**

3888 – Pascoag Utility District – The Commission reviewed the record regarding Pascoag's 2008 Demand Side Management programs. After review, Chairman Germani

moved to approve Pascoag's 2008 DSM programs and a budget of \$116,000, as revised and supplemented by Pascoag on November 21, 2007, for effect January 1, 2008. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3904- National Grid (NGrid) – NGrid submitted a tariff advice filing to amend RIPUC No. 1078-A, Qualifying Facilities Power Purchase Rate for effect January 1, 2008. After review, Chairman Germani moved to suspend the tariff to conduct investigation. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3901 – National Grid – The Commission reviewed the record regarding NGrid's 2008 Renewable Energy Standard (RES) Procurement Plan and proposed RES Charge for effect January 1, 2008. After review of the issues, Chairman Germani moved to approve the following motions:

1. To approve a RES charge of 0.084¢ effective January 1, 2008.
2. To approve National Grid's RES Procurement Plan.
3. That the working group file a status report twice a year in April and October.
4. That National Grid's proposal for handling public information regarding the bidding process is appropriate; as part of its compliance filing, National Grid will include public notification of the number of RECs procured for each period, the type (existing or new) and the average cost of the RECs for each period.
5. That National Grid's practice in making the bidding process available to the public is appropriate.
6. To adopt the Evaluation Criteria for selecting bids as supported in Mr. Hagar's testimony.

Commissioner Bray seconded the motions and the motions were unanimously passed. **Vote 3-0.**

3902 – National Grid – The Commission reviewed the record regarding NGrid's annual retail rate filing to implement a revised Standard Offer Service Rate, Transition Charge and Transmission Service Adjustment Factor. After review, Chairman Germani moved to approve the following motions:

1. To approve a Standard Offer Service Charge of 9.2¢ per kWh, a Transmission Service Cost Adjustment Factor of \$0.541¢ per kWh and a Transition Charge of 0.322¢ effective January 1, 2008.
2. To allow National Grid to retain the non-residential Last Resort Service overcollection pending further investigation by the Company.
3. To allow National Grid to apply \$2,275,000 million of the CTC Settlement Funds to the A-60 rate class and implement a credit of 1.306¢ applicable to the first 450 kWh consumed per month effective January 1, 2008.

Commissioner Bray moved to approve the motions. Commissioner Holbrook moved to approve motion 1 and 2 and dissented on motion 3. **Vote 2-1.**

3892 – National Grid – The Commission reviewed the record relating to the Settlement Agreement entered by the settling parties for approval of NGrid’s 2008 Demand Side Management programs and budget. After review, Chairman Germani moved to approve the Settlement Agreement as submitted. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3881 – National Grid – The Commission reviewed NGrid’s tariff filing to amend General Terms and Conditions for natural gas RIPUC NG No. 101, Section 1, Schedule A, Part 3, to expand and clarify the provision regarding the prohibition of submetering for resale. After review, Chairman Germani moved to approve the tariff to allow for submetering of gas by owners of rental property with six or more units for purpose of allocating the cost of gas. Commissioner Holbrook seconded the motion and the motion was unanimously passed. **Vote 3-0.**

3565 – RI Resource Recovery Corp. (RIRRC) – The Commission reviewed the record relating to RIRRC’s Petition for Declaratory Judgment seeking declaration pursuant to RIGL 39-1-2 and 39-1-2(20)(ii) and RIRRC’s motion for reconsideration of the PUC’s open meeting decision on September 27, 2007 rejecting the Settlement Agreement. After review, Chairman Germani opined that RIRRC is acting like an electric distribution company under the statute, in that it owns, operates and maintains its facility. He moved to deny the motion for reconsideration and further find that RIRRC would not be exempted from the definition of a public utility. Commissioner Bray seconded the motion and the motion was unanimously passed. **Vote 3-0.**

The open meeting adjourned at 3:30 P.M.