

July 5, 2024

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Kristen L. Masse, EFSB Coordinator  
RI Energy Facility Siting Board  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket No. SB-2021-04 – The Narragansett Electric Company Aquidneck Island  
Gas Reliability Project Old Mill Lane, Portsmouth, Rhode Island  
Responses to Record Request Nos. 8 (Supplemental), 10 and 11**

Dear Kristen:

On behalf of The Narragansett Electric Company (the “Company”), I have enclosed the Company’s responses to the Energy Facility Siting Board’s (the “Board”) Record Request Nos. 10 and 11 from the Final Hearings in the above-referenced docket. Also enclosed is a supplemental response to Record Request No. 8 which includes new gas demand information from the Gas Long-Range Resource and Requirements Plan for the Forecast Period 2024/25 to 2028/29 filed June 28, 2025 in RIPUC Docket No. 24-27-NG

Due to the size of the document, this transmittal includes two hard copies of Attachment RR-10-1. Please let us know if the Board requires additional copies of this attachment.

Please note that the Company’s response to Record Request No. 11 includes confidential customer specific information regarding the United States Navy. Therefore, the Company has provided a redacted and a confidential version of this response and has requested confidential treatment pursuant to R.I. Gen. Laws § 38-2-2(4)(B).



Kristen L. Masse, EFSB Coordinator

July 5, 2024

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Thank you for your attention to this matter. If you have any questions, please contact me at (401) 709-3351.

Sincerely,

A handwritten signature in blue ink, appearing to read "George W. Watson III", with a stylized flourish at the end.

George W. Watson III

Enclosures

cc: Docket SB-2021-04 Service List



Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate were electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Heidi J. Seddon

July 5, 2024

Date

**SB-2021-04 The Narragansett Electric Company's Application for a License to Mobilize and Operate a Liquefied Natural Gas (LNG) Vaporization Facility at Old Mill Lane (Portsmouth, RI)**

**Updated February 28, 2024**

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**STATE OF RHODE ISLAND  
ENERGY FACILITY SITING BOARD**

In re:

The Narragansett Electric Company

Aquidneck Island Gas Reliability Project

Old Mill Lane, Portsmouth, Rhode Island

EFSB Docket No. SB-2021-04

**MOTION OF THE NARRAGANSETT ELECTRIC COMPANY  
FOR PROTECTIVE TREATMENT OF  
CONFIDENTIAL INFORMATION**

The Narragansett Electric Company (the “Company”) hereby respectfully requests that the Energy Facility Siting Board (the “Board”) grant protection from public disclosure of certain confidential information submitted by the Company. The reasons for the protective treatment are set forth herein. The Company also requests that, pending entry of that finding, the Board preliminarily grant the Company’s request for confidential treatment.

The Company’s response to Record Request No. 11 (the “Confidential Response”) includes a summary of communications and information from the United States Navy (“Navy”) regarding energy events, needs, and plans with respect to Naval Station Newport (the “Navy Base”). The Navy keeps these communications and the Navy’s energy events, needs, and plans confidential and, through communications with the Company concerning the Board’s record request, has therefore requested it be kept confidential.

**I. LEGAL STANDARD**

Rhode Island’s Access to Public Records Act (“APRA”), R.I.G.L. §38-2-1 *et. seq.*, sets forth the parameters for public access to documents in the possession of state and local government agencies. Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency are deemed to be a “public record,” unless the information

contained in such documents and materials falls within one of the exceptions specifically identified in R.I.G.L. §38-2-2(4). Therefore, to the extent that information provided to the Board falls within one of the designated exceptions to APRA, the Board has the authority under the terms of APRA to deem such information to be confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where the disclosure of information would be likely either (1) to impair the government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *Providence Journal Company v. Convention Center Authority*, 774 A.2d 40 (R.I. 2001). The first prong of the test is satisfied when information is provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. *Providence Journal*, 774 A.2d at 47.

The Rhode Island Supreme Court has also noted that the agencies making determinations as to the disclosure of information under APRA may apply a balancing test. *See Providence Journal v. Kane*, 577 A.2d 661 (R.I. 1990). Under this balancing test, after a record has been determined to be public, the Board may protect information from public disclosure if the benefit of such protection outweighs the public interest inherent in disclosure of information pending before regulatory agencies. *Kane*, 577 A.2d at 663 ("Any balancing of interests arises only after a record has first been determined to be a public record.").

## **II. BASIS FOR CONFIDENTIALITY**

The confidential information contained in the Company's response to Record Request No. 11 is the summary of certain communications with the Navy and related information the Navy has provided to the Company regarding energy events, needs and plans for its Navy Base. The Navy has requested that the Company maintain the confidentiality of this information, and this customer specific information would ordinarily not be shared by the Company without its customer's prior authorization. Because the confidential information contained in the Confidential Response is not of a kind that would customarily be released to the public by the Company, the first prong of the *Providence Journal* test has been satisfied. *See Providence Journal*, 774 A.2d at 47. For that reason, the Company is seeking protective treatment of the Navy's information that would not typically be disclosed to the public.

## **III. CONCLUSION**

For the foregoing reasons, the Company respectfully requests that the Board grant this motion for protective treatment of the confidential information contained in the Company's response to Record Request No. 11. The Company has submitted redacted versions of the Confidential Response for the public record, and confidential versions subject to this motion for protective treatment.

[SIGNATURES ON NEXT PAGE]

Respectfully submitted,

**THE NARRAGANSETT ELECTRIC  
COMPANY**

By its attorneys,



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Dated: July 5, 2024

**CERTIFICATE OF SERVICE**

I hereby certify that on July 5, 2024, I delivered a true copy of the foregoing Motion via electronic mail to the parties on the Service List for Docket No. SB-2021-04.

A handwritten signature in blue ink, reading "Heidi J. Seddon", is positioned above a horizontal line.

Heidi J. Seddon



The Narragansett Electric Company  
Docket No. SB-2021-04  
In Re: The Narragansett Electric Company Application for a  
License to Mobilize and Operate a Liquified Natural Gas (LNG)  
Vaporization Facility at Old Mill Lane (Portsmouth, RI)  
Responses to Record Requests  
Issued at the EFSB's Final Hearings

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Record Request 8 (Supplemental)

Request:

Please provide:

- a. Schedules which provide a breakdown of the components (i.e., energy efficiency, demand response, and electric heating conversions) of the total cost that comprise the Company's Non-Infrastructure Proposal (with a moratorium) which is referenced on page 37 of the Siting Report. Please show cost incurrence by year that is assumed in the Company's forecast, by component. Please also itemize the demand response measures by type and assumed annual cost. In performing this analysis, please use the Company's best estimate of the number of years required to eliminate the capacity gap, taking into account contractor resources, availability of products and equipment, and the Company's best judgment of customer adoption. Please provide an explanation of the key assumptions in the forecast.
- b. Please provide similar information for the proposal assuming no moratorium.

Response:

The Siting Report, filed in April 2022 under Docket No. SB-2021-04, identified two non-infrastructure options that focused on resolving the capacity constraint that is otherwise solved by portable LNG operations at the Old Mill Lane site. As described in Sections 4.7 and 4.8 of the Siting Report, the non-infrastructure options were comprised of energy efficiency (EE), electrification (elec.), and gas demand response (DR) for both residential and commercial customers on Aquidneck Island. These options also included continued operation of portable LNG until the capacity constraint was assumed to be addressed, as well as an estimate of the incremental revenue requirement associated with the site work proposed in the Siting Report. The incremental demand response included two sub-initiatives: (1) fuel switching of commercial customers off natural gas and onto a delivered fuel, and (2) thermostat setback for residential and small/medium businesses. The fuel switching initiative was further segmented by the relative size of the firm C&I customers that could participate (Tier 1 included the two largest firm customers, Tier 2 included the next 33 largest firm customers, and Tier 3 included the next 204 largest firm customers after that, as described in Section 4.7 of the Siting Report). Note that this incremental DR refers only to current firm C&I customers; existing non-firm customers on Aquidneck Island, such as the Navy, are already forecasted to not contribute to demand under design hour conditions. More broadly, all demand-side management (DSM) efforts included in these options are in addition to existing efforts that are already accounted for in the forecast.

The Narragansett Electric Company  
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Record Request 8 (Supplemental), Page 2

The estimated cost to the Company (and consequently, gas customers) of the solution that included a moratorium, by year and by component, is shown in Table 1. Note that the total cost over the analysis period is \$100 million, with a time-discounted value of \$63 million, matching what was listed in Section 4.8 and Footnote 21 of the Siting Report. The estimated cost to the Company of the solution that did not include a moratorium, by year and by component, is shown in Table 2. Note that the total cost over the analysis period is \$143 million, with a time-discounted value of \$86 million, matching what was listed in Section 4.8 and Footnote 20 of the Siting Report.

The Narragansett Electric Company  
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Record Request 8 (Supplemental), Page 3

*Table 1. Annual Company Cost of Non-Infrastructure Option with Moratorium from April 2022 (Millions \$) [part a]*

Type	Subcomponent	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
EE <sup>1</sup>	Residential	\$0.00	\$0.47	\$0.96	\$1.45	\$1.96	\$2.46	\$2.98	\$2.98	\$2.97	\$2.97	-\$0.42	-\$0.43	-\$0.44	-\$0.45
EE <sup>1</sup>	Commercial	\$0.00	\$0.07	\$0.14	\$0.25	\$0.32	\$0.37	\$0.44	\$0.41	\$0.39	\$0.36	-\$0.22	-\$0.22	-\$0.23	-\$0.23
Elec.	Residential	\$0.00	\$0.64	\$0.87	\$1.32	\$1.79	\$2.30	\$2.35	\$2.39	\$2.44	\$2.49	\$0.00	\$0.00	\$0.00	\$0.00
Elec.	Commercial	\$0.00	\$0.07	\$0.11	\$0.19	\$0.27	\$0.32	\$0.32	\$0.33	\$0.34	\$0.34	\$0.00	\$0.00	\$0.00	\$0.00
DR	Fuel Switch - Tier 1	\$0.19	\$0.19	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21	\$0.22	\$0.22	\$0.23	\$0.23	\$0.23	\$0.24	\$0.24
DR	Fuel Switch - Tier 2	\$0.05	\$0.42	\$0.28	\$0.50	\$0.36	\$0.39	\$0.42	\$0.25	\$0.46	\$0.50	\$0.53	\$0.57	\$0.61	\$0.41
DR	Fuel Switch - Tier 3	\$0.06	\$0.08	\$0.09	\$0.11	\$0.12	\$0.16	\$0.16	\$0.19	\$0.20	\$0.23	\$0.25	\$0.28	\$0.29	\$0.33
DR	Thermostat Setback	\$0.07	\$0.09	\$0.12	\$0.13	\$0.14	\$0.15	\$0.17	\$0.18	\$0.20	\$0.21	\$0.22	\$0.24	\$0.26	\$0.28
Infra.	Site Work	\$0.00	\$0.00	\$0.00	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86
Infra.	LNG Trucking	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		<b>\$3.86</b>	<b>\$5.52</b>	<b>\$6.27</b>	<b>\$9.51</b>	<b>\$10.53</b>	<b>\$11.72</b>	<b>\$12.41</b>	<b>\$12.31</b>	<b>\$9.08</b>	<b>\$9.19</b>	<b>\$2.46</b>	<b>\$2.53</b>	<b>\$2.59</b>	<b>\$2.44</b>
<b>Sum over Analysis Period</b>		<b>\$100.4</b>													
<b>NPV over Analysis Period</b>		<b>\$63.0</b>													

<sup>1</sup> In addition to the incentive and administrative cost of EE, the net benefit of reduced wholesale gas purchases is counted as a negative cost to the Company throughout the analysis, which is why the cost of EE goes negative starting in 2031-32 when incremental incentives are no longer needed, but savings persist.

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Record Request 8 (Supplemental), Page 4

*Table 2. Annual Company Cost of Non-Infrastructure Option without Moratorium from April 2022 (Millions \$) [part b]*

Type	Subcomponent	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
EE	Residential	\$0.00	\$0.47	\$0.96	\$1.45	\$1.96	\$2.46	\$2.98	\$2.98	\$2.97	\$2.97	\$2.96	\$2.95	\$2.94	\$2.93
EE	Commercial	\$0.00	\$0.07	\$0.14	\$0.25	\$0.32	\$0.37	\$0.44	\$0.41	\$0.39	\$0.36	\$0.34	\$0.31	\$0.28	\$0.25
Elec.	Residential	\$0.00	\$1.13	\$2.21	\$3.32	\$4.48	\$5.72	\$5.79	\$5.89	\$5.96	\$5.91	\$0.00	\$0.00	\$0.00	\$0.00
Elec.	Commercial	\$0.00	\$0.15	\$0.30	\$0.43	\$0.59	\$0.76	\$0.78	\$0.80	\$0.81	\$0.87	\$0.00	\$0.00	\$0.00	\$0.00
DR	Fuel Switch - Tier 1	\$0.19	\$0.19	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21	\$0.22	\$0.22	\$0.23	\$0.23	\$0.23	\$0.24	\$0.24
DR	Fuel Switch - Tier 2	\$0.05	\$0.42	\$0.28	\$0.50	\$0.36	\$0.39	\$0.42	\$0.25	\$0.46	\$0.50	\$0.53	\$0.57	\$0.61	\$0.41
DR	Fuel Switch - Tier 3	\$0.06	\$0.08	\$0.09	\$0.11	\$0.12	\$0.16	\$0.16	\$0.19	\$0.20	\$0.23	\$0.25	\$0.28	\$0.29	\$0.33
DR	Thermostat Setback	\$0.07	\$0.09	\$0.12	\$0.13	\$0.14	\$0.15	\$0.17	\$0.18	\$0.20	\$0.21	\$0.22	\$0.24	\$0.26	\$0.28
Infra.	Site Work	\$0.00	\$0.00	\$0.00	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86
Infra.	LNG Trucking	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		<b>\$3.86</b>	<b>\$6.09</b>	<b>\$7.80</b>	<b>\$11.74</b>	<b>\$13.54</b>	<b>\$15.59</b>	<b>\$16.32</b>	<b>\$16.27</b>	<b>\$13.08</b>	<b>\$13.14</b>	<b>\$6.39</b>	<b>\$6.44</b>	<b>\$6.47</b>	<b>\$6.30</b>
<b>Sum over Analysis Period</b>		<b>\$143.0</b>													
<b>NPV over Analysis Period</b>		<b>\$85.8</b>													

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As described in the Siting Report, these options were based on a significant level of incremental demand-side management beyond current statewide efforts, as restated in Table 3.

*Table 3. DSM Assumed for Options Identified in April 2022 Siting Report Section 4.8*

	<b>Non-Infrastructure Solution to Address Capacity Constraint, with a Moratorium</b>	<b>Non-Infrastructure Solution to Address Capacity Constraint, without a Moratorium</b>
<b>Demand Response (DR)</b>	Maximum achievable potential reached, continuing as an annual program through analysis period.	Maximum achievable potential reached, continuing as an annual program through analysis period.
<b>Energy Efficiency (EE)</b>	Maximum achievable potential reached after 6-year ramp up, continuing until 2031 when the capacity constraint is projected to be addressed by persistent savings.	Maximum achievable potential reached after 6-year ramp up, continuing through analysis period to address the capacity constraint and offset projected demand growth with persistent savings.
<b>Electrification (Elec.)</b>	20% of HVAC turnover assumed to electrify after a 5-year ramp up, continuing until 2031 when the capacity constraint is projected to be addressed by persistent savings.	40% of HVAC turnover assumed to electrify after a 5-year ramp up, continuing until 2031 when the capacity constraint is projected to be addressed by persistent savings.

Note: “Ramp up” refers to a straight-line increase in participation from pre-existing levels in year zero to the final amount in the final year of the ramp up period. “HVAC turnover” refers to the 5% of existing natural gas customers assumed to replace their heating equipment each year (assuming a typical heating system lasts for 20 years), plus the number of forecasted new customers each year from the gas load forecast.

In considering “the Company’s best estimate of the number of years required to eliminate the capacity gap, taking into account contractor resources, availability of products and equipment, and the Company’s best judgment of customer adoption”, there have been two key developments since the April 2022 Siting Report that may consequentially impact the analysis restated above:

1. An updated Gas Load Forecast, as published in the June 2023 Long-Range Plan under Docket No. 22-06-NG, and

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2. Additional incentives for electrification of heat, such as the federal Inflation Reduction Act and the Office of Energy Resources' (OER) Clean Heat Rhode Island program.

Note that there are other key assumptions that underpin the non-infrastructure solutions, specifically regarding demand response and energy efficiency, that are assumed to have not changed significantly from the original analysis. The savings potential and cost for demand response were based on an analysis of large, firm C&I customers at the time, which is assumed to have not changed significantly since then. For energy efficiency, the 2020 market potential study that was used to establish savings potential and cost at the time is still the latest comprehensive study published.<sup>2</sup>

The latest published design day demand forecast for Aquidneck Island (the June 2023 Forecast) is shown in Figure 1 and Figure 2, and is compared to the forecast used to size the non-infrastructure options in the April 2022 Siting Report (the June 2021 Forecast).<sup>3</sup> The June 2023 Forecast identifies relatively higher demand in the short-term but relatively lower demand in the long-term compared to the June 2021 Forecast. Importantly, the Long-Range Plans in which these forecasts were published have a 5-year outlook. Extended forecasts have been generated and shown here to provide more context. While these forecasts are presented as a point estimate, there is uncertainty that is not reflected in the graphs, especially in the later years.

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<sup>2</sup> Available at: <https://rieermc.ri.gov/rhode-island-market-potential-study-2021-2026/>

<sup>3</sup> The June 2023 Forecast was published under Docket No. 22-06-NG, and the June 2021 Forecast was published under Docket No. 5043.

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Figure 1. Forecasted Design Hour Supply/Demand Balance on Aquidneck Island

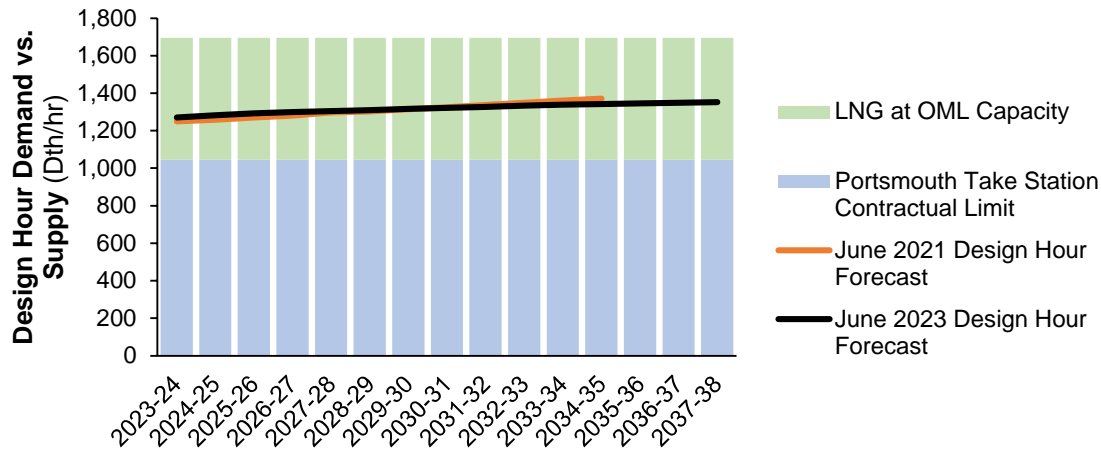
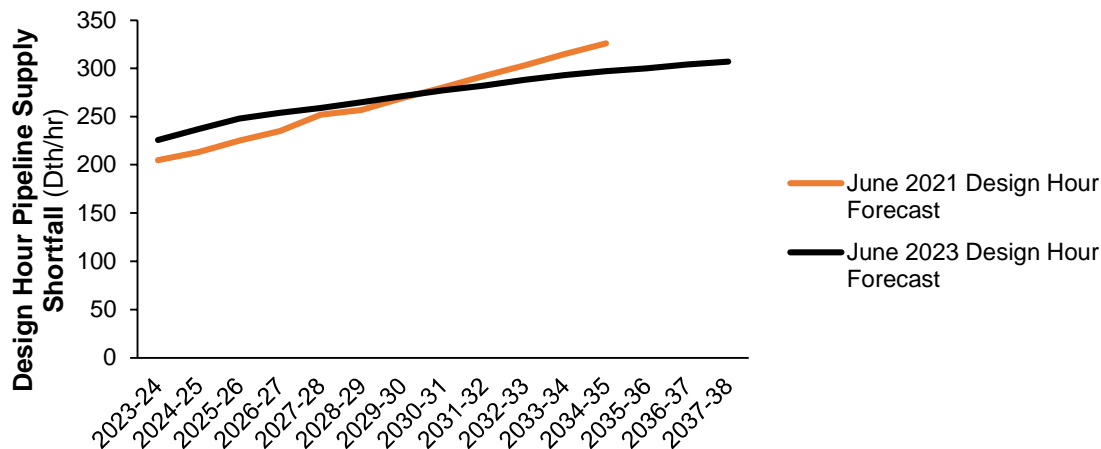


Figure 2. Forecasted Design Hour Pipeline Supply Shortfall ("Capacity Constraint") on Aquidneck Island



As described in Section III.B.3 of the Gas Long-Range Resource and Requirements Plan for the Forecast Period 2023/24 to 2027/28 filed on June 30, 2023 in RIPUC Docket No. 22-06-NG, the June 2023 Forecast includes the impact of DSM efforts at historical achievement levels, plus the increasing penetration of the Company's energy efficiency programs beyond historical levels. As noted above, there are additional initiatives not implemented through programs administered by the Company that may have an impact on future demand for gas in Aquidneck Island. This includes the OER's Clean Heat Rhode Island ("CHRI") program and the state's proposed Home

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Efficiency Rebates (“HER”) program that would take advantage of federal IRA funding.<sup>4</sup> The potential statewide impact of these programs is roughly estimated in Table 4.

*Table 4. Statewide Electrification Targets from New, non-Company Initiatives*

	Source	OER: CHRI	Federal IRA: HER
Total Funding	Per OER*	\$25M for 3 years	\$32M for 8 years
Portion of Funding for Electrification of heat Incentives	Assumes 7% reserve for admin for CHRI, and 50% of HER funds used for heat electrification**	93%	50%
Annual Funds Available for Incentives	Funding available for incentives divided by years	\$7.75M/yr	\$3.70M/yr
Assumed Incentive per Heat Pump	Per OER*, assuming 4-ton heat pump per home	\$4,000/cust	\$4,000/cust
Budgeted Annual Electrifications	Available incentive funds divided by incentive per home	1,938 customers per year	497 customers per year

\* CHRI budget and incentive rates and HER program budget listed by OER at <https://energy.ri.gov/heating-cooling/clean-heat-ri> and <https://energy.ri.gov/energy-incentives/home-energy-rebate-program>, respectively.

\*\* CHRI also offers incentives for heat pump water heaters and electrical service upgrades, which may facilitate full electrification but also increase the cost per customer, thereby decreasing the total number of customers budgeted to participate. HER funds are reserved

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<sup>4</sup> Note that OER is also developing implementation plans for the Home Electrification and Appliance Rebates (“HEAR”) program, which will receive an approximately \$31 million in additional federal funding, but the current program proposal intends for those funds to “provide rebates to low-and-moderate-income households for electrical and appliance upgrades that are not already provided through other programs”, which would preclude heat electrification currently incentivized via CHRI, as described in an April 2024 presentation, available at: <https://energy.ri.gov/sites/g/files/xkgbur741/files/2024-04/HEAR%20Straw%20Proposal%20Presentation.pdf>.



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broadly for energy efficiency improvements, and OER has tentatively indicated that approximately half of the funds may be utilized to incentivize heating electrification.

Allocating the impact of these statewide initiatives to Aquidneck Island requires many assumptions around program implementation outside of the Company's control. Between October 2023 and March 2024, roughly 10% of the rebates the OER has paid or reserved through CHRI have been for Aquidneck Island, as shown in Table 5.

*Table 5. Clean Heat Rhode Island Rebates Paid/Reserved from October 2023 - March 2024*

<b>Municipality</b>	<b>Paid or Reserved Amount (\$)</b>	<b>Total Rebates</b>
Portsmouth	\$169,693 (3%)	47 (4%)
Middletown	\$99,675 (2%)	36 (3%)
Newport	\$225,990 (5%)	38 (3%)
<b>Aquidneck Island Total</b>	<b>\$495,357 (10%)</b>	<b>121 (9%)</b>
<b>Rhode Island Total</b>	<b>\$4,927,683 (100%)</b>	<b>1,330 (100%)</b>

Source: Clean Heat Rhode Island Statistics, retrieved at:  
<https://cleanheatri.com/resources/program-statistics/>

If 10% of the annual budgeted electrifications estimated in Table 4 occur in Aquidneck Island, that would equate to roughly 245 customers adopting heat pumps annually. Assuming that all of these customers are current or projected gas customers and that all of these participants fully remove themselves from the gas system (which is not a requirement), these 245 residences would be estimated to reduce design hour demand by roughly 12 Dth/hr each year.<sup>5</sup> Several high-level assumptions underpin this analysis that likely cause the estimated potential savings from electrification via statewide programs to be overstated, including:

- All participation includes electrification of heat;
- The installed heat pumps fully displace the existing heating system, whereas initial information provided to the Company by OER indicates only around 30% of participants are fully displacing their existing heating source;

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<sup>5</sup> Assuming a typical residential customer consumes 1 Dth/day on the design day, and 0.05 Dth/hr in the design hour, based on the ratio of forecasted design day demand to annual demand in Aquidneck Island applied to residential usage per customer.

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- All participation is by existing natural gas customers or by current delivered fuel customers who are otherwise forecasted to join the gas system;<sup>6</sup>
- Program funding is utilized in Aquidneck Island at similar levels as to what has been seen since the CHRI program launched in September 2023;
- Program funding, such as CHRI and IRA, persists at similar levels into the future; and
- Customers in Aquidneck Island and Rhode Island more broadly continue to adopt heat pumps at a level commensurate with the allocated funding.

Given the Capacity Constraint is currently roughly 237 Dth/hr on the design hour as shown in Figure 2, a reduction of 12 Dth/hr annually from **current and planned statewide and federal programs alone would be insufficient to eliminate the Capacity Constraint within the timeframe of the extended forecast.**

To assess what it would take to eliminate the Capacity Constraint by a certain date, the model used to inform the non-infrastructure options presented in the April 2022 Siting Report was updated with (1) the June 2023 Forecast, (2) incremental Company DSM initiatives starting hypothetically in 2024, and (3) refined electrification parameters. Electrification parameters were refined based on the latest assumptions developed for Rhode Island's Future of Gas proceeding under Docket No. 22-01-NG, as shown in Table 6. These values represent the incremental cost of a heat pump over an efficient gas system. Overall, costs only changed slightly, after accounting for available incentives and inflation.

*Table 6. Electrification Cost Assumptions*

Parameter	April 2022 Siting Report Analysis (2023\$)	Future of Gas Analysis (2023\$)	
		<i>Pre-Incentive</i>	<i>Post-Incentive</i>
Incremental Electrification Cost – Residential Customer	\$13,000	\$18,200	\$12,100
Incremental Electrification Cost – C&I Customer	\$18,400	\$41,500	\$19,000

Source: Electrification parameter assumptions used in April 2022 Siting Report analysis were detailed in Chapter 14 of the Aquidneck Island Long-Term Gas Capacity Study, published in September 2020, available at: <https://www.rienergy.com/aquidneck-long-term-gas-capacity->

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<sup>6</sup> Note that according to the 2022 American Community Survey, roughly 10,890 residences on Aquidneck Island utilize utility gas as their primary heating fuel, compared to roughly 10,154 residences that utilize delivered fuel as their primary heating fuel, where Aquidneck Island is assumed to include census tracts 401-412. See Table B25040 of 2022 ACS 5-Year Estimates, available at: <https://data.census.gov/table/ACSDT5Y2022.B25040>

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study. Note that April 2022 Siting Report figures were increased from 2020\$ as presented in the 2020 Aquidneck Island Long-Term Gas Capacity Study to 2023\$ using an effective inflation multiplier of 118%. Electrification parameter assumptions used in the Future of Gas analysis are taken as the difference between “default” heat pump costs and efficient gas boiler/furnace costs, as extracted from “Docket 22-01-NG – E3 Technical Analysis – Appendix B.xlsx” published May 7, 2024, available at: <https://ripuc.ri.gov/Docket-22-01-NG>. Note that residential post-incentive costs assume a 4.5-ton system, in accordance with the Future of Gas analysis, and a \$1,350/ton effective incentive rate from statewide and federal programs. C&I customer costs assume 3,500 sqft per C&I building with a 9-ton system, and a \$2,500/ton effective incentive rate from statewide and federal programs.

Energy prices were also updated to reflect the latest available data from the US Environmental Information Administration (EIA), as shown in Table 7. Included in this update is the inclusion of projected energy price changes over time, which may shift the relative cost-effectiveness of electrification over time. Upon review of the values in Table 7, the relative cost-effectiveness has not improved for residential customers, as both electric and gas prices have increased, with electric prices projected by the EIA’s Annual Energy Outlook (AEO) to increase more than gas prices through 2035. For commercial customers, however, the heat pump value proposition has apparently improved, with electric prices decreasing and gas prices increasing.

*Table 7. Energy Prices used for Estimating Cost of Heat Pump Operation*

Parameter		April 2022 Siting Report Analysis		Updated Analysis	
		Base Value <sup>a</sup>	Real CAGR <sup>b</sup>	Base Value <sup>c</sup>	Real CAGR <sup>d</sup>
Electric Rate (\$/kWh)	Residential	\$0.204	0%	\$0.230	0.42%
	Commercial	\$0.178	0%	\$0.143	-0.28%
Gas Rate (\$/Dth)	Residential	\$15.09	0%	\$18.17	-0.48%
	Commercial	\$12.52	0%	\$15.29	0.35%

Source: (a) Base energy prices used in April 2022 Siting Report analysis were from 2018 EIA 176 and 861 data for Narragansett Electric Company in Rhode Island; (b) Energy prices were assumed to stay constant in real terms in April 2022 Siting Report analysis; (c) Base energy prices used in updated analysis presented herein are from 2022 EIA 176 and 861 data for Narragansett Electric Company in Rhode Island; (d) CAGR in real terms taken as CAGR between 2025-2035 from the US EIA’s 2023 AEO. EIA 176 data is available at: <https://www.eia.gov/naturalgas/ngqs/>, EIA 861 data is available at: <https://www.eia.gov/electricity/data/eia861/>, and EIA AEO (specifically, Table 3.1) is available at: [https://www.eia.gov/outlooks/aeo/tables\\_ref.php](https://www.eia.gov/outlooks/aeo/tables_ref.php).

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Incorporating the changes described above, the non-infrastructure options were resized and reanalyzed. These solutions were sized to eliminate the capacity constraint after the winter of 2031-32, which was an analogous timeline (8 years) as that contemplated in the April 2022 Siting Report. The resulting quantities of DSM required to meet this target are shown in Table 8, with differences from Table 3 highlighted. Note that the incremental DSM may be necessary later in time because of the later starting point, and relatively more electrification would be needed in the case of a moratorium given the relatively higher design hour demand currently forecasted. But the same level of electrification is forecasted to be needed in the case of no moratorium, because the design hour demand forecasted after 2030 is less than was previously forecasted.

*Table 8. DSM Assumed for Non-Infrastructure Options as Assessed in May 2024*

	<b>Non-Infrastructure Solution to Address Capacity Constraint, with a Moratorium</b>	<b>Non-Infrastructure Solution to Address Capacity Constraint, without a Moratorium</b>
<b>Demand Response (DR)</b>	Maximum achievable potential reached, continuing as an annual program through analysis period.	Maximum achievable potential reached, continuing as an annual program through analysis period.
<b>Energy Efficiency (EE)</b>	Maximum achievable potential reached after 6-year ramp up, continuing until <b>2033</b> when the capacity constraint is projected to be addressed by persistent savings.	Maximum achievable potential reached after 6-year ramp up, continuing through analysis period to address the capacity constraint and offset projected demand growth with persistent savings.
<b>Electrification (Elec.)</b>	<b>25%</b> of HVAC turnover assumed to electrify after a 5-year ramp up, continuing until <b>2032</b> when the capacity constraint is projected to be addressed by persistent savings.	40% of HVAC turnover assumed to electrify after a 5-year ramp up, continuing until <b>2032</b> when the capacity constraint is projected to be addressed by persistent savings.

Note: Font in bold red indicates differences from the original analysis performed for the April 2022 Siting Report presented in Table 3.

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Table 9 and Table 10 show the annual cost to the Company of the non-infrastructure options with and without a moratorium, respectively, by year and by component. Comparing to the results in from the April 2022 Siting Report, there is very little difference overall in the expected cost based on the updates described above.

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*Table 9. Annual Company Cost of Non-Infrastructure Option with Moratorium from May 2024 (Millions \$) [part a]*

Type	Subcomponent	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
EE <sup>7</sup>	Residential	\$0.00	\$0.47	\$0.96	\$1.45	\$1.95	\$2.46	\$2.97	\$2.97	\$2.97	\$2.96	-\$0.42	-\$0.43	-\$0.44	-\$0.45
EE <sup>4</sup>	Commercial	\$0.00	\$0.07	\$0.14	\$0.25	\$0.32	\$0.37	\$0.44	\$0.41	\$0.39	\$0.36	-\$0.22	-\$0.22	-\$0.23	-\$0.23
Elec.	Residential	\$0.00	\$0.57	\$0.94	\$1.44	\$1.82	\$2.32	\$2.37	\$2.43	\$2.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Elec.	Commercial	\$0.00	\$0.05	\$0.07	\$0.11	\$0.14	\$0.18	\$0.18	\$0.18	\$0.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DR	Fuel Switch - Tier 1	\$0.00	\$0.19	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21	\$0.22	\$0.22	\$0.23	\$0.23	\$0.23	\$0.24	\$0.24
DR	Fuel Switch - Tier 2	\$0.00	\$0.42	\$0.28	\$0.50	\$0.36	\$0.39	\$0.42	\$0.25	\$0.46	\$0.50	\$0.53	\$0.57	\$0.61	\$0.41
DR	Fuel Switch - Tier 3	\$0.00	\$0.08	\$0.09	\$0.11	\$0.12	\$0.16	\$0.16	\$0.19	\$0.20	\$0.23	\$0.25	\$0.28	\$0.29	\$0.33
DR	Thermostat Setback	\$0.00	\$0.09	\$0.12	\$0.13	\$0.15	\$0.16	\$0.17	\$0.18	\$0.20	\$0.21	\$0.23	\$0.25	\$0.26	\$0.28
Infra.	Site Work	\$0.00	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86
Infra.	LNG Trucking	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		<b>\$3.50</b>	<b>\$7.30</b>	<b>\$8.16</b>	<b>\$9.54</b>	<b>\$10.43</b>	<b>\$11.60</b>	<b>\$12.30</b>	<b>\$12.19</b>	<b>\$12.47</b>	<b>\$6.35</b>	<b>\$2.45</b>	<b>\$2.53</b>	<b>\$2.59</b>	<b>\$2.44</b>
<b>Sum over Analysis Period</b>		<b>\$103.9</b>													
<b>NPV over Analysis Period</b>		<b>\$65.8</b>													

<sup>7</sup> In addition to the incentive and administrative cost of EE, the net benefit of reduced wholesale gas purchases is counted as a negative cost to the Company throughout the analysis, which is why the cost of EE goes negative starting in 2031-32 when incremental incentives are no longer needed, but savings persist.

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*Table 10. Annual Company Cost of Non-Infrastructure Option without Moratorium from May 2024 (Millions \$) [part b]*

Type	Subcomponent	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
EE	Residential	\$0.00	\$0.47	\$0.96	\$1.45	\$1.95	\$2.46	\$2.97	\$2.97	\$2.97	\$2.96	\$2.96	\$2.95	\$2.94	\$2.92
EE	Commercial	\$0.00	\$0.07	\$0.14	\$0.25	\$0.32	\$0.37	\$0.44	\$0.41	\$0.39	\$0.36	\$0.33	\$0.31	\$0.28	\$0.25
Elec.	Residential	\$0.00	\$0.85	\$1.73	\$2.62	\$3.56	\$4.51	\$4.60	\$4.68	\$4.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Elec.	Commercial	\$0.00	\$0.09	\$0.18	\$0.25	\$0.34	\$0.44	\$0.44	\$0.40	\$0.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DR	Fuel Switch - Tier 1	\$0.00	\$0.19	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21	\$0.22	\$0.22	\$0.23	\$0.23	\$0.23	\$0.24	\$0.24
DR	Fuel Switch - Tier 2	\$0.00	\$0.42	\$0.28	\$0.50	\$0.36	\$0.39	\$0.42	\$0.25	\$0.46	\$0.50	\$0.53	\$0.57	\$0.61	\$0.41
DR	Fuel Switch - Tier 3	\$0.00	\$0.08	\$0.09	\$0.11	\$0.12	\$0.16	\$0.16	\$0.19	\$0.20	\$0.23	\$0.25	\$0.28	\$0.29	\$0.33
DR	Thermostat Setback	\$0.00	\$0.09	\$0.12	\$0.13	\$0.15	\$0.16	\$0.17	\$0.18	\$0.20	\$0.21	\$0.23	\$0.25	\$0.26	\$0.29
Infra.	Site Work	\$0.00	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86
Infra.	LNG Trucking	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		<b>\$3.50</b>	<b>\$7.62</b>	<b>\$9.05</b>	<b>\$10.86</b>	<b>\$12.36</b>	<b>\$14.04</b>	<b>\$14.78</b>	<b>\$14.66</b>	<b>\$14.98</b>	<b>\$6.35</b>	<b>\$6.38</b>	<b>\$6.45</b>	<b>\$6.47</b>	<b>\$6.30</b>
<b>Sum over Analysis Period</b>		<b>\$133.8</b>													
<b>NPV over Analysis Period</b>		<b>\$81.2</b>													

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Achieving the level of participation in DSM identified in Table 8 would require significant effort and community buy-in, as described in Section 4.7 and 4.8 of the April 2022 Siting Report.

Effectively increasing the number of C&I customers with non-firm gas service via the fuel switching demand response initiatives may be particularly challenging, given that many existing non-firm customers are requesting firm service to reduce their reliance on delivered fuels. More broadly, as demand response initiatives require opt-in each year and for each called event, customer participation may vary annually and participation in events may fail to reach projections. Together, this presents a risk of not achieving forecasted peak reductions that would be needed to offset the need for portable LNG at Old Mill Lane.

Reaching maximum achievable potential for energy efficiency, as identified in the latest statewide potential study, would require providing incentives that cover 100% of the incremental cost of measures to all customers. If that incentive level was offered, customers would still need to opt-in to participation at projected levels, which would require significant marketing efforts and acceptance by customers in the area. Workforce and equipment supply constraints could also hinder the ability to reach those adoption levels.

There has been and will continue to be a significant effort to increase heat pump adoption, throughout the Northeast and Rhode Island especially. Other states have published the number of heat pumps incentivized annually through their programs, which is aggregated in Table 11. These states are very different in composition and incentives offered. To that end, there are two major caveats to applying this data as a comparison to the adoption needed here:

- This includes all baseline heating systems (e.g. oil, propane, wood, electric resistance heat, etc.). To resolve this capacity constraint on Aquidneck Island customers would need to electrify in lieu of natural gas heating, and the value proposition for electrifying natural gas heating is worse than that of other fuel types.
- While Table 11 denotes total heat pumps installed, it does not indicate how many heat pumps fully displaced the existing heating load, which would be necessary on Aquidneck Island to solve the Capacity Constraint.

With those caveats in mind, attempting an apples-to-apples comparison to the adoption percentages shown in Table 8, programs in Massachusetts and New York have regularly achieved 5%-20% participation, which is significantly less than the 25%-40% required to solve the Capacity Constraint by 2032 as shown in Table 8. This underscores the significant effort that would be needed to solve the Capacity Constraint in that timeline, as well as the significant incentive and marketing costs estimated in Table 10 and Table 11. As was identified in the 2020



The Narragansett Electric Company  
Docket No. SB-2021-04  
In Re: The Narragansett Electric Company Application for a  
License to Mobilize and Operate a Liquified Natural Gas (LNG)  
Vaporization Facility at Old Mill Lane (Portsmouth, RI)  
Responses to Record Requests  
Issued at the EFSB's Final Hearings

Record Request 8 (Supplemental), Page 17

Aquidneck Island Long Term Gas Capacity Study, electrifying such a high number of gas HVAC replacements will generally require an incentive higher than the incremental cost of the heat pump. That is because even with the relatively high efficiency of heat pumps, current energy prices mean that the cost of heating with natural gas is less expensive than the cost of heating with electricity. The incentive therefore also must cover the increased cost of operation for the customer.

*Table 11. Recent Heat Pump Program Participation by Nearby States, in Total and as a Percent of "Potential Participating Customers" \**

State	Utility	Total Customers	2021	2022	2023
Massachusetts	All	3,201,811	8,603 (5%)	18,362 (11%)	28,084 (18%)
New York	Central Hudson	321,074	2,899 (18%)	2,776 (17%)	2,105 (13%)
	Con Edison + Orange & Rockland	3,833,226	9,842 (5%)	11,863 (6%)**	5,590 (3%)**
	National Grid	1,707,355	1,137 (1%)	1,547 (2%)	2,506 (3%)
	NYSEG + RG&E	1,304,667	1,788 (3%)	4,126 (6%)	3,470 (5%)
	Long Island Power Authority	1,151,520	4,236 (7%)	4,264 (7%)	6,659 (12%)

Source: "Total Customers" based on sum of bundled and delivered residential and commercial electric customers per 2022 EIA 861 data. Massachusetts annual heat pump participation listed by MassSave, at: <https://www.masssave.com/about/news-and-events/news/mass-save-sponsors-announce-record-number-of-heat-pump-installations-across-massachusetts>. New York utilities' annual heat pump participation listed in the annual NYS Clean Heat Report, filed in April each year under Matter No. 18-M-0084, at: <https://documents.dps.ny.gov/public/MatterManagement/CaseMaster.aspx?MatterCaseNo=18-M-0084>.

\*"Potential Participating Customer" is defined here as total customers divided by 20, which is the assumed lifetime for HVAC equipment used throughout this analysis; because 1/20<sup>th</sup> of customers' existing equipment reaches the end of its useful life each year, roughly 1/20<sup>th</sup> of customers may decide to install a heat pump each year.

\*\*Con Edison paused acceptance of ASHP heat pump incentive applications in May 2022 after exceeding its budget set in 2020. The New York Public Service Commission authorized an

Record Request 8 (Supplemental), Page 18

additional funding mechanism in August 2022, and Con Edison officially relaunched its program in January 2023.

Supplemental Response:

**June 2024 Forecast Update**

The recently published Gas Long-Range Resource and Requirements Plan (see PUC Docket No. 24-27-NG) for the Forecast Period 2024/25 to 2028/29 includes a forecast of design hour demand for the Portsmouth take station of 1,309 Dth/hr for the 2024/25 winter season. This implies a pipeline supply shortfall of 264 Dth/hr on Aquidneck Island for that season. This is relatively higher demand for 2024/25 than had been forecasted in June 2023, which had identified a supply shortfall of 237 Dth/hr for that season.

At the same time, the updated forecast indicates less peak hour growth than the prior forecast, with a compound annual growth rate ("CAGR") of ~0.1% in the June 2024 forecast compared to ~0.7% in the June 2023 forecast. For the winter of 2028/29, the June 2024 forecast identifies design hour demand for Portsmouth of 1,314 Dth/hr, compared to 1,310 Dth/hr from the June 2023 forecast.

Taken together, this forecast update implies that:

- The Non-Infrastructure Option without a Moratorium, as described in Tables 8, 9, and 10, would require a similar level of DSM to mitigate the capacity constraint by 2032 under the updated forecast, because the forecast identifies similar design day demand around that time as the prior forecast; and
- Because the new forecast identifies minimal load growth, a moratorium on new gas connections may not significantly reduce the amount of DSM needed to mitigate the capacity constraint.

The Narragansett Electric Company  
Docket No. SB-2021-04  
In Re: The Narragansett Electric Company Application for a  
License to Mobilize and Operate a Liquified Natural Gas (LNG)  
Vaporization Facility at Old Mill Lane (Portsmouth, RI)  
Responses to Record Requests  
Issued at the EFSB's Final Hearings

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Record Request 10

Request:

Please provide a copy of The Narragansett Electric Company's charter.

Response:

Please see Attachment RR-10-1 for a copy of the current version of The Narragansett Electric Company's (the "Company") charter.

The Company's legislative authorization to distribute natural gas in the City of Newport and the Towns of Portsmouth and Middletown is not written in the Company's charter. Rather, that authorization is contained within the charter of the Providence Gas Company. A copy of an August 6, 1996 amendment to the legislative charter of the Providence Gas Company evidencing the legislative authorization to distribute and sell natural gas in the City of Newport and the Towns of Portsmouth and Middletown, which was referenced during the Energy Facility Siting Board's June 17, 2024 hearing in this docket, is attached as Attachment RR-10-2.

The Providence Gas Company was a subsidiary of Providence Energy Corporation. Providence Energy Corporation was merged into Southern Union Company through a merger approved by the Rhode Island Division of Public Utilities and Carriers (the "Division") by Report and Order dated July 24, 2000, in Division Docket Nos. D-00-02 and D-00-03. A copy of the Division's Report and Order approving this merger is attached as Attachment RR-10-3.

The Company acquired the Rhode Island gas business assets of Southern Union Company through a transaction approved by the Division by Report and Order dated July 25, 2006, in Division Docket No. D-06-13. A copy of the Division's order approving this acquisition is attached as Attachment RR-10-4.

The Company became the holder of the legislative authorization to distribute and sell natural gas in the City of Newport and the Towns of Portsmouth and Middletown through this series of transactions. Pursuant to R.I. Gen. Laws § 39-3-26, the Company's charter was automatically amended, without separate written amendments, to the extent necessary to authorize this series of transactions.



State of Rhode Island

Department of State | Office of the Secretary of State

Gregg M. Amore, Secretary of State

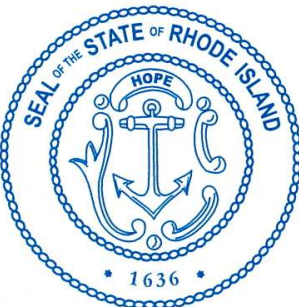
Date: March 27, 2023

**The Narragansett Electric Company**  
**(25 Pages)**

A TRUE COPY WITNESSED UNDER THE SEAL OF THE  
STATE OF RHODE ISLAND

*Gregg M. Amore*

Secretary of State



By *Anna Antomelli*

RI SOS Filing Number: 202217818340 Date: 5/25/2022 11:06:00 AM



State of Rhode Island

Department of State - Business Services Division

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BUS SVCS DIV

2022 MAY 25 A 11:06

**Fictitious Business Name Statement**  
DOMESTIC or FOREIGN Business Corporation

→ Filing Fee: \$50.00

**STAMP**FOR  
SOLICITORS OF STATE  
USE ONLY

Pursuant to the provisions of RIGL 7-1.2-402, the undersigned business corporation hereby submits the following statement for authority to transact business in the state of Rhode Island under a fictitious business name:

1. Entity ID Number: <b>000078582</b>	2. The name of the Corporation is: <b>The Narragansett Electric Company</b>	
3. The fictitious business name to be used is: <b>Rhode Island Energy</b>		
4. The corporation is organized under the laws of: <b>Rhode Island</b>	5. The date of incorporation is: <b>April 8, 1926</b>	
6. The address of its registered office within Rhode Island is:		
Street Address <b>222 Jefferson Boulevard, Suite 200</b>		
City <b>Warwick</b>	State <b>RHODE ISLAND</b>	Zip <b>02888</b>
7. The business in which it is engaged: <b>Public utility company</b>		
8. Applicant is otherwise authorized to do business in the state of Rhode Island.		
Under penalty of perjury, I declare and affirm that I have examined this Fictitious Business Name Statement and that the information contained herein is true and correct.		
Name of Authorized Officer of the Corporation <b>Arden A. Leyden</b>		Date <b>May 25, 2022</b>
Signature of Authorized Officer of the Corporation <i>Arden A. Leyden</i>		

**MAIL TO:**Division of Business Services  
148 W. River Street, Providence, Rhode Island 02904-2615  
Phone: (401) 222-3040  
Website: www.sos.ri.gov**FILED**

MAY 25 2022

BY *[Signature]* 81XOK  
11:06

If you have any questions, please call us at (401) 222-3040, Monday through Friday, between 8:30 a.m. and 4:30 p.m., or email corporations@sos.ri.gov.

FORM 624A Corporation - Revised: 08/2020

RI SOS Filing Number: 202217818340 Date: 5/25/2022 11:06:00 AM



State of Rhode Island

**Department of State | Office of the Secretary of State**

**Nellie M. Gorbea**, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,  
hereby certify that this document, duly executed in accordance with the provisions  
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

May 25, 2022 11:06 AM

A handwritten signature in blue ink, appearing to read "Nellie M. Gorbea", is written over a faint, larger version of the state seal.

Nellie M. Gorbea  
*Secretary of State*



RI SOS Filing Number: 202217818520 Date: 5/25/2022 11:06:00 AM



State of Rhode Island

Department of State - Business Services Division

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BUS SVCS DIV

2022 MAY 25 A 11:06

**Statement of Abandonment of Use of Fictitious Business Name**  
DOMESTIC or FOREIGN Business Corporation**STAMP**FOR  
RECORDING OF STATE  
USE ONLY

→ Filing Fee: \$50.00

Pursuant to RIGL 7-1.2-402, the undersigned business corporation hereby abandons the use of a fictitious business name in the transaction of business in the state of Rhode Island and submits the following:

1. Entity ID Number: 000078582		2. The name of the Corporation is: The Narragansett Electric Company	
3. List the fictitious business name to be abandoned: National Grid			
4. The date when the original fictitious name statement was filed is: August 12, 2005			
5. List the state or country the entity is incorporated: Rhode Island		6. List the date of incorporation: April 8, 1926	
7. List the address of its registered office within Rhode Island:			
Street Address 280 Melrose Street			
City Providence		State RHODE ISLAND	Zip 02907
Under penalty of perjury, I declare that the information contained herein is true and correct.			
Name of Authorized Officer of the Corporation Arden A. Leyden			Date May 25, 2022
Signature of Authorized Officer of the Corporation 			

**MAIL TO:**

Division of Business Services

148 W. River Street, Providence, Rhode Island 02904-2615

Phone: (401) 222-3040

Website: www.sos.ri.gov

**FILED**

MAY 25 2022

BY 11:06

If you have any questions, please call us at (401) 222-3040, Monday through Friday, between 8:30 a.m. and 4:30 p.m., or email corporations@sos.ri.gov.



RI SOS Filing Number: 202217818520 Date: 5/25/2022 11:06:00 AM



State of Rhode Island

**Department of State | Office of the Secretary of State**

**Nellie M. Gorbea**, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,  
hereby certify that this document, duly executed in accordance with the provisions  
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this  
office on this day:

May 25, 2022 11:06 AM

A handwritten signature in blue ink, appearing to read "Nellie M. Gorbea", is written over a light blue circular watermark that matches the Seal of the State of Rhode Island.

Nellie M. Gorbea  
*Secretary of State*





Filing Fee: \$50.00

ID Number: 78582



## STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State  
Corporations Division  
100 North Main Street  
Providence, Rhode Island 02903-1335

## FICTITIOUS BUSINESS NAME STATEMENT

Pursuant to the provisions of Section 7-1.2-402, 7-16-9 or 7-13-2 of the General Laws of Rhode Island, 1956, as amended, the undersigned business corporation, limited liability company, or limited partnership hereby submits the following statement for authority to transact business in the state of Rhode Island under a fictitious business name:

1. The legal name of the applicant business corporation, limited liability company or limited partnership is: The Narragansett Electric Company
2. The fictitious business name to be used is National Grid
3. The state or territory under the laws of which it is incorporated, organized or formed is Rhode Island
4. The date of incorporation, organization or formation is April 8, 1926
5. If a business corporation, the address of its registered office within Rhode Island is 280 Melrose Street, Providence, Rhode Island 02901
6. If a business corporation, the business in which it is engaged Public utility company
7. Applicant is otherwise authorized to do business in the state of Rhode Island.

Under penalty of perjury, I declare that the information contained herein is true and correct.

Date: 7/29/2005

The Narragansett Electric Company

Name of Applicant Corporation, Limited Liability Company or Limited Partnership

By [Signature]  
Signature of Authorized Officer of the Corporation

or

By \_\_\_\_\_  
Signature of Authorized Person for the Limited Liability Company

or

By \_\_\_\_\_  
Signature of Authorized Person for the Limited Partnership

**FILED**

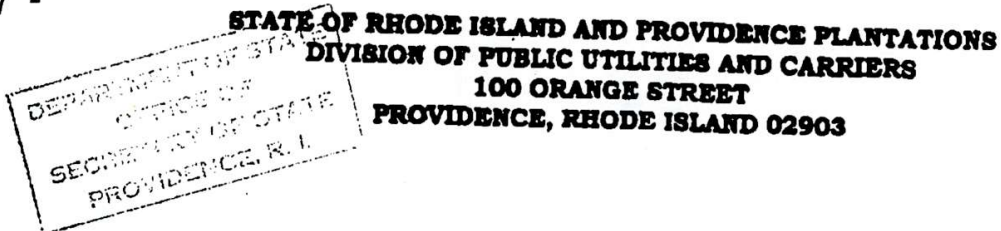
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IN RE: Petition for Approval of Merger : Docket No. D-99-12

**REPORT AND ORDER**

On August 24, 1999, the Narragansett Electric Company ("Narragansett"), the Blackstone Valley Electric Company ("BVE") and the Newport Electric Corporation ("Newport"), collectively (the "Companies") filed a petition with the Rhode Island Division of Public Utilities and Carriers ("Division") seeking an approval of merger. The petition was filed pursuant to the requirements of Rhode Island General Laws, Sections 39-3-24, 39-3-25 and 39-3-26.

The instant petition recites the following relevant rudimentary information:

- Narragansett, BVE, and Newport are "electric distribution companies" and "public utilities," as such terms are defined in Title 39 of [the] Rhode Island General Laws. The Companies were created by the General Assembly through their respective legislatively created corporate charters.
- Narragansett provides electric distribution service in the cities and towns of Barrington, Bristol, Charlestown, Coventry, Cranston, East Greenwich, East Providence, Exeter, Foster, Glocester, Hopkinton, Johnston, Little Compton, Narragansett, North Kingstown, North Providence, Providence, Richmond, Scituate, Smithfield, South Kingstown, Tiverton, Warren, Warwick, Westerly, West Greenwich and West Warwick.
- BVE provides electric distribution service in the cities and towns of Central Falls, Cumberland, Lincoln, North Smithfield, Pawtucket, Woonsocket and a portion of Burrillville.

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- *Newport provides electric distribution service in the cities and towns of Jamestown, Middletown, Newport and Portsmouth.*
- *Each of the respective Companies also own transmission facilities in Rhode Island.*
- *New England Electric System ("NEES") is the parent holding company of Narragansett. Eastern Utilities Associates is the parent holding company of both BVE and Newport.*

The petition also contains an "Agreement and Plan of Merger," executed by the Companies, wherein the details of the proposed merger are explained.

According to the Agreement and Plan of Merger:

- *EUA will be merged into a special purpose subsidiary of NEES and, as a result, EUA will become a wholly owned subsidiary of NEES ("EUA/NEES Merger"). As a result of the EUA/NEES Merger, the Companies will become wholly owned subsidiaries of the same parent holding company.*
- *As soon as practicable after the EUA/NEES Merger, BVE and Newport will merge with and into Narragansett, leaving Narragansett as the sole surviving entity among the three Companies ("Distribution Company Merger"). This Distribution Company Merger is contingent upon the closing of the EUA/NEES Merger.*
- *As a result of the Distribution Company Merger:*
  - (a) *all of the rights, privileges, easements, powers and franchises held or enjoyed by BVE and Newport as set forth in their respective corporate charters will become vested in Narragansett pursuant to Section 39-3-24 of Rhode Island General Laws; and*
  - (b) *Narragansett will become the sole and exclusive electric distribution company, serving the cities and towns in Rhode Island listed ... [above].*

In support of the proposed merger, the Companies proffered the direct prefiled testimony of Mr. Michael E. Jesanis, Senior Vice President and Chief Financial Officer of NEES and Vice President of Narragansett, the New England Power Company ("NEP") and the New England Power Service Company ("NEPSCO").

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In response to the filing, the Division conducted duly noticed public hearings on January 6 and February 10, 2000. The hearings were held at the Division's hearing room, located at 100 Orange Street in Providence. The following counsel entered appearances:

For Narragansett: Ronald T. Gerwatowski, Esquire

For BVE: David A. Fazzone, Esquire

For the Division's  
Advocacy Section: Elizabeth Kelleher, Esquire

For the Department of  
Attorney General: Paul J. Roberti, Esquire<sup>1</sup>

Mr. Michael Jesanis provided a detailed description of both the merger of the parent companies (NEES/EUA) and the merger of the Rhode Island operating companies (Narragansett/BVE/Newport). He also described the anticipated benefits of the mergers.

Mr. Jesanis testified that the two mergers, taken together, "will result in the creation of substantial benefits which can be used to provide improved service at lower cost to customers" (Companies Exh. 3, p. 4). He related that the mergers will "produce synergies which are typical of utility combinations" (*Id.*, pp. 4-5).

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<sup>1</sup> The Department of Attorney General filed a motion to intervene on December 3, 1999. This motion was not opposed and consequently was approved by Rule of the Division (See Rule 17(e) of the Division's Rules of Practice and Procedure).



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Mr. Jesanis explained that cost savings will come from a variety of categories. He testified that approximately 70 percent of the savings will come from the elimination of about 310 positions from the combined organization. Mr. Jesanis related that the reductions will take place where "significant redundancies exist" between the two organizations (Id., p. 5). He indicated that administrative, customer service and field operation areas will all be effected.

Mr. Jesanis testified that savings will also come from the elimination of duplicative facilities; by realizing greater purchasing power; and the elimination of redundant administrative costs, such as "corporate governance expense" (Id.).

He related that further savings will result from the need to build one rather than two sets of new information systems in the future. Mr. Jesanis explained that after the merger a single information system can be used to replace the older customer information systems currently used by NEES and EUA. He stated that the cost of replacing these systems would currently be in excess of \$10 million per company (Id., p. 6).

Mr. Jesanis additionally opined that savings will also come from the refinancing of current EUA debt. He related that the superior credit ratings of the NEES companies will lead to financing savings. (Id.).

Mr. Jesanis conceded that a large part of the cost savings are achievable solely by the merger of NEES and EUA. However, he contended that by consolidating the three Rhode Island companies, savings can be maximized and customer confusion avoided. He opined that it makes sense for the three

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companies to be merged into one legal entity because after the EUA/NEES merger they will be "operated as a single entity" (Id.). He noted that the Companies will otherwise incur additional costs to retain and administer their separate legal identities.

Mr. Jesanis testified that the Division and the Public Utilities Commission ("Commission") will also benefit from the merger of the Companies. He reasoned that fewer electric distribution companies in Rhode Island will make it easier on the Division and Commission to administer their respective regulations and policies (Id., p. 7).

Mr. Jesanis also identified the following additional benefits in support of the merger proposal:

- *The larger company will have more resources to draw upon in the event of storms or natural disasters;*
- *Customer service costs and other costs associated with administering separate rates and maintaining separate companies will be reduced;*
- *BVE and Newport customers will be provided 24 hour per day access to customer service representatives for routine billing and payment inquiries (currently such access is limited to 7 a.m. to 9 p.m. Monday through Saturday); and*
- *The consolidation will help in the development of the competitive power supply market (Id., pp. 7 and 8).*

On the last point above, Mr. Jesanis testified that the Companies believe that the consolidation of rates for delivery service, the contiguous nature of the expanded service territory, and one less point of contact for suppliers entering the market here should all help to reduce barriers to entry into the competitive supply market (Id., p. 8).

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Relative to the integration process, Mr. Jesanis discussed two goals. He stated first that the integration process is critical to achieving the efficiency gains upon which the transactions are predicated. Secondly, he related that it is important to combine the NEES and EUA organizations in a way that maintains or improves service quality (Id.).

Mr. Jesanis testified that to achieve these goals, NEES and EUA created a transition team which was comprised of 60 sub-teams. He related that each of these teams was charged with the task of identifying savings and efficiency gains (Id., p. 9). He testified that these teams have now completed their work and the Companies are ready to implement their various recommendations (Id.).

The Division's Advocacy Section and the Department of Attorney General each proffered one witness in response to the Companies' petition filing.

The Advocacy Section's witness was identified as Mr. John K. Stutz, whose business address is Tellus Institute, 11 Arlington Street, Boston, Massachusetts. Mr. Stutz was qualified as an expert witness in public utility and energy-related regulatory matters.

Mr. Stutz focused his testimony on the quality of service likely to be provided by Narragansett if the merger were approved. In particular, Mr. Stutz voiced concern over the potential effect the planned elimination of 310 positions would have on the Companies' future service quality (Advocacy Section Exh. 1, p. 3). Based on the concern, Mr. Stutz recommended that the Division make its consent and approval to the merger contingent on the

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implementation of a "Service Quality Plan," designed to ensure that service quality is preserved (Id.). Mr. Stutz contended that the plan should provide for penalties if targets for service quality are not met (Id.).

Mr. Stutz related that there is a danger that service quality will suffer after the merger due to the fact that EUA and NEES are already "lean utilities" (Id., p. 5). He opined that a further reduction of 310 positions poses a potential service quality problem. Mr. Stutz asserted that if the service quality declines, the costs associated with Division and Commission regulation could increase, due to increased oversight requirements. He opined that these costs could reduce the savings realized from the efficiencies gained by the merger. He related that any resulting increase in regulatory cost and decrease in service quality would not be in the interest of ratepayers.

The Attorney General's witness was identified as Mr. Richard W. LeLash, whose business address is 18 Seventy Acre Road, Redding, Connecticut. Mr. LeLash was qualified as an expert witness in public utility financial and regulatory matters.

Mr. LeLash testified that given the record in this proceeding, and the data presented by the Companies in Docket No. 2930 before the Commission<sup>2</sup>, substantial uncertainties exist regarding the merger's impact on service reliability and customer rates. (Attorney General Exh., p. 8). Because of these uncertainties, Mr. LeLash recommended that the Division:

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<sup>2</sup> Docket No. 2930 was established in response to a May 20, 1999 rate filing made by the Companies. The filing proposes a new rate structure for the post-merger Companies. As of this order, the docket is still pending before the Commission.



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*... defer any action on the pending merger proposal until the Companies have made adequate commitments to ensure that the quality and reliability of electric service will not be diminished and that rates paid for electric service by Rhode Island customers will not be adversely affected by the merger (Id.).*

#### SETTLEMENT AGREEMENT

During the January 6, 2000 hearing, the parties jointly moved for a continuation of the proceedings in the docket for the purpose of discussing a possible settlement agreement. The parties indicated that they were attempting to reach a comprehensive settlement agreement that could result in a dispositive resolution to the parties' differences in the instant docket and the related rate case pending before the Commission in Docket No. 2930, supra. The Division verbally granted the motion on January 6, 2000.<sup>3</sup>

During a subsequent hearing on February 10, 2000 the parties represented that a comprehensive settlement agreement had been achieved. The parties proffered two joint exhibits as evidence of the agreement.

The first joint exhibit, entitled "Amended Stipulation and Settlement" represents the settlement agreement reached between the parties in the Commission docket.<sup>4</sup> The second joint exhibit, entitled "Settlement and Joint Request" was proffered as evidence of the parties' settlement agreement in this proceeding.<sup>5</sup> The latter settlement agreement is attached to this report and order, and incorporated by reference.

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<sup>3</sup> 1/6/00, Tr. 4-6

<sup>4</sup> Joint Exh. 1

<sup>5</sup> Joint Exh. 2

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The parties described the settlement reached in this docket as a conditional agreement that hinges on the Commission's acceptance of the settlement agreement filed by the parties in Commission Docket No. 2930. The parties related that if "material modifications" to their agreement are ordered by the Commission, they may seek to re-open the instant docket for further argument to buttress their initial positions.

#### DIVISION FINDINGS

The Division has thoroughly examined the record in this case, and finds that the stipulation proffered by the parties represents a fair and reasonable resolution to the issues previously in dispute. The Division also finds the stipulated agreement to be in the best interest of ratepayers. Consequently, the Division shall adopt the "Settlement and Joint Request" in its entirety, and approve its terms as a dispositive conclusion to this merger proceeding.

Accordingly, it is

(16186) ORDERED:

1. That the August 24, 1999 petition filing by the Narragansett Electric Company, the Blackstone Valley Electric Company and the Newport Electric Corporation, seeking Division approval of a proposed merger agreement between the petitioners, as modified by the settlement agreements reached and filed during the instant proceeding and in Commission Docket No. 2930, is hereby approved.
2. That the Division hereby adopts and approves the parties "Settlement and Joint Request," attached herewith, in toto.

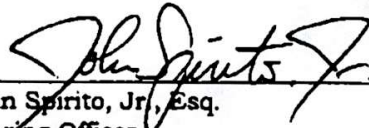
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Dated and Effective at Providence, Rhode Island on February 25-, 2000.

Division of Public Utilities and Carriers



John Spirito, Jr., Esq.  
Hearing Officer



Thomas F. Ahern  
Administrator

RI DPUC

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ST EXH. 2  
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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS**

**IN RE: PETITION OF NARRAGANSETT ELECTRIC,  
BLACKSTONE VALLEY ELECTRIC, AND  
NEWPORT ELECTRIC FOR APPROVAL OF  
MERGER**

**DOCKET NO. D-99-12**

**SETTLEMENT AND JOINT REQUEST**

The Narragansett Electric Company ("Narragansett"), Blackstone Valley Electric Company ("BVE"), and Newport Electric Corporation ("Newport") (collectively "Companies") hereby enter into this Settlement with the Department of the Attorney General ("Attorney General") and the advocacy section of the Division of Public Utilities and Carriers ("Division Advocacy Section"), resolving all issues in this Docket.

On January 31, 2000, the Companies filed a Stipulation and Settlement in Public Utilities Commission Docket 2930, which was amended on February 9, 2000 ("Rate Plan Settlement"). The Division of Public Utilities and Carriers and the Attorney General were signatories to that Rate Plan Settlement. The Division Advocacy Section and the Attorney General hereby agree that, if the Public Utilities Commission approves the Rate Plan Settlement without material modification in Docket 2930, all issues raised by the Division Advocacy Section and the Attorney General in this Docket D-99-12 will be resolved to their reasonable satisfaction. Accordingly, the Companies, the Division Advocacy Section, and the Attorney General respectively request the the Division issue an order approving the Petition of the Companies in this Docket, conditioned

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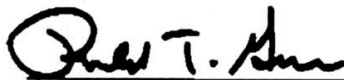
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upon approval (without material modification) of the Rate Plan Settlement by the Public Utilities Commission in Docket 2930.

Should any Party have a reasonable basis to believe there has been a "material modification" of the Rate Plan Settlement, such Party must notify the Division within two business days of issuance of the written order by the Commission and request this Docket be re-opened. If such timely notification is received by the Division, this Settlement shall be ineffective and the Parties reserve their rights to take any positions they deem appropriate with respect to such re-opened proceedings.

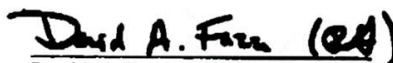
Respectfully submitted,

The Narragansett Electric Company  
By its Attorney



Ronald T. Gerwatowski  
General Counsel

Blackstone Valley Electric Company  
and Newport Electric Corporation  
By their Attorney



David A. Fazzone of David  
A. Fazzone, P.C. and  
McDermott, Will & Emery

RI DPUC

Fax: 401-222-2099


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The Division of Public Utilities and Carriers  
By its Attorney

  
Elizabeth A. Kelleher  
Special Assistant Attorney General

The Department of the Attorney General  
By its Attorney

  
Paul Roberti  
Assistant Attorney General



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## PLAN AND AGREEMENT OF MERGER

PLAN AND AGREEMENT OF MERGER (the "Agreement"), dated as of May 1, 2000, between Newport Electric Corporation, a corporation organized under the laws of Rhode Island ("Newport"), and The Narragansett Electric Company, a corporation organized under the laws of Rhode Island ("Narragansett").

WHEREAS, Newport and Narragansett wish to provide for the terms and provisions by which the parties will merge;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

### 1. The Merger

1.1. Subject to the terms and conditions of this Agreement, Newport and Narragansett shall merge with Narragansett surviving (the "Merger").

1.2. The Merger shall become effective (the "Effective Time") on May 1, 2000.

1.3. Narragansett shall be the corporation surviving the Merger (the "Surviving Corporation"). The identity, existence, rights, privileges, powers, franchises, properties and assets of Narragansett shall continue unaffected and unimpaired by the Merger. At the Effective Time, the identity and separate existence of Newport shall cease, and all of the rights, privileges, powers, franchises, properties and assets of Newport shall be vested in the Surviving Corporation.

1.4. The purposes, and the total authorized number of shares and the par value of each class of stock, of the Surviving Corporation immediately after the Effective Time shall be the same as stated in the Charter of Narragansett as in effect immediately prior to the Effective Time.

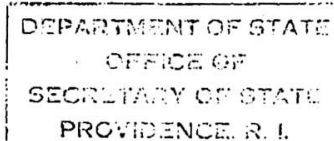
1.5. The Charter of Narragansett in effect immediately prior to the Effective Time shall become the Charter of the Surviving Corporation.

1.6. An original or attested copy of this agreement shall be kept with the records of the stockholders of the Surviving Corporation and shall be made available at such location for inspection by the stockholders of the Surviving Corporation and any person who was a stockholder of Newport.

2. Conversion of Capital Stock of Newport. At the Effective Time, each share of Newport Common Stock, no par value, outstanding immediately prior to the Effective Time shall be canceled.

3. Abandonment. This Agreement may be abandoned by Newport or Narragansett for any reason at any time prior to the filing of the RI Articles of Merger upon notice to the other party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as an instrument under seal as of the day and year first written above.



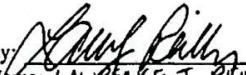
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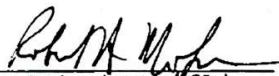
ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

[NARRAGANSETT ELECTRIC  
COMPANY SEAL]

THE NARRAGANSETT ELECTRIC COMPANY

By:   
Name: LAWRENCE J. REILLY  
Title: PRESIDENT

By:   
Name: ROBERT H. McLAREN  
Title: SENIOR VICE PRESIDENT + TREASURER


ATTEST:

\_\_\_\_\_  
\_\_\_\_\_

[NEWPORT ELECTRIC  
CORPORATION SEAL]

NEWPORT ELECTRIC CORPORATION

By:   
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By:   
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**PLAN AND AGREEMENT OF MERGER**

PLAN AND AGREEMENT OF MERGER (the "Agreement"), dated as of May 1, 2000, between Blackstone Valley Electric Company, a corporation organized under the laws of Rhode Island ("Blackstone"), and The Narragansett Electric Company, a corporation organized under the laws of Rhode Island ("Narragansett"),

WHEREAS, Blackstone and Narragansett wish to provide for the terms and provisions by which the parties will merge;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

1. **The Merger**

1.1. Subject to the terms and conditions of this Agreement, Blackstone and Narragansett shall merge with Narragansett surviving (the "Merger").

1.2. The Merger shall become effective (the "Effective Time") on May 1, 2000.

1.3. Narragansett shall be the corporation surviving the Merger (the "Surviving Corporation"). The identity, existence, rights, privileges, powers, franchises, properties and assets of Narragansett shall continue unaffected and unimpaired by the Merger. At the Effective Time, the identity and separate existence of Blackstone shall cease, and all of the rights, privileges, powers, franchises, properties and assets of Blackstone shall be vested in the Surviving Corporation.

1.4. The purposes, and the total authorized number of shares and the par value of each class of stock, of the Surviving Corporation immediately after the Effective Time shall be the same as stated in the Charter of Narragansett as in effect immediately prior to the Effective Time.

1.5. The Charter of Narragansett in effect immediately prior to the Effective Time shall become the Charter of the Surviving Corporation.

1.6. An original or attested copy of this agreement shall be kept with the records of the stockholders of the Surviving Corporation and shall be made available at such location for inspection by the stockholders of the Surviving Corporation and any person who was a stockholder of Blackstone.

2. **Conversion of Capital Stock of Blackstone**. At the Effective Time, each share of Blackstone Common Stock, no par value, outstanding immediately prior to the Effective Time shall be canceled.

3. **Abandonment**. This Agreement may be abandoned by Blackstone or Narragansett for any reason at any time prior to the filing of the RI Articles of Merger upon notice to the other party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as an instrument under seal as of the day and year first written above.



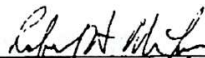
ATTEST:

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[NARRAGANSETT ELECTRIC  
COMPANY SEAL]

THE NARRAGANSETT ELECTRIC COMPANY

By:   
Name: LAWRENCE J. KELLY  
Title: PRESIDENT

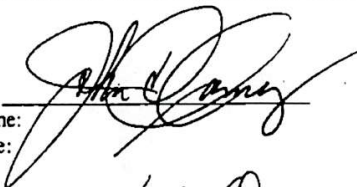
By:   
Name: ROBERT H. McLAREN  
Title: SENIOR VICE PRESIDENT + TREASURER


ATTEST:

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\_\_\_\_\_

[BLACKSTONE VALLEY ELECTRIC  
COMPANY SEAL]

BLACKSTONE VALLEY ELECTRIC COMPANY

By:   
Name:  
Title:

By:   
Name:  
Title:

To the Secretary of State of Rhode Island,

I hereby certify that I am the President of United Electric Power Company, a corporation duly organized and existing by virtue of an act entitled "An Act to Incorporate United Electric Power Company", passed by the General Assembly of the State of Rhode Island, at its January Session A. D. 1926, as amended at its January Session A. D. 1927, and that the stockholders of said corporation have voted to change its name to "The Narragansett Electric Company" pursuant to the provisions of Section 5 of said act of incorporation as specified in a vote adopted at a special meeting of the stockholders held on November 28, 1927, a certified copy of which is hereto attached; and I further certify that substantially all of the assets, property, rights, privileges and franchises of The Narragansett Electric Lighting Company have been conveyed to said United Electric Power Company.

Yours very truly,

November 29, 1927.

  
President.

... the corporation of 1927, or which is now

I hereby certify that I am Secretary of United Electric Power Company and that at a special meeting of the stockholders of said Company duly held on November 28, 1927, the following vote was adopted by the holders of more than two-thirds of the outstanding stock of said corporation:

VOTED: That the name of this corporation be and hereby is, pursuant to the provisions of Section 5 of the charter of this corporation, changed to "The Narragansett Electric Company" and that the President or Treasurer be and each of them hereby is authorized and directed upon receipt by this company of the conveyance of substantially all of the property of The Narragansett Electric Lighting Company to file with the Secretary of State of Rhode Island a certificate that said conveyance has taken place in accordance with the provisions of said Section 4 of the charter of this company.

Attest:

November 29, 1927.

  
Secretary.

71

Power Company  
Certificate of Change of  
Name to  
The Narragansett Electric Company  
FILED Nov. 30<sup>th</sup> 1927  
at 11 o'clock A.M.



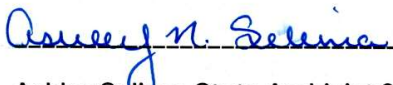
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, May Session, 1884, Vol. 44 #14**

**AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY.**

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)



[14]  
State of Rhode Island, &c.

[14.]

State of Rhode Island and Providence Plantations.

MAY SESSION, A. D. 1884.

AN ACT to Incorporate the Narragansett  
Electric Lighting Company.

It is enacted by the General Assembly as follows :

SECTION 1. Isaac M. Potter, James G. Markland, Samuel W.  
2 Peckham, Henry C. Bradford, Frederick I. Marcy, Martin V.  
3 Brady, Nathaniel T. Spink and John B. Allen, their associates,  
4 successors and assigns, are hereby constituted a corporation by the  
5 name of "The Narragansett Electric Lighting Company," for the  
6 purpose of prosecuting a general electric lighting, heating and  
7 power business; that is to say, the business of producing, using,  
8 and supplying light, heat, and power generated by means of  
9 electricity; and for the transacting of other business connected  
10 therewith; with all the powers and privileges, and subject to all  
11 the duties and liabilities set forth in chapters 152 and 155 of the  
12 Public Statutes, and in the statutes in amendment thereof and in  
13 addition thereto.

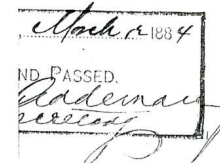
SEC. 2. The capital stock of said corporation shall not exceed  
2 one hundred and fifty thousand dollars, to be fixed in amount from  
3 time to time, and to be divided into such number of shares, and

and &c.

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N, A. D. 1884

ill, be continued  
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such corporation  
by of  
sively preceding



and privileges, and subject to all the duties and  
liabilities set forth in chapters 152 and 155 of the  
Public Statutes, and in the statutes in amendment  
thereof and in addition thereto.

2

4 the par value of each share to be fixed at such amount as the cor-  
5 poration may by vote determine; and said shares shall be non-  
6 assessable.

SEC. 3. The stock or shares of every stockholder shall be  
2 pledged and liable to the corporation for all debts and demands  
3 due and owing from such stockholder to the corporation, and  
4 whether overdue or due at a future day; and said stock or shares  
5 may be sold for the payment of such debts and demands in such  
6 manner as the by-laws of said corporation may prescribe; and in  
7 case the proceeds of such sale shall be insufficient to discharge  
8 such debts or demands, with the incidental expenses of sale, the  
9 corporation may have their action against the debtor for the  
10 balance due.

SEC. 4. Said corporation, with the consent of the town and city  
2 councils where wires and conductors for electricity are to be put  
3 up, laid, used, and maintained, may put up, lay, use and maintain  
4 wires and conductors for electricity, under and over highways,  
5 streets and sidewalks, and, with the written consent of the owners  
6 thereof, upon and over buildings, subject to such ordinances,  
7 regulations and orders of the city and town councils of the cities  
8 or towns where such wires or conductors shall be maintained, as  
9 are or may be enacted with respect to such wires and conductors;  
10 and said wires and conductors located above any highway shall be  
11 removed whenever required by general law or by order of such

12 city or town council  
13 given to said corporation  
14 no compensation or

SEC. 5. There  
2 in the city of Providence  
3 scribe, for the choice  
4 may come before the  
5 impaired by the  
6 such annual meeting  
7 corporation held at

SEC. 6. Said corporation  
2 shall be in the city of

SEC. 7. This act

IN HOUSE OF REPRESENTATIVES  
READ AND PASSED IN CONJUNCTION  
*Charles D. Smith*

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State of Rhode Island, &c.

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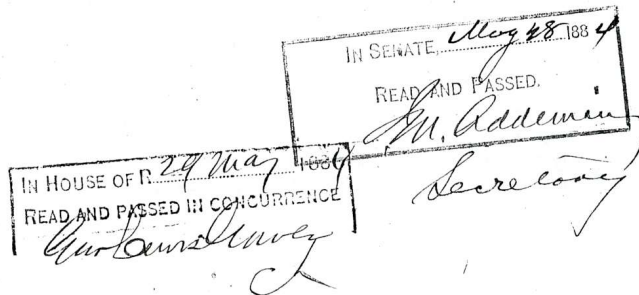
town and city  
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highway shall be  
y order of such

12 city or town council, after thirty days notice in writing shall be  
13 given to said corporation; and said corporation shall be entitled to  
14 no compensation on account of such removal.

SEC. 5. There shall be an annual meeting of the stockholders,  
2 in the city of Providence, at such time as the by-laws shall pre-  
3 scribe, for the choice of officers, and for such other business as  
4 may come before them; ~~but the validity of this act shall not be~~  
5 ~~impaired by the failure to hold such meeting; but the business of~~  
6 ~~such annual meeting may be transacted at any legal meeting of the~~  
7 ~~corporation held thereafter.~~

SEC. 6. Said corporation shall have an office or place of busi-  
2 ness in the city of Providence.

SEC. 7. This act shall take effect from and after its passage.



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and privileges, and subject to all the duties  
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Upon the petition of *Is.*

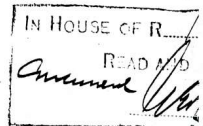
for An Act to incorporate *In*

*Lighting*

Voted and Resolved:—

to the next General Assemb  
the pendency thereof, and the  
is intended to be established,

*Providence* for the  
the first Wednesday in April



IN SENATE, May 28, 1884  
READ AND PASSED.  
*E. H. Brown*  
IN HOUSE OF R.  
READ AND PASSED IN CONJUNCTION  
*Amended*

and privileges, as  
liabilities set for  
Public Statutes, &  
thereof and in a

[14]  
State of Rhode Island, &c.



State of Rhode Island &c.

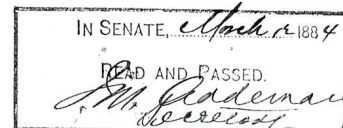
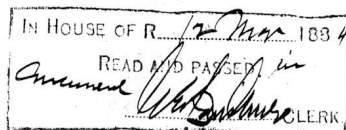
IN GENERAL ASSEMBLY,

*January* SESSION, A. D. 1884

Upon the petition of *Isaac M. Potter & others*

for An Act to incorporate *The Narragansett Electric  
Lighting Company*

Voted and Resolved:—That said petition, and the accompanying bill, be continued to the next General Assembly, and that in the meantime the petitioners give notice of the pendency thereof, and the purpose thereof, and of the place where such corporation is intended to be established, in some newspaper published in the *city* of *Providence* for *two* ~~three~~ weeks successively preceding the first Wednesday in April next.



and privileges, and subject to all the duties and liabilities set forth in chapters 152 and 155 of the

RESOLUTION

TO CONTINUE PETITION OF

*Isaac M. Potter & others*

FOR ACT TO INCORPORATE

*The Narragansett Electric  
Lighting Co.*

IN SENATE *March 12* 188*4*

READ AND PASSED.

*E. F. L. Barnes*

*Recd*

IN HOUSE OF R. *17 Mar* 188*4*

READ AND PASSED, *in*

*Amesbury*

CLERK

*It is enacted by  
Section 1. c  
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the State to  
and in*



State of Rhode Island, &c.

[14]

IN GENERAL ASSEMBLY,

SESSION, A. D., 1894

AN ACT

to incorporate the Narragansett Electric  
Lighting Company.

It is enacted by the General Assembly as follows :

Section 1. Isaac M. Potter, James G.

Markland, Samuel W. Peckham, Henry C. Bradford,

Frederick J. May, Martin V. Brady, Nathaniel

T. Smith and John B. Allen

their associates, successors and assigns, are

lawfully constituted a corporation by the name of

"The Narragansett Electric Lighting Company,"

for the purpose of procuring a general electric

lighting, heating and power business; that it is to

pay, the business of producing, using, and supplying

light, heat, and power generated by means of

electricity; and for the managing of other

business connected therewith; with all the powers

and privileges, and subject to all the duties and

liabilities set forth in chapters 152 and 153 of the

Public Statutes, and in the Statute in amendment

thereof and in addition thereto.

Sec. 2. The capital stock of said corporation shall not exceed one hundred and fifty thousand dollars, to be fixed in amount from time to time, and to be divided into such number of shares, and the par value of such shares to be fixed at such amount as the corporation may by vote determine, and said shares shall be non-assessable.

Sec. 3. The stock or shares of every stockholder shall be pledged and liable to the corporation for all debts and demands due and owing from such stockholder to the corporation, and whether overdue or due at a future day; ~~and whether arising from installment payments or otherwise, and in any other manner~~ and said stock or shares may be sold for the payment of such debts and demands in such manner as the by-laws of said corporation may prescribe; and in case the proceeds of such sale shall be insufficient to discharge such debts or demands, with the incidental expenses of sale, the corporation may have their action against the debtor for the balance due.

Sec. 4. Said corporation, with the consent of the town and city councils where wires and conductors for electricity are to be put up, laid, used, and maintained, may put up, lay, use, and maintain wires and conductors for electricity, under and over highways, streets and sidewalks, and, with the written consent of the owners thereof, upon and over buildings, subject to such ordinances, regulations and

orders of the city and town councils of the cities or towns where such wires or conductors shall be maintained, as well or may be enacted with respect to such wires and conductors; and said wires and conductors located above any highway shall be removed whenever required by general law or by order of such city or town council, after thirty days notice in writing shall be given to said corporation; and said corporation shall be entitled to no compensation on account of such removal.

Sec. 5. There shall be an annual meeting of the stockholders, in the city of Providence, at such time as the by-laws shall prescribe, for the choice of officers, and for such other business as may come before them; but the validity of this act shall not be impaired by the failure to hold such meeting; but the business of such annual meeting may be transacted at any legal meeting of the corporation held hereafter.

Sec. 6. Said corporation shall have an office or place of business in the city of Providence.

Sec. 7. This act shall take effect from and after its passage.

To the Honorable General Assembly of the State of Rhode Island, &c.,  
at its January Session, A. D. 1884.

The undersigned petitioners, respectfully represent that they desire to become a body corporate under the name of

The Narragansett Electric Lighting Company

for the purpose of prosecuting a general Electric Lighting, Heating, and Power  
business; that is to say, the business of producing, using, and supplying

light, heat, and power generated by means of Electricity; and to do all things  
for the transaction of other business connected therewith,  
~~and to do all things incidental to the prosecution of such business,~~

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request creating them a corporation, and as in duty bound they will ever pray.

Isaac M. Potter

James G. Markland

Lambert P. Phillips  
Henry C. Bradford

Frederic J. Marcy

Nathan V. Brady

Nathaniel T. Sprink  
John B. Allen



## THE PETITION OF

Isaac C. Potter others

ACT TO INCORPORATE

Narragansett Electric  
Lighting Company.

PRESENTED BY

IN SENATE, March 12 1884  
REFERRED TO COMMITTEE ON  
CORPORATIONS. E. F. Warner  
CLERK.In Senate, May 12 1884The Committee on  
Corporations recommend that the  
within petition and accompany-  
ing bill, be continued to the next  
General Assembly with order of  
notice.Francis Colwell

For the Committee.

IN SENATE, March 12 1884  
Within Resolution  
READ AND PASSED.  
E. F. Warner  
LordIN HOUSE OF R. May 12 1884  
REFERRED TO COMMITTEE ON  
CORPORATIONS. Warner  
CLERKIn House of Reps. March 12 1884  
The Comd on Corps recommend  
amendment with the Senate  
in the bill to the effect  
with petition & bill with  
an order of notice.Paul P. Bell  
Chairman on Corps.HOUSE OF R. May 12 1884  
WITHIN Resolution READ  
AND PASSED. Warner  
CLERK.IN SENATE, May 28 1884  
REFERRED TO COMMITTEE ON  
CORPORATIONS. E. F. Warner  
CLERK.In Senate, May 28 1884  
The Committee on Corporations  
recommend the passage of the  
within bill.Begun  
For the Committee.IN SENATE, May 28 1884  
Within Resolution  
READ AND PASSED.  
E. F. WarnerIN HOUSE OF R. May 29 1884  
REFERRED TO COMMITTEE ON  
CORPORATIONS. Warner  
CLERK.IN HOUSE OF R. May 29 1884  
COMMITTEE ON CORPORATIONS RECOM-  
MEND. Amendment with  
the SenateChas. E. Farns  
for the CommitteeIN HOUSE OF R. May 29 1884  
WITHIN Act READ  
AND PASSED. WarnerSTATE OF RHODE ISLAND, AND PRO-  
VIDENCE, PLANTATIONS.

Office of the Secretary of State.

Providence, March 12, 1884.

In conformity with chapter 19, section 2, of the  
Public Statutes, notice is hereby given that a  
petition was presented to the General Assembly of  
the State of Rhode Island, at its January session,  
A.D. 1884, from Isaac C. Potter and others, for an  
act to incorporate theNarragansett Electric Lighting Com-  
pany.for the purpose of prosecuting a general electric  
lighting, heating and power business; that is to say,  
the business of producing, using and supplying  
light, heat and power, generated by means of elec-  
tricity, and for the transaction of other business  
connected therewith to be established in the city  
of Providence, with all the powers and privileges,  
and subject to all the duties and liabilities set  
forth in chapters 122 and 126 of the Public Sta-  
tutes, and of all acts in amendment thereof and in  
addition thereto. And that said petition and the  
bill accompanying the same, were ordered con-  
tinued to the next General Assembly.J. M. ADDEMAN,  
Secretary of State.

m14 SP



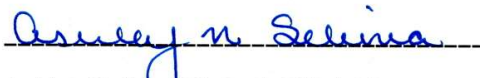
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
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**C#00203 – Private Acts, January Session, 1888, Vol. 51 # 14**

AN ACT TO AMEND THE CHARTER OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



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# State of Rhode Island, &c.

IN GENERAL ASSEMBLY,

SESSION, A. D., 1888

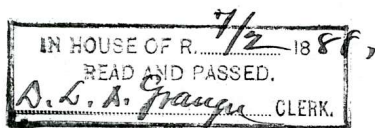
## AN ACT

*To amend the Charter of the  
Narragansett Electric Lighting Company*

*It is enacted by the General Assembly as follows:*

*Section 1. The Narragansett Electric Lighting Company  
is hereby authorized to increase its capital stock to a sum  
not exceeding five hundred thousand dollars as the corporation  
may from time to time by vote determine*

*Section 2. All acts and parts of  
acts inconsistent herewith are hereby  
repealed and this act shall take  
effect from and after its passage*



*Let bill be S. L. 251-pv*

AN ACT

to amend the charter of the  
Narragansett Electric Lighting  
Company

H. R. No. 1855: 3 Feb 1888

INTRODUCED BY

Mr. Cook of Penn

IN HOUSE OF R. 3 Feb 1888  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
J. M. Mays CLERK.

IN HOUSE OF R. 7 Feb 1888  
COMMITTEE ON CORPORATIONS RECOM-  
MEND. the passage

of the within act  
Frank A. Rhodes  
for the Committee

IN HOUSE OF R. 7 Feb 1888  
READ AND PASSED.  
J. M. Mays CLERK.

To publish.  
Feb 7, 1888  
Passed and  
Engrossed & re-  
ferred to the Com.  
on Engrossed Bills  
W. E. F. Cook

IN SENATE Feb 9 1888  
ENGROSSED AND READ AND  
PASSED IN CONJUNCTION  
E. F. Crooner CLERK.

To the Honorable General Assembly of the State of Rhode Island, &c.,

at its January Session, A. D. 1888.

The undersigned respectfully represent that they desire that the act entitled "An Act to incorporate the Narragansett Electric Lighting Company

passed at the May session of the General Assembly, A. D. 1884 may be so amended as to provide that the capital stock of said corporation may be increased to an amount not exceeding five hundred thousand dollars.

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

Approved:  
*H. E. Williams*  
*J. M. R. J.*  
*J. H. R. R. R. R.*  
*J. C. Blagden Jr.*  
*M. H. H. H. H.*  
*Isaac M. Potter*

*Narragansett Electric Lighting Co.*  
*S. A. R. R. R.*

*Directors*

The Narragansett  
Electric Company  
FOR AMENDMENT OF ~~Charter~~ of the  
Narragansett Electric Lighting Co.  
PRESENTED BY  
John A. Love





# State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

*January Session. A. D. 1888,*  
*In Senate.*

The Joint Committee on Engrossed Acts, to whom was referred to be engrossed, an act entitled

*An act to amend the charter of the*  
*Narragansett Electric Lighting Company.*

## REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

*Alfred A. Randall*





State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

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**C#00203 – Private Acts, January Session, 1890, Vol. 55 # 17**

**AN ACT TO AMEND THE CHARTER OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY.**

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



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## State of Rhode Island, &amp;c.

IN GENERAL ASSEMBLY,

January SESSION, A. D. 1890.

## AN ACT

To amend the charter of the Narragansett  
Electric Lighting Company.

It is enacted by the General Assembly as follows:

Section 1. The Narragansett Electric  
Lighting Company is hereby authorized  
to increase its capital stock to a sum  
not exceeding one million dollars  
as the corporation may from time to time  
by vote determine.

Sec. 2. All acts and parts of acts inconsistent  
herewith are hereby repealed and  
this act shall take effect from and after  
its passage.

IN HOUSE OF R. 21-2 1890  
READ AND PASSED.  
Edmund CLERK.



To amend the charter of  
the Narragansett Electric  
Lighting Company.

IN HOUSE OF R. / Z - 2 1888  
REFERRED TO COMMITTEE ON  
CORPORATIONS. *Edw. D. Clark*  
CLERK.

*Submitted by  
Hiram Leonard*

IN HOUSE OF R. / Z - 13 1888  
COMMITTEE ON CORPORATIONS RECOMMEND  
PASSAGE. *Edw. D. Clark*  
CLERK.

*E. D. Clark  
The Committee  
The Clerk for Com. not appearing  
absent.*

IN HOUSE OF R. / Z - 2 1888  
READ AND PASSED.  
*Edw. D. Clark*  
CLERK.

IN SENATE. *Sept 7th* 1888  
REFERRED TO COMMITTEE ON  
CORPORATIONS. *Edw. D. Clark*  
CLERK.

The Committee on Corporations  
recommend the passage of the  
within bill in Concurrence

For the Committee.  
*W. D. Clark*

IN SENATE. *Sept 19th* 1888  
ORDERED ENGROSSED AND  
REFERRED TO A COMMITTEE ON  
CORPORATIONS. *Edw. D. Clark*  
CLERK.

*Edw. D. Clark  
The Committee  
The Clerk for Com. not appearing  
absent.*



To amend the charter of  
the Narragansett Electric  
Lighting Company.

in the Honorable General Assembly of the State of Rhode Island, &c.,  
at its January Session, A. D. 1890.

The undersigned respectfully represent that they desire that the act entitled "An Act  
to incorporate the Narragansett Electric Lighting Company

passed at the May session of the General Assembly, A. D. 1884  
and amended by act passed February 9, 1885  
be so amended as to provide that the capital stock of said  
corporation shall not exceed one million dollars  
to be fixed from time to time by vote of said  
corporation

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said  
charter and as in duty bound will ever pray.

The Narragansett Electric Lighting Company

by W. E. Williams  
Montgomery Westcott  
Massachusetts  
W. W. Douglas

J. B. Kham  
James W. Kham  
W. T. Chisholm Director  
J. M. Potter General Company

IN SENATE  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
JAN 18 1890  
IN HOUSE OF REPRESENTATIVES  
READ AND PASSED  
JAN 18 1890  
CLERK



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State of engrossing }  
the Act.

the Joint Committee on  
d, an act entitled

t: amend the charter

accompanying bill as

For the Comm

FOR AMENDMENT OF

# Charter

passed May 29. 1884.

PRESENTED BY

IN HOUSE OF R. / 2 - 2 . 1892  
REFERRED TO COMMITTEE ON  
CORPORATIONS. *Edmund J.* CLERK.

IN HOUSE OF R. Feb 13 1890  
COMMITTEE ON CORPORATIONS RECOM-  
MEND. *passage of the*  
*accompanying act*  
856

To amend the charter  
of the Narragansett Electric  
Lighting Company

At the Annual Meeting of the stockholders  
of the Narragansett Electric Lighting  
Company, Providence, R.I. 5th 1890

FOR AMENDMENT OF

Charter

The Narragansett Electric Lighting  
Company



# State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

Any Session, A. D. 1890

on date of engrossing }  
the Act.

The Joint Committee on Engrossed Acts, to whom was referred to be  
crossed, an act entitled

act to amend the charter of the Narragansett Electric Lighting Company.

## REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

Chas. Green



is amount was given  
to the Narragansett Electric  
Lighting Company

At the Annual Meeting of the stockholders  
of the Narragansett Electric Lighting Company  
held in Providence January 8<sup>th</sup> 1890  
it was Voted,

That the Directors of this  
Corporation are hereby authorized and  
directed to apply to the General Assembly  
for such an amendment to its Charter  
as will authorize the increase of its  
Capital Stock to such an amount not  
exceeding One Million Dollars as the  
Corporation from time to time may by  
vote determine.

Providence R. I. January 29<sup>th</sup> 1890.  
A true copy from the records.  
Attest, Daniel H. H. Secy.



IN HOUSE OF R. 12-2 1890  
REFERRED TO COMMITTEE ON  
CORPORATIONS. *Edmund* CLERK.

IN HOUSE OF R. *Jul 13 1891*  
COMMITTEE ON CORPORATIONS, RECOM.  
AND *passage of the*  
*amendment act.*  
*REL.*

IN HOUSE OF R. 12-2 1890  
READ AND PASSED.  
*Edmund* CLERK.



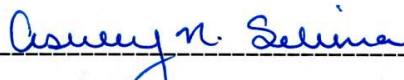
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1892, Vol. 59 # 1**

**AN ACT CONCERNING THE NARRAGANSETT ELECTRIC LIGHTING COMPANY.**

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



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Committee

**State of Rhode Island and Providence Plantations.**

—••—  
**JANUARY SESSION, A. D. 1892.**  
—••—

**AN ACT concerning the Narragansett  
Electric Lighting Company.**

*It is enacted by the General Assembly as follows :*

SECTION 1. The Narragansett Electric Lighting Company  
2 is hereby authorized and empowered to issue from time to time  
3 its first mortgage bonds, bearing interest payable in gold coin  
4 of the United States of the present standard weight and fine-  
5 ness twenty years after date, to an amount not exceeding one  
6 million dollars, and to execute and deliver to a trustee or  
7 trustees a first mortgage of all its property, real, personal and  
8 mixed, including any stock in any other corporation held by it,  
9 and all its powers, rights, privileges and franchises which it  
10 may have, or in any way be entitled to at any time, or which it  
11 may hereafter acquire anywhere to erect, construct, maintain,  
12 use and operate poles, wires, conductors and other structures,  
13 systems or methods, appliances or appurtenances for the trans-  
14 mission of electricity, and for use in the business of producing,  
15 selling and distributing currents of electricity to be used for  
16 light, heat, power or other purposes, to secure the payment of  
17 said bonds ; such mortgage to contain such powers of sale and

18 provisions for a sinking fund as said Narragansett Electric  
19 Lighting Company may provide. ✓

Sec. 2. The Narragansett Electric Lighting Company, and  
2 any party claiming title from it under said mortgage hereinbe-  
3 fore authorized, in addition to all the powers, rights, privileges  
4 and franchises which said Narragansett Electric Lighting Com-  
5 pany now has or is in any way entitled to anywhere, shall, for  
6 a period of twenty years from and after July 1st, 1892, have in  
7 the city of Providence the exclusive right, to keep, maintain  
8 in good order and repair, use and operate, in any manner in  
9 which it may now lawfully do or may hereafter be authorized  
10 to do during said period, poles, wires, conductors and other  
11 structures, systems or methods, appliances and appurtenances  
12 for use in the business of producing, selling and distributing  
13 currents of electricity to be used for light and power, in the  
14 same streets and highways in which said company now  
15 maintains poles and wires; and also in any other streets and high-  
16 ways in which it shall hereafter, during said period, be authorized  
17 by said city to erect and maintain such poles, wires, conductors  
18 and other structures, systems or methods, appliances and appur-  
19 tenances: *Provided, however,* that nothing in this act shall  
20 in any way be held or construed to prevent in said  
21 city at any time any street railroad company, telephone  
22 company, telegraph company or party authorized, or who

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as said Narragansett Electric  
3. ✓  
Electric Lighting Company, and  
under said mortgage hereinbe-  
l the powers, rights, privileges  
gansett Electric Lighting Com-  
ntitled to anywhere, shall, for  
d after July 1st, 1892, have in  
sive right, to keep, maintain  
and operate, in any manner in  
r may hereafter be authorized  
wires, conductors and other  
appliances and appurtenances  
ing, selling and distributing  
d for light and power, in the  
which said company now  
o in any other streets and high-  
ring said period, be authorized  
such poles, wires, conductors  
ethods, appliances and appur-  
at nothing in this act shall  
strued to prevent in said  
ailroad company, telephone  
party authorized, or who

23 may be hereafter authorized by the city of Providence,  
24 to do a street railroad, telephone or telegraph business  
25 therein, from having and exercising the right to keep,  
26 maintain in good order and repair, use and operate  
27 in any manner in which such company or party may  
28 lawfully do at said date, or thereafter be authorized to do  
29 during said period, the poles, wires, conductors and other  
30 structures, systems, methods, appliances and appurtenances of  
31 such company or party, for use in producing and distributing  
32 currents of electricity to be used for light, heat, power and  
33 other purposes, in carrying on the street railroad, telephone or  
34 telegraph business of such company or party in any manner  
35 in which they may be authorized, in any streets or highways,  
36 whether the same shall be occupied by said Narragansett  
37 Electric Lighting Company or not, or to prevent said city of  
38 Providence from erecting, maintaining and operating any poles,  
39 wires and other appliances, necessary for its police signal and  
40 fire alarm and other public uses and services, in accordance with  
41 the provisions of section 4 hereof: and *provided, further, that*  
42 the city council of said city may from time to time ~~impose~~ *impose*  
43 such reasonable rules and regulations as to the erection, con-  
44 struction, location, relocation, removal, use and operation of  
45 said poles, wires, conductors and other structures, systems or  
46 methods, appliances and appurtenances in any street, high-



47 way, conduit, subway or other systems within said city, as  
 48 the public good may require: and *provided, further*, that  
 49 said city council may at any time when the public good  
 50 requires that such poles, wires, conductors and other struc-  
 51 tures, systems or methods, appliances or appurtenances shall  
 52 be removed from any street or highway, require said  
 53 Narragansett Electric Lighting Company, or party claiming  
 54 under it, to remove such poles, wires, conductors and other  
 55 structures, systems or methods, appliances and appurten-  
 56 ances from such street or highway upon ninety days' written  
 57 notice. And forthwith, upon the removal thereof, said city  
 58 council shall grant to said company, or party, a right, as  
 59 nearly similar in public convenience as possible, to construct,  
 60 maintain, use and operate such poles, wires, conductors and other  
 61 structures, systems or methods, appliances and appurtenances in  
 62 some other street or highway of such city; and *provided*,  
 63 *further*, that if at any time any system for distributing elec-  
 64 tricity of equal practical and commercial value to the system now  
 65 in use in the city of Providence shall be invented and perfected,  
 66 said Narragansett Electric Lighting Company, or any party  
 67 claiming title under it, as soon as may be after the commercial  
 68 and practical utility of such system have been demonstrated,  
 69 shall, when so authorized by the city council, introduce and  
 70 apply said system into the city of Providence, and thereupon

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ms within said city, as  
provided, further, that  
when the public good  
actors and other struc-  
s or appurtenances shall  
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pany, or party claiming  
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pliances and appurten-  
upon ninety days' written  
removal thereof, said city  
y, or party, a right, as  
as possible, to construct,  
vires, conductors and other  
ances and appurtenances in  
such city; and *provided*,  
rem for distributing elec-  
cial value to the system now  
be invented and perfected,  
g Company, or any party  
ay be after the commercial  
a have been demonstrated,  
city council, introduce and  
Providence, and thereupon

71 remove from the public streets and highways of said city all  
72 poles, wires and other structures and appurtenances rendered  
73 unnecessary by the introduction of such new system, and if  
74 said company, or party, shall refuse or neglect to adopt and  
75 apply such new system for one year after receiving notice  
76 in writing from said city of Providence so to do, the  
77 exclusive rights granted by this act shall thereupon cease and  
78 determine.

SEC. 3. Nothing in this act contained shall be construed  
2 in any way to relieve the Narragansett Electric Lighting Com-  
3 pany, or any party claiming title under it, from any obligation,  
4 or from paying any tax or money which it may now or hereafter  
5 be under legal obligation to said city to perform or pay.

SEC. 4. Nothing in this act contained shall in any manner  
2 be construed or held to preclude, prevent or hinder the said  
3 city of Providence from producing and distributing currents  
4 of electricity for light, heat, power or any other purposes under  
5 any systems or methods whatsoever for its own use and upon its  
6 own premises in whatever manner or direction; and nothing in  
7 this act shall be construed to preclude, prevent or hinder the said  
8 city of Providence from erecting and maintaining poles, wires,  
9 conductors, apparatus or structures of any name or nature  
10 which said city may see fit to, in or near the streets of said  
11 city of Providence, or in any place in said city or in the



12 vicinity thereof, in order that said city may utilize to the best  
13 advantage for its own purposes, and for its own use any cur-  
14 rents of electricity which may be produced by said city as  
15 aforesaid: *Provided, however,* that said city shall not exercise  
16 the right to produce or distribute electricity for lighting its  
17 streets and highways (excepting roads and driveways in  
18 its public parks) until a vote that it is expedient so to do  
19 shall have passed each branch of its city council by a majority  
20 vote of all the members elected, and received the approval of  
21 the mayor, and thereafter have been ratified by a majority  
22 of the voters qualified to elect members of the city council of  
23 said city, present and voting thereon at the annual municipal  
24 election which shall be held next after the expiration of four  
25 months from the date of the mayor's approval; and when  
26 such a vote has failed to secure ratification no similar vote  
27 shall be submitted for ratification until after the expiration of  
28 three years. And in case of the passage, approval and ratifi-  
29 cation of such vote the amount of the annual tax, if any, to be  
30 paid by the Narragansett Electric Lighting Company as the  
31 tax upon its gross earnings hereinafter provided for,  
32 shall be fixed by arbitration as provided in section 10 hereof.  
33 But this section shall not be construed so as in any man-  
34 ner to annul or affect any contract existing between said  
35 city and said company at the date of the ratification of said

36 vote at th  
37 as in this  
38 shall buy  
39 other ap  
40 Company  
41 highways  
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t said city may utilize to the best  
uses, and for its own use any cur-  
ay be produced by said city as  
r, that said city shall not exercise  
tribute electricity for lighting its  
eighting roads and driveways in  
e that it is expedient so to do  
of its city council by a majority  
ed, and received the approval of  
ave been ratified by a majority  
et members of the city council of  
thereon at the annual municipal  
next after the expiration of four  
e mayor's approval; and when  
ure ratification no similar vote  
ation until after the expiration of  
the passage, approval and ratifi-  
it of the annual tax, if any, to be  
ectric Lighting Company as the  
ings hereinafter provided for,  
as provided in section 10 hereof.  
e construed so as in any man-  
contract existing between said  
e date of the ratification of said

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36 vote at the municipal election. And if said city shall decide,  
37 as in this section provided, to light its streets and highways, it  
38 shall buy such of the poles, wires, structures, mast arms, and  
39 other appurtenances of said Narragansett Electric Lighting  
40 Company, or party claiming under it, in said streets and  
41 highways, and such other property of said company, as shall  
42 then be in use solely for the lighting of said streets and high-  
43 ways; and shall pay to said company therefor the fair value  
44 thereof for the purposes for which the same are in use, such  
45 value, unless agreed upon within 60 days after the ratification  
46 of such vote, to be fixed by arbitration, as provided in section  
47 <sup>10</sup> ~~9~~ hereof.

SEC. 5. The Narragansett Electric Lighting Company, or  
2 any corporation or party claiming title under it, shall make and  
3 render to the treasurer of the city of Providence, on or before  
4 the 30th day of January, April, July and October, in every year,  
5 returns verified by the oath of such party, or, if a corporation by  
6 the oath of its president, treasurer or secretary, of the gross earn-  
7 ings of such corporation, or party, within said city of Provi-  
8 dence for a period of three months next preceding the first day  
9 of January, April, July and October, in each year, and  
10 shall, at the same time, pay to said city treasurer, in full payment  
11 for the rights and privileges in and to the streets and highways  
12 of said city hereinbefore granted, a special tax equal to three

13 per cent. of the gross earnings of said corporation, or party,  
 14 within said city, for a period of ten years next succeeding the  
 15 first day of July, A. D. 1892, and thereafter at a rate of not  
 16 less than three per cent. nor more than five per cent. for each  
 17 succeeding period of five years, during the period of such ex-  
 18 clusive right, the rate to be fixed by agreement of the parties,  
 19 if possible, within three months prior to the expiration of each  
 20 of said periods; otherwise by arbitration as provided in section  
 21 10 hereof. And in case said corporation or party shall neglect  
 22 to pay such quarterly tax as aforesaid, said city treasurer may  
 23 collect and recover of said corporation or party, as other  
 24 taxes are collectable, double the amount of the special tax  
 25 shown to be due by the last preceding quarterly return of said  
 26 corporation or party.

SEC. 6. Whenever in the opinion of the city council of the  
 2 city of Providence the public good requires that electric lights,  
 3 or poles, wires, conductors and other structures, systems or  
 4 methods, appliances and appurtenances for the transmission of  
 5 electricity for use in the business of producing, selling and  
 6 distributing electricity to be used for light, heat, power and other  
 7 purposes shall be furnished or constructed in said city in addi-  
 8 tion to those then furnished or operated by said Narragansett  
 9 Electric Lighting Company, or any party claiming title under  
 10 it, said city council may, at any time and from time to time  
 11 during the existence of said twenty years franchise, order said  
 12 Narragansett Electric Lighting Company, or party claiming

13 under it, to con-  
 14 wires, conducto  
 15 appliances and  
 16 months after th  
 17 part of said Na  
 18 claiming title  
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 20 cease and dete

## SEC. 7.

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## SEC. 8.

2 tract betwe  
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arnings of said corporation, or party, of ten years next succeeding the 92, and thereafter at a rate of not more than five per cent. for each years, during the period of such ex- fixed by agreement of the parties, nths prior to the expiration of each y arbitration as provided in section f corporation or party shall neglect aforesaid, said city treasurer may corporation or party, as other the amount of the special tax preceding quarterly return of said

opinion of the city council of the good requires that electric lights, and other structures, systems or tenances for the transmission of iness of producing, selling and d for light, heat, power and other constructed in said city in addi- operated by said Narragansett any party claiming title under y time and from time to time nty years franchise, order said Company, or party claiming

9

13 under it, to construct, maintain and operate such lights, poles, 14 wires, conductors and other structures, systems or methods, 15 appliances and appurtenances within said city, within six 16 months after the passage of said order, and upon failure on the 17 part of said Narragansett Electric Lighting Company, or party 18 claiming title under it, to comply with such order within said 19 time, the exclusive rights granted by this act shall thereupon 20 cease and determine.

Sec. 7. Said Narragansett Electric Lighting Company 2 shall not, nor shall any party claiming title under it, at any 3 time during the continuance of the exclusive right or privileges 4 granted under this act, charge for its services within said city 5 any greater rates than the rates actually charged by said com- 6 pany at the time of the passage of this act for such or equiva- 7 lent service, both rates being reckoned in United States gold 8 coin of the standard weight and fineness in force at the time 9 of the passage hereof, or in the equivalent thereof in actual 10 value in other lawful money of the United States.

Sec. 8. From and after the expiration of the present con- 2 tract between the city of Providence and said Narragansett 3 Electric Lighting Company, and until the expiration of said 4 twenty years franchise, the rate to be charged to said city for 5 electric lights by said company, or any party claiming under it, 6 shall be determined as follows, viz: The said company, or 7 party, and the City Council of the city of Providence shall 8 agree, if possible, at least three months before the expiration

10

9 of the present contract between said city and said company;  
 10 upon the rate to be paid said company, or party, by said city  
 11 for said lights during the succeeding period of three years; and  
 12 thereafter, and until the expiration of said twenty years ex-  
 13 clusive franchise, said City Council and said company, or party,  
 14 shall, at least three months before the commencement of each  
 15 succeeding period of three years, agree, if possible, upon the rate  
 16 to be paid by said city to said company, or party, for said lights  
 17 during such period of three years; and in case said City Council  
 18 and said company, or party, shall fail to agree upon a rate to  
 19 be paid by said city to said company, or party, for any of the  
 20 periods above mentioned within two months prior to the com-  
 21 mencement of such period, the rate for such period shall be  
 22 determined by arbitration as provided in Section 10 hereof.

SEC. 9. From and after the passage of this act, and until  
 2 the expiration of the rights and privileges granted hereby, the  
 3 said Narragansett Electric Lighting Company or party claim-  
 4 ing under it, shall not pay a greater average rate of dividend  
 5 than eight per cent. per annum, based upon the amount of its  
 6 capital stock now issued and outstanding, and such additional  
 7 capital stock as shall hereafter be actually subscribed for in  
 8 cash at not less than the par value of the stock, and any and  
 9 all net earnings over and above said dividend of eight per cent.  
 10 per annum and a cash surplus not exceeding ten per cent. of the  
 11 then issued and outstanding capital stock, shall be applied to the  
 12 reduction of the cost of its services to the city and its citizens.

*And*  
 13 ~~But~~ all ext  
 14 actually 1  
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 SEC.  
 2 tion or n  
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between said city and said company;  
said company, or party, by said city  
succeeding period of three years; and  
expiration of said twenty years ex-  
Council and said company, or party,  
s before the commencement of each  
cars, agree, if possible, upon the rate  
id company, or party, for said lights  
years; and in case said City Council  
, shall fail to agree upon a rate to  
company, or party, for any of the  
hin two months prior to the com-  
he rate for such period shall be  
provided in Section 10 hereof.  
he passage of this act, and until  
d privileges granted hereby, the  
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alue of the stock, and any and  
aid dividend of eight per cent.  
exceeding ten per cent. of the  
d stock, shall be applied to the  
es to the city and its citizens.

11

*And*  
all extensions of its plant shall be paid for out of capital  
actually paid in, or out of money borrowed as authorized  
by Section 1 hereof, and not out of earnings. \*

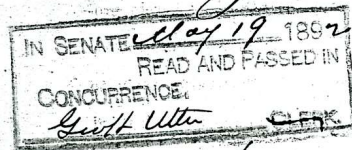
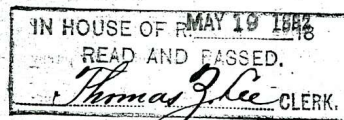
SEC. 10. Whenever it is provided in this act that any ques-  
tion or matter shall be decided or adjusted by arbitration, such  
arbitration shall be conducted in the following manner, viz:—  
Three disinterested persons shall be chosen as arbitrators, one  
by the city council of the City of Providence in joint conven-  
tion, one by said corporation or party claiming title under it,  
and the third by the two so chosen. The determination of said  
arbitrators, or of a majority of them, shall be made within thirty  
days of the time of their appointment, and shall be final and  
binding and conclusive upon said city and upon said corpora-  
tion or party. In case said city council or said corporation or  
party shall not appoint an arbitrator within thirty days after  
the expiration of the time within which, under any provision  
of this act, said city and said corporation or party are to  
attempt to agree upon any question or matter, the other party  
may appoint the first two arbitrators, and in case the two per-  
sons first appointed shall not appoint a third as herein pro-  
vided, either the City of Providence or said corporation or  
party may, after ten days' notice to the other party, apply to  
the Supreme Court or any justice thereof to appoint such third  
arbitrator. And in case of the death, resignation, neglect or



12

22 inability to serve of either of said arbitrators, said Court, or  
23 any justice thereof, shall forthwith, upon the application of  
24 either party, appoint another arbitrator in his place and stead.  
25 The costs of any arbitration shall be shared equally by the par-  
26 ties thereto.

Sec. 11. All acts and parts of acts and all rules, regu-  
lations, terms, conditions and ordinances of any town council  
or city council, and all acceptances thereof and assents thereto  
of said Narragansett Electric Lighting Company, or of any  
companies consolidated into or with it, inconsistent herewith,  
are hereby repealed, and annulled, and all cities and towns  
holding any such acceptances or assents are hereby required  
by their proper officers to forthwith cancel and discharge the  
same, and this act shall take effect from and after its passage.



*Seery*



*"Substitute A."*

*"An Act concerning  
The Narragansett  
Electric Lighting  
Company."*

IN HOUSE OF R. *May 19* 1892  
COMMITTEE ON JUDICIARY RECOM-  
MEND PASSAGE OF THE WITHIN ACT.  
*And indefinite postponement  
of the original act*  
*E. H. M. Kim*  
FOR COMMITTEE.

IN HOUSE OF R. *MAY 19* 1892  
READ AND PASSED.  
*Thomas Lee* CLERK.

IN SENATE *May 19* 1892  
REFERRED TO COMMITTEE ON  
*Judiciary*  
*E. J. Spolwer* CLERK.

IN SENATE *May 19* 1892  
THE COMMITTEE ON JUDICIARY  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL *in*  
*Concurrence*  
*J. C. Woods*  
FOR THE COMMITTEE.

IN SENATE *May 19* 1892  
READ AND PASSED IN  
CONCURRENCE.  
*E. J. Spolwer* CLERK.

○ State of Rhode Island, &c. ○

IN GENERAL ASSEMBLY,

9317  
2

JANUARY SESSION, A. D. 1892.

AN ACT

concerning the Narragansett Electric Lighting Company.

*It is enacted by the General Assembly as follows:*

*Section 1.*

Section 1. The Narragansett Electric Lighting Company is hereby authorized and empowered to issue from time to time its first mortgage bonds, bearing interest payable in gold coin of the United States of the present standard weight and fineness twenty years after date, to an amount not exceeding one million dollars, and to execute and deliver to a trustee or trustees a first mortgage of all its property, real, personal and mixed, including any stock in any other corporation held by it, and all its powers, rights, privileges and franchises which it may have, or in any way be entitled to at any time, or which it may hereafter acquire anywhere to erect, construct, maintain, use and operate poles, wires, conductors and other structures, systems or methods, appliances and appurtenances for the transmission of electricity, and for use in the business of producing, selling and distributing currents of electricity to be used for light, heat, power or other purposes, to secure the payment of said bonds; such mortgage to contain such powers of sale and provisions for a sinking fund as said Narragansett Electric Lighting Company may provide.

wires, Section 2. The Narragansett Electric Lighting Company, or any party claiming title from it under said mortgage hereinafter authorized, in addition to all the powers, rights, privileges and franchises, which said Narragansett Electric Lighting Company now has or is in any way entitled to any, where, shall for a period of twenty years from and after the date of the execution of said mortgage have in the city of Providence the exclusive right and in other towns and cities, the right to keep, maintain in good order and repair, use and operate, in any manner, in which it may lawfully do so, said poles, wires, conductors and other structures, systems or methods, appliances and appurtenances for use in the business of producing, selling and distributing currents of electricity to be used for light, heat, power or other purposes in the same streets and highways as at the time of executing said mortgage and thereafter during said period said poles, wires, conductors and other structures, systems or methods, appliances and appurtenances shall from time to time be built and constructed; provided, however, that the City and Town Councils of the several cities and towns in which the same are located may from time to time impose such reasonable rules and regulations as to the erection, construction, uses and operation of said poles, wires, conductors and other structures, systems or methods, appliances and appurtenances in any street or highway within their respective cities and towns as the public good may require; and provided, further, that such Town or City Councils shall in any way to relieve the Narragansett Electric Lighting Company, or any party claiming title under it as aforesaid.



Section 3. The Narragansett Electric Company, or any party claiming under it as aforesaid, to remove such poles, wires, conductors and other structures, systems or methods, and appliances and appurtenances from such street or highway upon

wires, conductors and other structures, systems or methods, appliances and appurtenances shall be removed from any street or highway, require said Narragansett Electric Lighting Company, or party claiming under it as aforesaid, to remove such poles, wires, conductors and other structures, systems or methods, and appliances and appurtenances from such street or highway upon ninety days written notice. And forthwith upon the removal

Section 4. The Narragansett Electric Lighting Company, thereof, such City or Town Council shall grant to said company, or any corporation or party claiming title under it, shall make or party, a right, as nearly similar in public convenience as and render to the Treasurer of the City of Providence on or possible, to construct, maintain, use and operate such poles, before the 30th day of January, April, July and October, in wires, conductors and other structures, systems or methods, any year, returns verified by the oath of such party, or, if a appliances and appurtenances in some other street or highway corporation by the oath of its President or Treasurer, of the of such city or town; and provided, further, that if at any gross earnings of such corporation, or party, within said city time after the execution of said mortgage any system for dis- of Providence for a period of three months next preceding the tributing electricity of greater practical or commercial value first day of January, April, July and October in the same year, than the system now in use in the city of Providence shall be and shall at the same time pay to said City Treasurer, in full invented and perfected, said Narragansett Electric Lighting payment for the rights and privileges in and to the streets and company, or any party claiming title under it, shall, as soon highways of said city heretofore granted, a special tax upon as may be after the commercial and practical utility of such said gross earnings, at the rate of 2 per cent. upon the gross system have been demonstrated, introduce and apply said system earnings of said corporation, or party, within said city in into the city of Providence in place of the one now in use; and such year, for a period of five years next succeeding the 1st if said company, or party, shall refuse or neglect to adopt and day of July, A.D. 1892, and at a rate of not less than 2 per apply said system for one year after receiving notice in writ- cent, nor to exceed 3 per cent. upon such gross earnings for ing from said city of Providence so to do, the exclusive rights such successive period of five years, during the period of granted by this act shall thereupon cease and determine. such exclusive right, to be determined in the manner hereinaf-

Section 3. Nothing in this act contained shall be construed in any way to relieve the Narragansett Electric Light- ing Company, or any party claiming title under it as aforesaid,

which shall be paid by the city of Providence, and the city of Providence shall be under legal obligation to pay the same.

from any obligation to pay any tax or money which it may now or hereafter be under legal obligation to any city or town to pay, nor to prevent said company, or party, or any city or town from making any contract, granting any franchise, imposing any special tax, or doing any act or thing which they are authorized to do under the provisions of chapter 975 of the Public Laws.

Section 4. The Narragansett Electric Lighting Company, and the holder by the two as shown, and shall determine the or any corporation or party claiming title under it, shall make rate which shall be just to be paid, and shall return the said and render to the Treasurer of the city of Providence on or before the 30th day of January, April, July and October, in every year, returns verified by the oath of such party, or, if a corporation, shall be final and conclusive upon said party, and upon corporation by the oath of its President or Treasurer, of the gross earnings of such corporation, or party, within said city of Providence for a period of three months next preceding the point as aforesaid, the other of said parties may, upon the first day of January, April, July and October in the same year, first two disinterested persons, and that in case the two persons first appointed shall not appear as aforesaid, either the City of Providence or said corporation or party may, after highways of said city hereinbefore granted, a special tax upon said gross earnings, at the rate of 2 per cent. upon the gross earnings of said corporation, or party, within said city in such year, for a period of five years next succeeding the 1st day of July, A.D. 1892, and at a rate of not less than 2 per cent. nor to exceed 3 per cent. upon such gross earnings for each successive period of five years, during the period of such exclusive right, to be determined in the manner hereinafter provided, to wit: The said Narragansett Electric Lighting

In case said corporation, or party, shall do business in any town or city besides the city of Providence, and it shall be the duty of the city of Providence shall, at least three months

IF THE CITY OF PROVIDENCE SHALL FAIL TO PAY SUCH TAX AS AFORESAID, EITHER THE CITY OF PROVIDENCE OR

prior to the commencement of the second, third and fourth periods of five years each, agree upon such rate if possible; in case said City Council and said corporation, or party, shall fail to agree, as aforesaid, at least two months prior to the commencement of each of said periods, three disinterested persons shall be chosen, one by the City Council of said city in joint convention, one by the said corporation or party, and the third by the two so chosen, who shall determine the rate which shall be just to be paid, and paid during the said period of five years succeeding their appointment; and the determination of said disinterested persons, or a majority of them, shall be final and conclusive upon said city and upon said corporation or party. Provided that in case the City Council of said city, or said corporation or party, shall not appoint as aforesaid, the other of said parties may appoint the first two disinterested persons, and that in case the two persons first appointed shall not appoint as aforesaid, either the city of Providence or said corporation or party may, after ten days notice to the other party, apply to any justice of the Supreme Court to appoint said disinterested person. And in case said corporation or party shall neglect to pay such quarterly tax as aforesaid, said City Treasurer may collect and recover of said corporation or party, as other taxes are collectable, double the amount of the special tax shown to be due by the last preceding quarterly return of said corporation or party.

In case said corporation, or party, shall do business in any town or city besides the city of Providence, and it shall



be unable to ascertain the amount of its gross earnings in each town or city separately from actual accounts kept thereof, its returns of gross earnings, to be made as aforesaid, shall state

the gross earnings of its entire business and the length of its wires in the streets and highways of each town or city, and shall not, nor shall any party claiming title under it, at the gross earnings from its business in the city of Providence during the continuance of the existence of said company, shall be taken to be that proportion of the whole gross earnings granted under this act, as the length of its wires in the city of Providence bears to the total length of all such wires of said company, or party, in the streets and highways in all said cities and towns.

Section 5. Whenever in the opinion of the City Council of the city of Providence the public good requires that electric lights, or poles, wires, conductors and other structures, systems or methods, appliances and appurtenances for the transmission of electricity and for use in the business of producing, selling and distributing electricity to be used for light, heat, power and other purposes shall be furnished or constructed in said city in addition to those then furnished or operated by said Narragansett Electric Lighting Company, or any party claiming title under it, said City Council may, at any time and from time to time during the existence of said twenty years franchise, order said Narragansett Electric Lighting Company, or party claiming under it, to construct, maintain and operate such lights, poles, wires, conductors and other structures, systems or methods, appliances and appurtenances within said city, within one year after the passage of said order, and upon default on the part of said Narragansett Electric Lighting



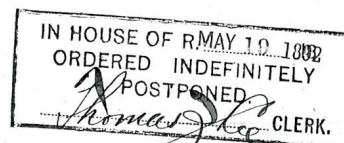
Company, or party claiming title under it, to comply with such order within said time, the exclusive rights granted by this act shall thereupon cease and determine.

Section 6. Said Narragansett Electric Lighting Company shall not, nor shall any party claiming title under it, at any time during the continuance of the exclusive right or privileges granted under this act, charge for its service within said city any greater rates than the rates actually charged by said company at the time of the passage of this act for such or equivalent service, both rates being reckoned in United States gold coin of the standard weight and fineness in force at the time of the passage hereof, or in the equivalent thereof in actual value in other lawful money of the United States.

Section 7. From and after the expiration of the present contract between the city of Providence and said Narragansett Electric Lighting Company, and until the expiration of said twenty years franchise, the rate to be charged to said city for electric lights by said company, or any party claiming under it, shall be determined as follows, viz: The said company, or party, and the City Council of the city of Providence shall agree, if possible, at least three months before the expiration of the present contract between said city and said company, upon the rate to be paid to said company, or party, by said city for said lights during the succeeding period of five years; and thereafter, and until the expiration of said twenty years exclusive franchise, said City Council and said company,

or party, shall, at least three months before the commencement of each succeeding period of five years, agree, if possible, upon the rate to be paid by said city to said company, or party, for said lights during such period of five years; and in case said City Council and said company, or party, shall fail to agree upon a rate to be paid by said city to said company, or party, for any of the periods above mentioned, within two months prior to the commencement of such period, the rate for such period shall be fixed by three disinterested persons, to be chosen or appointed in manner provided in Section 4 hereof; and the determination of the persons so chosen or appointed, or of a majority of them, shall be final and conclusive upon said city and said Narragansett Electric Lighting Company, or party claiming under it.

Section 8. All acts and parts of acts and all rules and regulations, terms, conditions and ordinances of any Town Council or City Council, and all acceptances thereof and assents thereto of said Narragansett Electric Lighting Company, or of any companies consolidated into or with it, inconsistent herewith, are hereby repealed and annulled, and all cities and towns holding any such acceptances or assents are hereby required by their proper officers to forthwith cancel and discharge the same, and this act shall take effect from and after its passage.



AN ACT

concerning the  
Narragansett Electric  
Lighting Company.

IN HOUSE OF R. MAY 19 1892  
ORDERED INDEFINITELY  
POSTPONED  
*Thomas J. Lee* CLERK.

IN HOUSE OF R. MAY 4 1892  
REFERRED TO COMMITTEE ON  
JUDICIARY.  
*H. J. Lee* CLERK.

In House of R. 189  
The Committee on Judiciary Rec-  
ommend Indefinite Postponement  
of within Bill. *and passage*  
*of within "Substitute A"*  
~~For the Committee.~~

*For Committee*  
H

*Given May 7. 1892*

To the Honorable General Assembly of the State of Rhode Island, &c.,

at its January Session, A. D. 1892.

The undersigned respectfully represent that they desire that the act entitled "An Act to incorporate the Narragansett Electric Lighting

Company passed at the May session of the General Assembly, A. D. 1884

may be so amended as to provide that said company may  
issue its bonds to an amount not exceeding  
one million dollars, and secure the same by  
mortgage, and in other respects

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

Narragansett Electric Lighting Co  
By H E Williams  
President



FOR AMENDMENT OF

*Narragansett Electric Company*

*the Narragansett Electric Company*

*for the Narragansett Electric Company*

PRESENTED BY

*William A. Barber*

IN HOUSE OF REPRESENTATIVES  
REFERRED TO COMMITTEE ON  
JUDICIARY. *May 4, 1982*  
CLERK.

No. 295  
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THE PETITION OF

*Narragansett Electric  
Co.*

FOR AMENDMENT OF

*the Narragansett Electric  
Company Charter*

PRESENTED BY

No. 295. Resolution Directing the "Joint Special Committee to Oppose the Passage of an Act Amending the Charter of the Union Railroad Company" to Appear Before the General Assembly and Protect the Interest of the City of Providence.

[Approved May 17, 1892.]

RESOLVED, That the joint special committee appointed by resolution approved April 26, 1892, be and they hereby are requested and directed to appear before the General Assembly at its present January session and oppose any legislation affecting the City of Providence, unless the interests of the city are sufficiently protected therein, and the said committee are hereby authorized to take such action as in their judgment is for the best interests of the city.

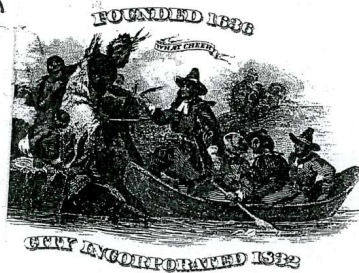
...hereby requested and directed to appear before the  
iciary Committee of the House of Representatives and submit  
accompanying act concerning the Narragansett Electric Lig  
Company the same having duly approved by said Committee.  
been

I hereby certify that the accompanying act is a  
copy of the act named in the foregoing resolution.

Attest:

*D. F. Hay*  
Clerk of Committee





*City of Providence*  
CLERK OF  
COMMITTEES OFFICE

*City Hall*, May 18, 1892.

Wm. K. Potter,  
Mayor and Chairman.  
Francis Colwell  
City Solicitor,

Gentlemen:-

At a meeting of the Joint Special Committee of the  
City Council appointed under Resolution No. 295, series of 1892,  
the following resolution was adopted:  
Resolved.-That His Honor the Mayor and the City Solicitor be and  
they are hereby requested and directed to appear before the Judi-  
ciary Committee of the House of Representatives and submit the  
accompanying act concerning the Narragansett Electric Lighting  
Company the same having <sup>been</sup> duly approved by said Committee.

I hereby certify that the accompanying act is a true  
copy of the act named in the foregoing resolution.

Attest:

*S F Hayden*  
Clerk of Committees.



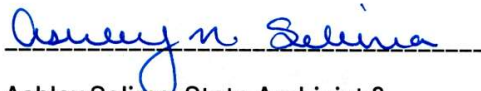
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1892, Vol. 59 # 29**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY"

\*\*\*\*\*



Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

# State of Rhode Island, &c.

IN GENERAL ASSEMBLY,

*January*

SESSION, A. D. 1892.

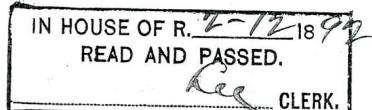
## AN ACT

*in amendment of an act entitled 'an act  
to incorporate the Narragansett Electric  
Lighting Company.'*

*It is enacted by the General Assembly as follows:*

*Section 1. The Narragansett Electric Lighting  
Company is hereby authorized to increase its  
capital stock to a sum not exceeding two  
million dollars as the Corporation may from  
time to time by vote determine*

*Sec. 2. All acts and parts of acts in-  
consistent herewith are hereby repealed and  
this act shall take effect from and after  
its passage*



AN ACT  
in amendment of an Act  
intituled  
An Act to incorporate the  
Narragansett Electric Lighting  
Company.

so becom. on leup.  
John E. Kendrick  
Providence

IN HOUSE OF R. 2-10-1892  
REFERRED TO COMMITTEE ON  
CORPORATIONS. Lee CLERK.

IN HOUSE OF R. 2-10-1892  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL.

John E. Kendrick  
FOR THE COMMITTEE,

IN HOUSE OF R. Feb 12 1892  
READ AND PASSED.  
Clerk.

IN SENATE Feb 16 1892  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
Clerk.

IN SENATE, 1892  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL, in concurrence

FOR THE COMMITTEE,  
Ber Andrew S

IN SENATE Feb 17 1892  
ORDERED ENGROSSED AND REFERRED  
TO COMMITTEE ON ENGROSSED BILLS.  
Clerk.

IN SENATE Feb 18 1892  
ENGROSSED ACT READ AND PASSED  
IN CONCURRENCE.  
Clerk.

*To the Honorable General Assembly of the State of Rhode Island, &c.,*  
at its January Session, A. D. 1892.

The undersigned respectfully represent that they desire that the act entitled "An Act  
to incorporate the Narragansett Electric Lighting  
Company

passed at the May session of the General Assembly, A. D. 18 84

may be so amended as to provide that the Capital Stock of said  
Company may be fixed at any amount not  
exceeding Two Million Dollars.

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said  
charter, and as in duty bound will ever pray.

*Narragansett Electric Light Co.*  
*by Henry E. Millman*  
*President*

For the Committee,

*Walter A. Reed*  
*Glocester*

IN HOUSE OF R. 1892  
READ AND PASSED.

CLERK.



THE PETITION OF  
*Narragansett Electric*  
*Lighting Company*  
FOR AMENDMENT OF *its*  
*Charter*  
PRESENTED BY  
*John Edlenchick*  
*Providence*

WITHIN BILL, *insurance*

FOR THE COMMITTEE.  
*B. Andrews*

IN HOUSE OF R. *2-10* 189*7*  
REFERRED TO COMMITTEE ON  
CORPORATIONS. *Re* CLERK.

*To be on hand.*

OR THE COMMITTEE



State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

*January Session, A. D. 1892.*

Put on date of engrossing }  
the Act.

The Joint Committee on Engrossed Acts, to whom was referred to be engrossed, an act entitled

*An act in amendment of an act  
entitled "An act to incorporate  
the Narragansett Electric Lighting  
Company."*

REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

*Walter A. Read  
Glocester*

RECOMMEND THE PASSAGE OF THE



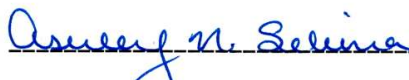
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, May Session, 1898, Vol. 67 #53**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION, 1884.

\*\*\*\*\*



Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



No. 10.

State of Rhode Island and Providence Plantations.

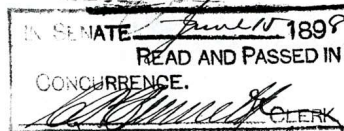
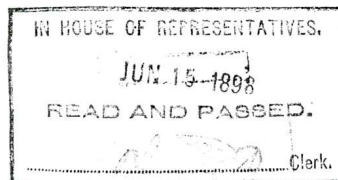
MAY SESSION, A. D. 1898.

AN ACT in amendment of an act, entitled  
"An Act to Incorporate the Narragan-  
sett Electric Lighting Company," passed  
at the May Session, 1884.

It is enacted by the General Assembly as follows :

SECTION 1. The Narragansett Electric Lighting Company  
is hereby authorized to increase its capital stock to a sum not  
exceeding four million dollars, as the corporation may from  
time to time by vote determine.

SEC. 2. All acts and parts of acts inconsistent herewith are  
hereby repealed, and this act shall take effect from and after  
its passage.



*James H. Beckham*

hode Island, &c.,  
A. D. 1898 .

: act entitled " An act

mpany \_\_\_\_\_

sembly, A. D. 1884

: be increased

: authorized by

: amending their said

*W. W. Douglas*  
*Isaac M. Potter*  
*James H. Beckham*



No. 10.

State of Rhode Island and Providence Plantations.

MAY SESSION, A. D. 1898.

AN ACT in amendment of an act, entitled  
"An Act to Incorporate the Narragan-  
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It is enacted by the General Assembly as follows :

SECTION 1. The Narragansett Electric Lighting Company  
2 is hereby authorized to increase its capital stock to a sum not  
3 exceeding four million dollars, as the corporation may from  
4 time to time by vote determine.

SEC. 2. All acts and parts of acts inconsistent herewith are  
2 hereby repealed, and this act shall take effect from and after  
3 its passage.

IN HOUSE OF REPRESENTATIVES.

JUN 15 1898

READ AND PASSED.

Clerk.

IN SENATE June 15 1898

READ AND PASSED IN  
CONCURRENCE.

CLERK

hode Island, &c.,

A. D. 1898 .

act entitled "An act

company \_\_\_\_\_

assembly, A. D. 1884

be increased

authorized by

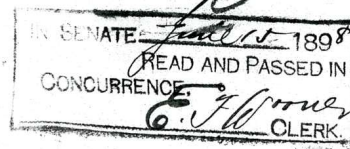
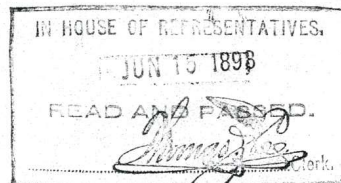
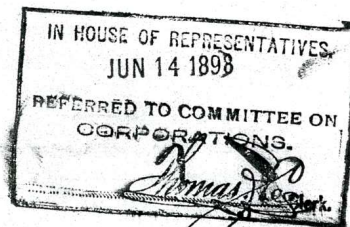
amending their said

W. W. Douglas  
Isaac M. Potter  
James R. R. R.

James R. R. R.  
James R. R. R.



No. 10  
An act in amendment  
of an act entitled  
"An act to incorporate  
the Narragansett Electric  
Lighting Company," passed  
at the May Session, 1884  
Introduced by—  
Edward C. Dubois



To the Hono  
at its—

The unders  
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may be so amend

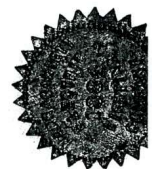
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Wherefore, t

charter, and as in



To the Honorable General Assembly of the State of Rhode Island, &c.,  
at its \_\_\_\_\_ May \_\_\_\_\_ Session, A. D. 1898 .

The undersigned respectfully represent that they desire that the act entitled "An act  
to incorporate the Narragansett Electric Lighting Company \_\_\_\_\_

passed at the \_\_\_\_\_ May \_\_\_\_\_ session of the General Assembly, A. D. 1884  
may be so amended as to provide that the Capital Stock may be increased  
to four million dollars from time to time as may be authorized by  
vote of its stockholders. \_\_\_\_\_

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said  
charter, and as in duty bound will ever pray.



*H. S. Willard* *W. W. Douglas*  
*Harvey Smith* *Isaac M. Potter*  
*Arthur H. Watson* *James R. Lipp*  
*Samuel A. Vene*  
*Henry R. Barker*  
*William T. Wallon*  
*Frederick R. Chapman*

*Providence, R. I. May 26, 1898.*

*I HEREBY CERTIFY that the names signed to the foregoing  
petition comprise the names of all the directors of the Narragan-  
sett Electric Lighting Company.*

*Attest:*



*Daniel A. Hemenway*  
*Secretary.*

HARVEY E. WILLIAMS, President.

NAJ

*At a meeti  
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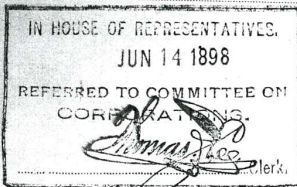
*A true copy from  
Attest:*

Narragansett Electric

Lighting Company

FOR AMENDMENT OF Charter

PRESENTED BY

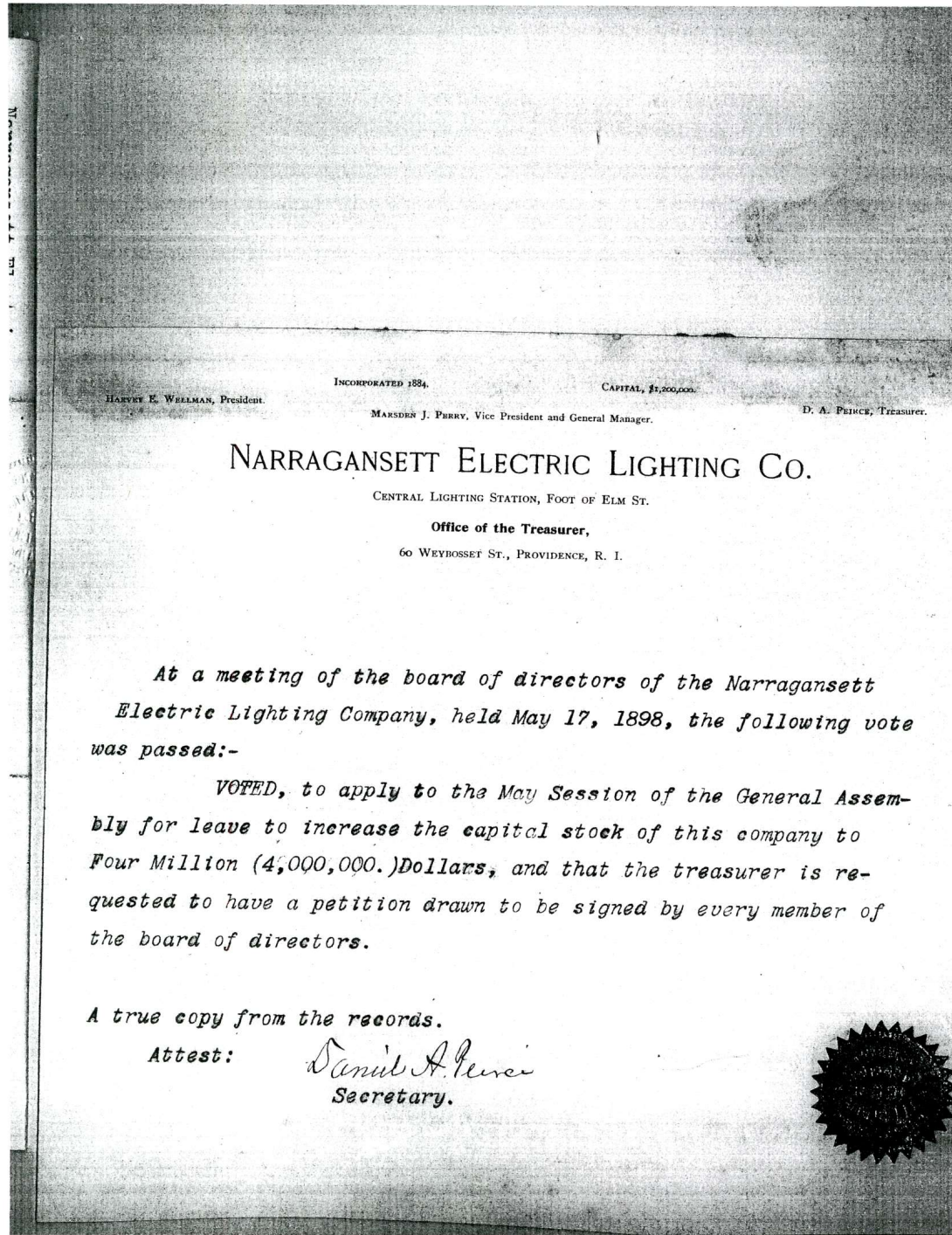


IN HOUSE OF R. 6/14 1898  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL

*Edward C. Dubois*

FOR THE COMMITTEE





INCORPORATED 1884. CAPITAL, \$5,000,000.  
HARRY E. WELLMAN, President. MARSDEN J. PERRY, Vice President and General Manager. D. A. PERCIE, Treasurer.

# NARRAGANSETT ELECTRIC LIGHTING CO.

CENTRAL LIGHTING STATION, FOOT OF ELM ST.

Office of the Treasurer,

60 WEYBOSSET ST., PROVIDENCE, R. I.

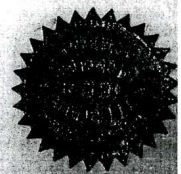
*At a meeting of the board of directors of the Narragansett Electric Lighting Company, held May 17, 1898, the following vote was passed:-*

*VOTED, to apply to the May Session of the General Assembly for leave to increase the capital stock of this company to Four Million (4,000,000.)Dollars, and that the treasurer is requested to have a petition drawn to be signed by every member of the board of directors.*

*A true copy from the records.*

*Attest:*

*Daniel A. Percie*  
*Secretary.*








State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1899, Vol. 68 #15**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED MAY 29, 1884, AND THE SEVERAL  
ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

\*\*\*\*\*

  
\_\_\_\_\_  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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# State of Rhode Island, &c.

IN GENERAL ASSEMBLY,

No. 15

January

SESSION, A. D. 1899

## AN ACT

In amendment of an act entitled "~~An act to incorporate the~~  
~~Narragansett Electric Lighting Company,~~ passed May 29, 1884,  
and the several Acts in amendment thereof and relating thereto.

*It is enacted by the General Assembly as follows:*

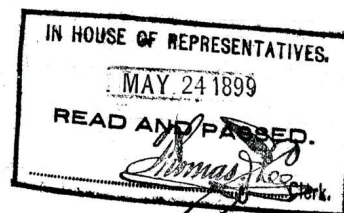
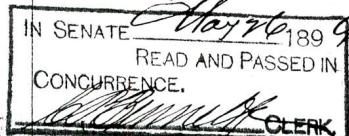
*Section 1.* In addition to the powers heretofore granted  
to the Narragansett Electric Lighting Company, said corporation  
is hereby authorized and empowered, from time to time, to ac-  
quire by lease, purchase or otherwise, on such terms and condi-  
tions as may be agreed upon; and to possess, use, exercise and  
dispose of the ownership or control of any right, property or  
franchise held by any person or corporation engaged in or au-  
thorized to engage in a business similar to that of said corpor-  
ation. And said Narragansett Electric Lighting Company may  
issue its capital stock or bonds, at not less than par, in pay-  
ment therefor; and any corporation which shall own or hold such  
rights or franchises may sell or lease the ownership or control  
of the same to said Narragansett Electric Lighting Company and  
receive such stock or bonds in payment therefor; and the capi-  
tal stock of said Narragansett Electric Lighting Company when  
issued as aforesaid shall be deemed to be fully paid and non-  
assessable.

~~Section~~ 2. Said corporation is hereby authorized and empowered to acquire, to hold, and to dispose of the stock, bonds, securities and obligations issued by any other corporation engaged in a similar business to its own, and may issue its capital stock and bonds at not less than par in payment for the same, and any stock so issued shall be deemed full-paid and non-assessable.

~~Section~~ 3. Said corporation is hereby authorized and empowered, from time to time, to guarantee the stocks and bonds, and the dividends and interest thereon, of any corporation established for purposes similar to its own.

~~Section~~ 4. Said corporation is hereby authorized and empowered to increase its capital stock, from time to time, and in such amounts, as may be required in the exercise of the powers granted by this act and the several acts of which it is an amendment, to an amount not exceeding in the aggregate five millions of dollars. Said corporation may also guarantee the payment of bonds and obligations and dividends of profits on stocks of other similar corporations controlled by it, and as security for the same and for the payment of bonds, notes and other obligations originally issued by itself in the prosecution of its business, may mortgage all or any part of its property and franchises.

~~Section~~ 5. This Act shall take effect when accepted by said corporation.





[illegible]

Isaac M. Potter.

W<sup>m</sup> W. Douglas

F. H. Rockhamph.

Arthur H. Watson



To the Honorable General Assembly of the State of Rhode Island, &c.,  
at its January Session, A. D. 1899.

The undersigned respectfully represent that they desire that the act entitled "An Act  
to incorporate the Narragansett Electric Lighting Company

passed at the May session of the General Assembly, A. D. 1884

may be so amended as to provide that it may be authorized to increase  
capital stock to an amount not exceeding five millions of  
dollars; also to acquire, hold, use & dispose of the property, fran-  
chises, stocks, bonds & securities of other corporations created  
for purposes similar to its own substantially in accor-  
dance with the accompanying act.

~~in conformity with the accompanying bill.~~

Wherefore, they pray your honorable body to grant their request amending their  
said charter, and as in duty bound will ever pray.

Narragansett Electric Lighting Co.  
H. H. E. Wellman President  
L. A. Pease Treasurer  
W. A. Walton Vice President  
J. A. Ripley  
W. A. Walton  
Henry R. Barker

THE PETITION OF

*The Narragansett Electric  
Lighting Company*

FOR AMENDMENT OF *its Charter*

PRESENTED BY

*Henry R. Parker*

IN HOUSE OF R. *May 23 1899*  
COMMITTEE ON *Corporations*  
RECOMMEND *passage of*  
*within bill*

*to the Committee*

*H. C. Luther*

IN SENATE *May 26 1899*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL *in accordance*

FOR THE COMMITTEE.

*Geo W. Simmons*



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1905, Vol. 74 #29**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," AND THE SEVERAL ACTS IN AMENDMENT  
THEREOF AND RELATING THERETO.

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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0054

No. 29

State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

JANUARY SESSION, 1905.

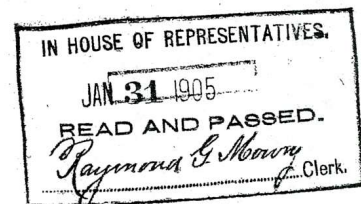
AN ACT

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY," AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

SECTION I. The Narragansett Electric Lighting Company is hereby authorized to increase its capital stock to a sum not exceeding Seven Million ~~(~~SEVEN~~ MILLION)~~ Dollars, as the corporation may, from time to time by vote determine.

SECTION II. All acts and parts of acts inconsistent herewith are hereby repealed, and this act shall take effect from and after its passage.





IN AMENDMENT OF AN ACT ENTITLED  
"AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING CO.  
AND THE SEVERAL ACTS IN AMENDMENT  
THEREOF AND RELATING THERETO."

*Amended by*  
*J. M. Quinn*

IN HOUSE OF REPRESENTATIVES.  
JAN 18 1905  
REFERRED TO COMMITTEE ON  
CORPORATIONS.  
*Raymond E. Morry* Clerk.

IN HOUSE OF REPRESENTATIVES.  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL  
*E. T. Rich*

FOR THE COMMITTEE  
IN HOUSE OF REPRESENTATIVES.  
JAN 25 1905  
Received and Ordered to be placed upon the  
CALENDAR.  
*Raymond E. Morry* Clerk.

JAN 31 1905  
READ AND PASSED.  
*Raymond E. Morry* Clerk.

FEB 2 1905  
IN SENATE  
REFERRED TO COMMITTEE ON  
CORPORATIONS.  
*David J. White* Clerk.  
IN SENATE, Feb 2 1905  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL, in Concurrence.

FOR THE COMMITTEE.  
*J. M. Quinn*  
FEB 7 1905  
IN SENATE  
READ AND ORDERED TO BE  
PLACED ON CALENDAR.  
*David J. White* Clerk.

COMMITTEE ON INCORPORATED ACTS.  
*David J. White* Clerk.  
FEB 9 1905  
IN SENATE  
ENGROSSED ACT READ AND PASSED  
IN CONCURRENCE.  
*David J. White* Clerk.

INCORPORATED 1884.  
MARSDEN J. PERRY, President and General Manager.

CAPITAL, \$3,000,000.  
ARTHUR H. WATSON, Vice President.

E. A. BARROWS,  
Secretary and Treasurer.

## NARRAGANSETT ELECTRIC LIGHTING CO.

CENTRAL LIGHTING STATION, FOOT OF ELM ST.

Office of the President and General Manager,

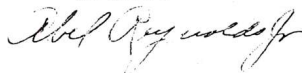
UNION TRUST CO. BUILDING, PROVIDENCE, R. I.

### CERTIFIED COPY OF RESOLUTION FOR INCREASE OF CAPITAL STOCK.


RESOLVED: That application be made to the General Assembly for amendment to the charter of the Corporation, whereby it shall be authorized and empowered to increase its capital stock to an amount not exceeding Seven Million Dollars (\$7,000,000), and that the President is hereby authorized and empowered to sign in the name and behalf of the Corporation, a petition to the General Assembly praying for such amendment.

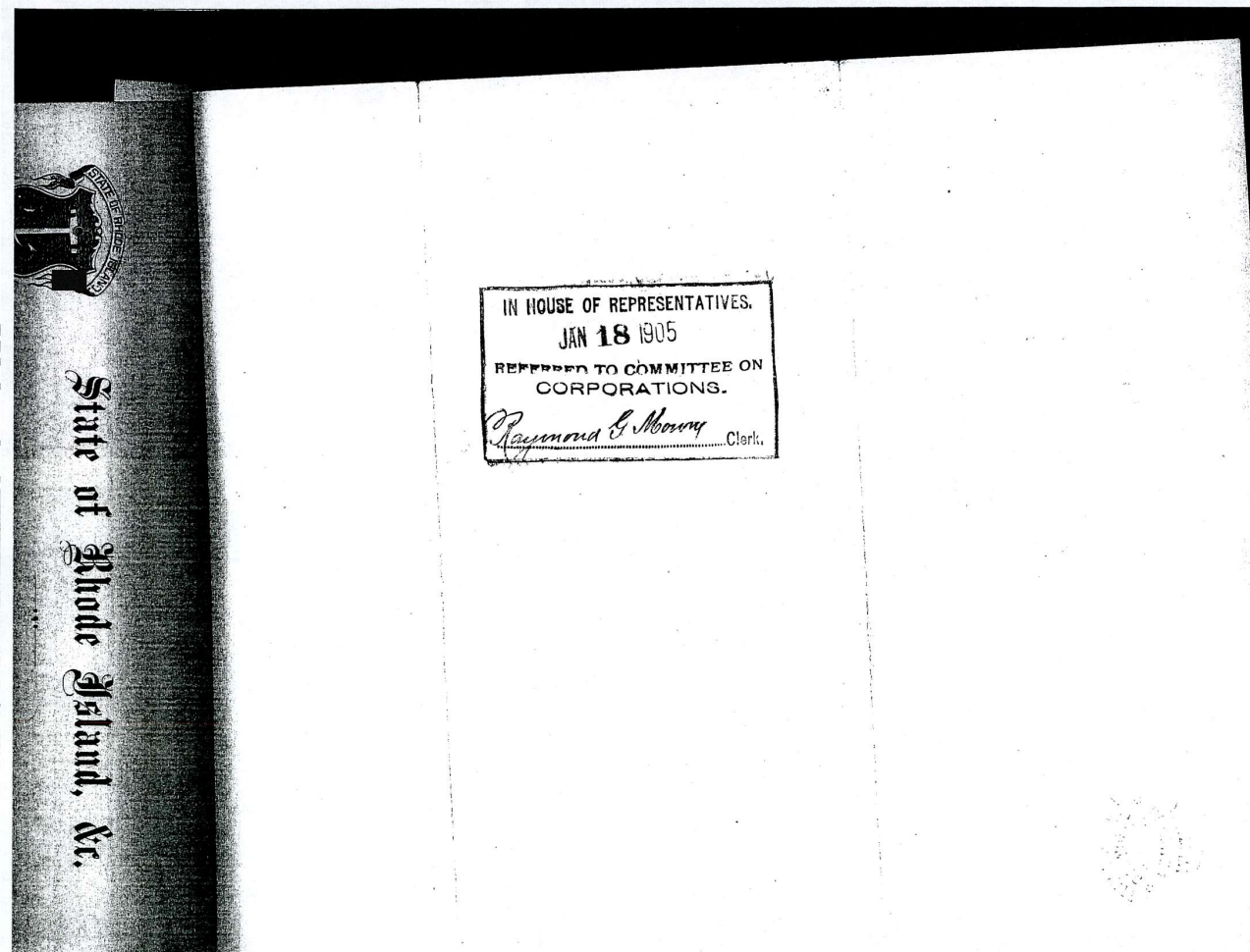
I hereby certify that the foregoing is a true copy of the Resolution passed at the Annual Meeting of the stockholders of this Corporation, held at the office of the Company at 12 o'clock, noon, on this the seventeenth day of January A.D. Nineteen Hundred and Five.

Attest:



Secretary.









State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

*January* Session, A.D. 19.....

The Joint Committee on Engrossed Acts, to whom was referred  
to be engrossed, an act entitled

*An Act in amendment of an act  
entitled "An act to incorporate the  
Narragansett Electric Lighting Company,  
and the several acts in amendment  
thereof and relating thereto."*

REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

*Charles Potter*



*To the Honorable General Assembly of the State of Rhode Island, &c.,*

*at its* January *Session, A. D. 1905 .*

The undersigned respectfully represent that ~~it~~ desires that the act entitled "An act to incorporate the NARRAGANSETT ELECTRIC LIGHTING COMPANY

passed at the May session of the General Assembly, A. D. 1884 and the several Acts in amendment thereof, may be so amended as to provide that the capital stock may be increased to a sum not exceeding Seven Million (\$7,000,000) Dollars.

in conformity with the accompanying bill.

Wherefore, ~~it~~ prays your honorable body to grant its request amending its said charter, and as in duty bound will ever pray.

*Narragansett Electric Lighting Co*  
*by* *Wm. J. Smy* *President*

NARRAGANSETT ELECTRIC LIGHTING

COMPANY

FOR AMENDMENT OF CHARTER

PRESENTED BY

*Wm. L. Davis*

IN HOUSE OF REPRESENTATIVES.

JAN 18 1905

REFERRED TO COMMITTEE ON  
CORPORATIONS.

*Raymond E. Mowry*

Clerk.

IN SENATE *Feb 7 1905*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE

WITHIN BILL, *in concurrence*

FOR THE COMMITTEE.

*Geo. A. R. Gault*



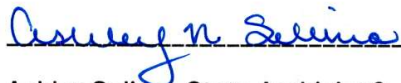
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1912, Vol. 81 #9**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY", PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D., 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*



Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



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State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

JANUARY SESSION, A.D. 1912.

AN ACT

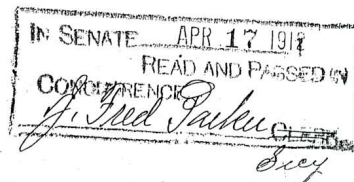
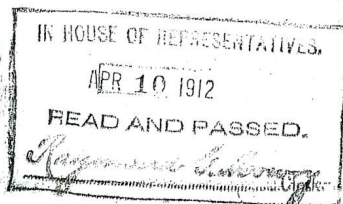
IN AMENDMENT OF AN ACT ENTITLED

"AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING  
COMPANY", PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A.D.  
1884, AND OF THE SEVERAL ACTS IN AMENDMENT THEREOF  
AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

Section 1. An act entitled "An Act to Incorporate the  
Narragansett Electric Lighting Company", passed at the May Session  
of the General Assembly, A.D. 1884, and the several acts in amend-  
ment thereof and relating thereto, are hereby amended so that said  
Narragansett Electric Lighting Company may increase its capital stock  
to such amount, not exceeding ten million dollars, as the corporation  
may from time to time by vote determine; and said company is hereby  
authorized to so increase its capital stock.

Sec. 2. All acts and parts of acts inconsistent herewith  
are hereby repealed, and this act shall take effect from and after  
its passage.





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TLED "AN ACT TO INCORPORATE  
THE NARRAGANSETT ELECTRIC  
LIGHTING COMPANY", PASSED AT  
THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D. 1884,  
AND OF THE SEVERAL ACTS IN  
AMENDMENT THEREOF AND  
RELATING THERETO.

Presented by  
*Nathan P. Sumner*

IN HOUSE OF REPRESENTATIVES  
MAR 28 1912  
REFERRED TO COMMITTEE ON  
CORPORATIONS.  
*Raymond C. Libbey*  
Clerk.

IN HOUSE OF REPRESENTATIVE  
April 4<sup>th</sup> 1912  
COMMITTEE ON CORPORATIONS  
RECOMMENDS PASSAGE OF  
THE WITHIN ACT.  
*Amos Phillips*  
FOR THE COMMITTEE.

*Raymond C. Libbey*  
IN HOUSE OF REPRESENTATIVES  
APR 10 1912  
READ AND PASSED.  
*Raymond C. Libbey*

APR 10 1912  
RECEIVED BY COMMITTEE ON  
CORPORATIONS  
*Raymond C. Libbey*

IN SENATE, *April 12* 1912  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL; *in concurrence*

FOR THE COMMITTEE  
*W. M. Wilde*

IN SENATE, APR 17 1912  
READ AND PASSED IN  
CONCURRENCE AND ORDERED TRANS  
MITTED TO THE GOVERNOR.  
*David J. Phillips*

IN SENATE.  
*April 17<sup>th</sup> 1912*  
TRANSMITTED TO THE  
GOVERNOR,  
*J. Fred Parker*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received, APR 17 1912  
APPROVED  
APR 18 1912  
*[Signature]*  
GOVERNOR.

THE NARRAGANSETT ELECTRIC  
LIGHTING COMPANY. PASSED AT

THE NARRAGANSETT ELECTRIC  
LIGHTING COMPANY. PASSED AT

Providence, R. I., March 27, 1912.

At a meeting of the Board of Directors of the Narragansett Electric Lighting Company, held March 26, 1912, the following vote was passed:

VOTED: That this Company apply to the General Assembly, at the present session, for authority to increase its capital stock to a sum not exceeding ten million dollars (\$10,000,000.), to be fixed from time to time by vote of the Corporation; and that the President and Treasurer, and each of them, be and he is hereby authorized, in the name and behalf of this Company, to petition the General Assembly for that purpose.

Attest a true copy

*Edwin A. Bannock*

Secretary.

IN SENATE APR 17 1912  
READ AND PASSED IN  
CONCURRENCE AND GIVE EFFECT  
TO THE CONTRACT.

IN HOUSE OF REPRESENTATIVES...

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IN HOUSE OF REPRESENTATIVES  
 FEB 28 1912  
 REFERRED TO COMMITTEE ON  
 CORPORATIONS

To the Honorable General Assembly of the State of Rhode Island, &c.,

at its January Session, A. D. 1912.

The undersigned respectfully represent that they desire that the act entitled "An act to incorporate the Narragansett Electric Lighting Company"

passed at the May session of the General Assembly, A. D. 1884, and the acts in amendment thereof may be so amended as to provide that

said corporation may increase its capital stock to an amount not exceeding ten million dollars.

conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

Narragansett Electric Lighting Company  
Edwin A. B. [unclear]  
 Treasurer



<p><i>The Narragansett Electric Lighting Company</i> FOR AMENDMENT OF <i>its charter</i></p>	<p>PRESENTED BY</p>	<p>IN HOUSE OF REPRESENTATIVES MAR. 28-1912 REFERRED TO COMMITTEE ON CORPORATIONS. <i>Raymond C. Barrett</i></p>



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1917, Vol. 86 # 11**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY", PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D., 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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No. 11

## State of Rhode Island, &amp;c.

## IN GENERAL ASSEMBLY.

632

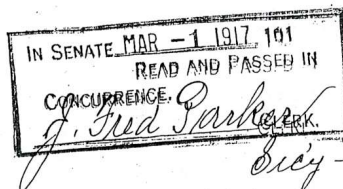
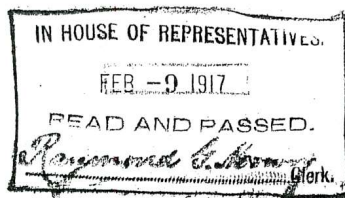
## AN ACT

In amendment of an Act entitled "An act to incorporate the Narragansett Electric Lighting Company" passed at the May session of the General Assembly, A. D. 1884 and the several Acts in amendment thereof and relating thereto.

*It is enacted by the General Assembly as follows:*

Section 1. An Act entitled, "<sup>Act</sup> An to incorporate the Narragansett Electric Lighting Company ~~Company~~" passed at the May session of the General Assembly, A. D. 1884 and the several acts in amendment thereof and relating thereto are hereby amended so that said Narragansett Electric Lighting Company may increase its capital stock to such amount, not exceeding Twelve Million (\$12,000,000.) Dollars, as the corporation may from time to time, by vote, determine; and said company is hereby authorized to so increase its capital stock.

Section 2. All acts and parts of acts inconsistent herewith are repealed and this act shall take effect from and after its passage.



H. 632

## AN ACT

In amendment of an Act  
entitled "An act to  
incorporate the Narragansett  
Electric Lighting Company"  
passed at the May session  
of the General Assembly,  
A. D. 1884 and the several  
Acts in amendment thereof and  
relating thereto.

Presented by  
David J. White

HOUSE OF REPRESENTATIVES  
FEB. -2 1917  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
Raymond C. Brown Clerk.

IN HOUSE OF REPRESENTATIVE  
Feb 7<sup>th</sup> 1917  
COMMITTEE ON CORPORATIONS  
RECOMMENDS PASSAGE OF  
THE WITHIN ACT.  
Charles A. Hambley  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES  
FEB -7 1917  
Received and Ordered to be placed upon the  
CALENDAR.  
Raymond C. Brown Clerk.

IN HOUSE OF REPRESENTATIVES  
FEB -9 1917  
READ AND PASSED.  
Raymond C. Brown Clerk.

IN SENATE FEB 14 1917 191  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
James E. Dooly Clerk.

IN SENATE February 27, 1917  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL *in concurrence.*

FOR THE COMMITTEE  
Arthur L. Smith

IN SENATE FEB 27 1917 191  
READ AND ORDERED TO BE  
PLACED ON CALENDAR.  
James E. Dooly Clerk.

IN SENATE MAR -1 1917 191  
READ AND PASSED IN  
CONCURRENCE.  
James E. Dooly Clerk.

SENATE MAR -1 1917 191  
ORDERED ENGROSSED AND REFERRED  
TO COMMITTEE ON ENGROSSED ACT.  
James E. Dooly Clerk.  
SENATE MAR -2 1917 191  
ENGROSSED ACT READ AND PASSED  
IN CONCURRENCE.  
James E. Dooly Clerk.

IN SENATE.  
March 2<sup>d</sup> 1917.  
TRANSMITTED TO THE  
GOVERNOR,  
J. Fred Parker  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received MAR 2 1917  
APPROVED  
MAR 6 1917  
Winthrop Deane  
GOVERNOR.





State of Rhode Island, &c.

IN GENERAL ASSEMBLY.

January Session, A. D. 1917.

The Joint Committee on Engrossed Acts, to whom was referred to be engrossed, an act entitled

H.632. An Act in Amendment of an Act entitled "An act to incorporate the Narragansett Electric Lighting Company" passed at the May session of the General Assembly, A. D. 1884 and the several Acts in amendment thereof and relating thereto,

REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

Francis T. Peckham

The right to increase the Capital Stock of this Corporation was presented, with the recommendation of the Executive Committee that this Company apply to the General Assembly for the right to increase its Capital Stock up to \$12,000,000.

On motion it was VOTED: That This Company apply to the General Assembly, at the present session, for authority to increase its Capital Stock to a sum not exceeding \$12,000,000, to be fixed from time to time by vote of the Corporation, and that the President and Treasurer, and each of them, be and he is hereby authorized, in the name and behalf of this Company, to petition the General Assembly for that purpose.

I hereby certify that the foregoing is a true and correct copy of the vote unanimously passed at a meeting of the Board of Directors of the Narragansett Electric Lighting Company, held at its office in Providence on the 30th day of January, A. D., 1917.

William B. Nye  
Secretary



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1917, Vol. 86 # 10**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY", PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D., 1884, AND OF THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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No. 10

§ 122

SUBSTITUTE *AC*

## State of Rhode Island, &amp;c.

## IN GENERAL ASSEMBLY.

JANUARY SESSION, A.D. 1917.

## AN ACT

IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY." PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

SECTION 1. The Narragansett Electric Lighting Company, a corporation created by an act of the general assembly, passed at its May session, A. D. 1884, and engaged in a general electric lighting, heating and power business, and for that purpose owning, leasing or controlling lines of a voltage of 11,000 volts or more for the transmission of electricity, is hereby authorized and empowered to complete or extend any such lines of a voltage of eleven thousand volts or more as it may from time to time own, lease or control, or any lines of such voltage operated or designed to be operated in connection therewith by acquiring and taking from time to time such additional lands and interests, estates and rights in lands (but not including the right to acquire or take under the provisions of this act any water power) as it may from time to time require for any such lines of the aforesaid voltage or for completing or extending any of the same and in the manner hereinafter provided: *Provided, however,* that all rights under this act in the city of Providence are hereby confined to the location of such lines extending from the power station of the Narragansett Electric Lighting Company on the westerly side of the Providence river generally southerly and then across said river to a point near India street, said point being south of the line of Tockwotton street and west of the line of South Main street, and then to India street, and also the location of such lines extending from a point or points on the south-



city and of India street, said point or points being either westerly of South Main street or easterly of Ives street, generally southeasterly to the boundary line of the city of Providence; but nothing herein contained shall be construed as granting said corporation any right to locate any of the same in, over or across any street or highway in said city; and provided, further, with respect to the taking of any portion of the land, location or right of way of any railroad, street railway or other public service company in said city, that said rights shall be subject to the provisions of Section 3 of this act; and provided, further, that said rights in the city of Providence shall be exercised within two years from and after the passage of this act and not thereafter; and provided, further, that said corporation shall not take under the provisions of this act any lands or any interests, estates or rights in any lands that shall have been acquired *or may hereafter be acquired* by the city of Providence for municipal or public purposes, except in such reasonable locations as may be approved by *the Town Council of East Town* the city council of said city; *129* Provided, further, that said corporation shall not take under the provisions of this act any portion of any public street or highway of any town or city in this state or any other lands or interests, estates or rights in lands that shall have been acquired by any town or city in this state for municipal or public purposes, except in such reasonable locations as may be approved by the town council or city council of such town or city, respectively; and that said corporation shall not take under the provisions of this act, any lands, interests, estates or rights in lands in any town or city in said state except in such reasonable locations as may be approved by the town council or city council of such town or city respectively; and provided, further, that said corporation shall not take under the provisions of this act any lands or any interests, estates or rights in any lands in the town of East Providence lying southerly on a line running from a point on the shore of the Providence river in range with the course of Remington avenue; thence easterly to the westerly end of Remington avenue; thence easterly through Remington avenue to the easterly end of said avenue; thence

...southerly to the westerly end of ...  
easterly through Armington avenue to Pawtucket avenue;  
thence in a general southeasterly direction in a straight line  
to the southeasterly corner of the town of East Providence,  
or lying within a line or lines beginning at a point on the  
easterly line of the location of the Warren and Bristol  
branch of the New York, New Haven and Hartford Rail-  
road and running thence easterly in a straight line through  
the intersection of Second street and Schuyler street and  
through the intersection of Kinnicutt street and Morris  
avenue to the boundary line between the State of Rhode  
Island and the Commonwealth of Massachusetts; thence in  
a general northerly direction along said boundary line to  
Newman avenue; thence westerly through Newman avenue  
to Bishop avenue; thence northwesterly through Bishop  
avenue and Pawtucket avenue to Roger Williams avenue;  
thence southwesterly through Roger Williams avenue to  
the easterly line of the location of the Worcester division of  
the New York, New Haven and Hartford Railroad; thence  
in a general southerly direction along the easterly line of the  
location of said Worcester division to its junction with the  
India Point division of said railroad and thence along the  
easterly line of the location of said railroad to Mauran  
avenue; thence easterly on Mauran avenue to Second  
street; thence southerly on Second street to <sup>Quarry</sup> ~~Juniper~~  
street; thence westerly on <sup>Quarry</sup> ~~Juniper~~ street to easterly line  
of location of said railroad; thence along easterly line  
of location of said railroad to the point of beginning; and  
provided, further, that said corporation shall not take under  
the provisions of this act any lands or any interests,  
estates or rights in any lands after the expiration of ten (10)  
years from and after the date of the passage of this act.

and

lands, interests, estates or rights therein it may proceed to acquire the right to use such land and to acquire such estate or easement in such land as it may deem necessary, ~~to the~~ <sup>for the said corporation</sup> purposes in the following manner; said corporation shall present a petition to the superior court of the State of Rhode Island, in the county where such right, easement or estate is required, setting forth the right, easement or estate required, the name or names of the owner or owners of such land if known, or if not known or non-resident of the state setting forth that fact, and embracing in any one petition the names of any number of owners or any number of descriptions of land in which an estate or interest or easement may be required, and also file in the office of the clerk of said court a plat showing the location of such land, and also file a copy of said plat in the land records of the town or city where such land is located, and thereupon the superior court shall fix a time and place for the hearing of such petition and shall direct notice thereof to be served on the person or persons, corporation or corporations owning or interested in said land at least ten (10) days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of the superior court are required to be served, or if the owner or owners be unknown or non-resident of this state, such notice shall be published in a newspaper published in said county for a like period or for such longer period as the superior court may direct, and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said superior court. Said petitioner shall thereupon file in the office of the clerk of said superior court a bond in such sum as said court may direct with surety satisfactory to said court conditioned to pay unto the parties owning such lands such damages <sup>costs and interest</sup> as shall finally be awarded them. Said court before fixing the amount of said bond and approving the surety or sureties thereon, shall give notice to the parties in the same manner as hereinbefore set forth. <sup>costs</sup> <sup>dam-</sup>

and each of them

2) If it shall find the use and taking of the right easement or ~~estate~~ *for its own corporate purpose* mentioned in said petition to be necessary shall

thereupon appoint three disinterested persons resident of the county, commissioners to assess and appraise the damages which said owner or owners may sustain by reason of the taking of such land, easement or interest. Any vacancies in such commission shall be filled by said court. Before entering upon their services said commissioners shall severally be sworn faithfully and impartially to perform the duties required of them, and such commissioners or a majority of them, after such notice to the parties as said superior court shall direct, shall, after viewing the lands described in said petition or petitions and after hearing such testimony as may be offered, and the arguments of the parties or their counsel, should they desire to be heard, make a just appraisal in writing of the damages sustained by such owner or owners and file a report thereof in the office of the clerk of said superior court. Such corporation shall pay or tender the amounts of the damages so assessed to the party or parties to whom award is made. If such party or parties be unknown or not found, the corporation shall enter into the registry of said court. Said commissioners shall each receive such compensation for their services as shall be fixed by said court which shall be paid by said corporation and all the costs of any and all hearings before such commissioners, including the cost of counsel to be approved by said superior court and of attendance of the parties, shall be paid by said corporation. Any party aggrieved by the award of damages may have the matter determined by a jury provided jury trial be claimed in the superior court in the county where such land, interest or easement is located, within sixty days from the time of the filing of the report by the commissioners, and such trial shall be conducted as in the case of civil actions with the same rights of motion for new trial, exceptions and review by the supreme court. If the damages shall be increased by the verdict of the jury, the same and all costs and charges shall be paid by the corporation. If the dam-



of such jury trial shall be paid by the owner or party interested, and judgment may be entered upon the verdict of said jury and execution issue thereon as in other cases.

The owner or owners of any land, not taken under the provisions of this act, situated within one hundred ~~(100)~~ feet of any pole, tower or line located on any land taken under the provisions of this act, which is directly or indirectly decreased in value by reason of such taking, shall have the right to claim and recover damages for the decrease in value to the land so situated, and such damages shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

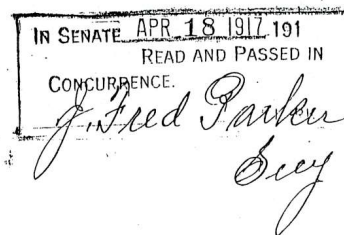
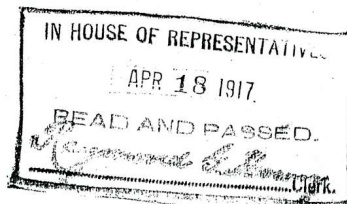
SEC. 3. Nothing in this act shall authorize the Narragansett Electric Lighting Company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of such land, location or right of way for railroad or street railway purposes or the purposes of such public service company. If said corporation and any such railroad, street railway or public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the public utilities commission for a determination thereof, and, after hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said commission. Either party aggrieved by such order of said commission may appeal to the supreme court in the manner provided by Section 34 of the public utilities act. Said corporation shall be liable to any such railroad, street railway or public

as may result to it by reason of any line or said corporation crossing such railroad, street railway or public service company's land, location or right of way.

SEC. 4. Said corporation may convey any such transmission line or any part thereof or right or interest therein, and the rights acquired for the same, to any other corporation, company or association having the right to carry on the electric light, heat or power business in the town or city where such line or part thereof is located, or may enter into an agreement giving to any such corporation, company or association the right to use any such line or part thereof, or agreeing to transmit electricity for any such corporation, company or association over such line or part thereof.

SEC. 5. The act incorporating said Narragansett Electric Lighting Company and the various amendments thereto are hereby amended in accordance with the provisions of this act.

SEC. 6. All acts and parts of acts inconsistent herewith are hereby repealed, and this act shall take effect from and after its passage.



UTE # C

# AN ACT

AMENDMENT OF AN ACT,  
ENTITLED "AN ACT TO INCORPORATE  
THE NARRAGANSETT  
ELECTRIC LIGHTING COMPANY,"  
PASSED AT THE MAY SESSION  
OF THE GENERAL ASSEMBLY,  
1914, AND THE SEVERAL  
AMENDMENTS THEREOF  
RELATIVE THERETO.

HOUSE OF REPRESENTATIVES  
APRIL 18 1917  
COMMITTEE ON CORPORATIONS  
RECOMMENDS PASSAGE OF  
THIS ACT.  
*James E. Dooley*  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES  
APR 18 1917  
Received and Ordered to be placed upon the  
CALENDAR.  
*Reynolds*  
Clerk

Apr. 19

IN HOUSE OF REPRESENTATIVES  
APR 18 1917  
*James E. Dooley*

IN SENATE APR 18 1917  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*James E. Dooley*

IN SENATE, *April 18, 1917*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL *marked Substi-*  
*tute C in concurrence.*

FOR THE COMMITTEE  
*Arthur L. Smith*

IN SENATE APR 18 1917  
READ AND PASSED IN  
CONCURRENCE  
*James E. Dooley*  
CLERK

IN SENATE.  
*April 18, 1917*  
TRANSMITTED TO THE  
GOVERNOR,  
*J. Fred Parker*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received *Apr 18 1917*

APPROVED  
APR 19 1917  
*Wm. J. Dwyer*  
GOVERNOR.

IN GENERAL ASSEMBLY.

JANUARY SESSION, A. D. 1917

## IN GENERAL ASSEMBLY.

JANUARY SESSION, A. D. 1917

## AN ACT

IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Lighting Company, a corporation created by an act of the General Assembly, passed at its May session, A. D. 1884, and engaged in a general electric lighting, heating and power business, and for that purpose owning, leasing or controlling lines of a voltage of 11,000 volts or more for the transmission of electricity, is hereby authorized and empowered to complete or extend any such lines of a voltage of eleven thousand volts or more as it may from time to time own, lease or control, or any lines of such voltage operated or designed to be operated in connection therewith by acquiring and taking from time to time such additional lands and interests, estates and rights in lands (but not including the right to acquire or take under the provisions of this act any water power) as it may from time to time require for any such lines of the aforesaid voltage or for completing or extending any of the same and in the manner hereinafter provided: Provided, however, that all rights under this act in the city of Providence are hereby confined to the location of such lines extending from the power station of the Narragansett Electric Lighting Company on the westerly side of the Providence River generally southerly and then across said river to a point near India Street, said point being south of the line of Tockwotton Street and west of the line of South Main Street, and then to India Street, and also the location of such lines extending from a point or points on the southerly line of India Street, said point or points being either westerly of South Main Street or easterly of Ives Street, generally southeasterly to the boundary line of

repealed and this act shall take effect from and after its passage.



the City of Providence; but nothing herein contained shall be construed as granting said corporation any right to locate any of the same in, over or across any street or highway in said city; and provided, further, with respect to the taking of any portion of the land, location or right of way of any railroad, street railway or other public service company in said city, that said rights shall be subject to the provisions of Section 3 of this act, and provided, further, that said rights in the City of Providence shall be exercised within two years from and after the passage of this act and not thereafter; and provided, further, that said corporation shall not take under the provisions of this act any lands or any interests, estates or rights in any lands that shall have been acquired by the City of Providence for municipal or public purposes, except in such reasonable locations as may be approved by the City Council of said city: Provided, further, that said corporation shall not take under the provisions of this act any portion of any public street or highway of any town or city in this state or any other lands or interests, estates or rights in lands that shall have been acquired by any town or city in this state for municipal or public purposes, except in such reasonable locations as may be approved by the Town Council or City Council of such town or city, respectively; and provided, further, that said corporation shall not take under the provisions of this act any lands or any interest estates or rights in any lands in the Town of East Providence lying southerly on a line running from a point on the shore of the Providence River in range with the course of Remington Avenue; thence easterly to the westerly end of Remington Avenue; thence easterly through Remington Avenue to the easterly end of said avenue; thence southerly to the westerly end of Armington Avenue; thence easterly through Armington Avenue to Pawtucket Avenue; thence in a general southeasterly direction in a straight line to the southeasterly corner of the Town of East Providence, or lying within a line or lines beginning at a point on the easterly line of the location of the Warren and Bristol branch of the New York, New Haven and Hartford Railroad and running thence easterly in a straight line through the intersection of Second Street and Schuyler Street and through the intersection of Kinnicutt Street and Morris Avenue to the boundary line between the State of Rhode Island and the Commonwealth of Massachusetts; thence in a general northerly direction along said boundary line to the easterly line of the location of the Worcester division of the New York, New Haven and Hartford Railroad; thence in a general

the New York, New Haven and Hartford Railroad; thence in a general southerly direction along the easterly line of the location of said Worcester division to its junction with the India Point division of said railroad and thence along the easterly line of the location of said railroad to Mauran Avenue, thence easterly on Mauran Avenue to Second Street; thence southerly on Second Street to Juniper Street; thence westerly on Juniper Street to easterly line of location of said railroad; thence along easterly line of location of said railroad to the point of beginning; and provided, further, that said corporation shall not take under the provisions of this act any lands or any interests, estates or rights in any lands after the expiration of ten (10) years from and after the date of the passage of this act.

1        Sec. 2. Whenever said corporation desires to take any lands,  
2 interests, estates or rights therein it may proceed to acquire the  
3 right to use such land and to acquire such estate or easement in such  
4 land as it may deem necessary to the purposes in the following manner;  
5 said corporation shall present a petition to the Superior Court of  
6 the State of Rhode Island, in the County where such right, easement or  
7 estate is required, setting forth the right, easement or estate required,  
8 the name or names of the owner or owners of such land if known, or if  
9 not known or non-resident of the state setting forth that fact, and  
10 embracing in any one petition the names of any number of owners or any  
11 number of descriptions of land in which an estate or interest or  
12 easement may be required and also file in the office of the Clerk of  
13 said Court a plat showing the location of such land and also file a copy  
14 of said plat in the Land Records of the town or city where such land is  
15 located, and thereupon the Superior Court shall fix a time and place  
16 for the hearing of such petition and shall direct notice thereof to be  
17 served on the person or persons, corporation or corporations owning or  
18 interested in said land at least ten (10) days prior to said hearing,  
19 which notice shall be served in the same manner as writs of summons  
20 issued out of the Superior Court are required to be served, or if the  
21 owner or owners be unknown or non-resident of this state, such notice  
22 shall be published in a newspaper published in said county for a like  
23 period or for such longer period as the Superior Court may direct, and  
24 in case the post office address of such non-resident shall be known,

repealed and this act shall take effect from and after its passage.

a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said Superior Court.

Said petitioner shall thereupon file in the office of the Clerk of said Superior Court a bond in such sum as said Court may direct with surety satisfactory to said Court conditioned to pay unto the parties owning such lands such damages as shall finally be awarded them and each of them and at or any time after the filing of such bond such corporation shall have the full power to use such lands for the purpose described in the petition or petitions. Said Court, before fixing the amount of said bond and approving the surety or sureties thereon, shall give notice to the parties in the same manner as hereinbefore set forth.

At the time fixed for said hearing said Court if it shall find the use and taking of the right, easement or estate mentioned in said petition to be necessary shall thereupon appoint three disinterested persons resident of the county, commissioners to assess and appraise the damages which said owner or owners may sustain by reason of the taking of such land, easement or interest. Any vacancies in such commission shall be filled by said Court. Before entering upon their services said commissioners shall severally be sworn faithfully and impartially to perform the duties required of them, and such commissioners or a majority of them, after such notice to the parties as said Superior Court shall direct, shall, after viewing the lands described in said petition or petitions and after hearing such testimony as may be offered, and the arguments of the parties or their counsel, should they desire to be heard, make a just appraisal in writing of the damages sustained by such owner or owners and file a report thereof in the office of the Clerk of said Superior Court. Such corporation shall pay or tender the amounts of the damages so assessed to the party or parties to whom award is made. If such party or parties be unknown or not found, it shall pay the sum into the registry of said Court. Said commissioners shall each receive such compensation for their services as shall be fixed by said Court which shall be paid by said corporation and all the costs of any and all hearings before such Commissioners, including the cost of counsel to be approved by said Superior Court and of attendance of the parties, shall be paid by said corporation. Any party aggrieved by the award of damages may have

27 by the commissioners, and such trial shall be conducted as in the case

28 of civil actions with the same rights of motion for new trial, exception



28 of civil actions with the same rights of motion for new trial, and  
29 and review by the Supreme Court. If the damages shall be increased  
30 by the verdict of the jury, the same and all costs and charges shall  
31 be paid by the corporation. If the damages shall not be increased by  
32 the jury, the costs and charges of such jury trial shall be paid by the  
33 owner or party interested, and judgment may be entered upon the verdict  
34 of said jury and execution issue thereon as in other cases. Said cor-  
35 poration may, at any time before execution is issued, elect to abandon  
36 the proposed appropriation of said land or of any right, easement or  
37 interest therein, by an instrument in writing to that effect to be filed  
38 with the Clerk of the Superior Court in the county where said land lies,  
39 and to be entered upon the minutes of said court and as to so much of said  
40 land as is thus abandoned, the assessment of damages shall be void, pro-  
41 vided that before such abandonment the costs of all proceedings and  
42 counsel fees be allowed by said Court and shall be paid by said corpora-  
43 tion to the opposite party.

44 The owner or owners of any land, not taken under the provisions of  
45 this act, situated within one hundred (100) feet of any pole, tower or  
46 line located on any land taken under the provisions of this act, which  
47 is directly or indirectly decreased in value by reason of such taking,  
48 shall have the right to claim and recover damages for the decrease in  
49 value to the land so situated, and such damages shall be determined and  
50 collectible in the same manner as herein provided for determining and  
51 collecting the damages for land taken hereunder.

Sec. 3. Nothing in this act shall authorize the Narragansett Electric Lighting Company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of such land, location or right of way for railroad or street railway purposes or the purposes of such public service company. If said corporation and any such railroad, street railway or public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the Public Utilities Commission for a determination thereof, and, after

Sec. 6. All acts and parts of acts inconsistent herewith are hereby repealed and this act shall take effect from and after its passage.

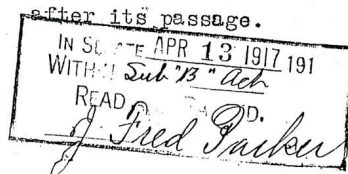


hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said commission. Either party aggrieved by such order of said commission may appeal to the Supreme Court in the manner provided by Section 34 of the Public Utilities Act. Said corporation shall be liable to any such railroad, street railway or public service company for such damages and reasonable expense as may result to it by reason of any line of said corporation crossing such railroad, street railway or public service company's land, location or right of way.

Sec. 4. Said corporation may convey any such transmission line or any part thereof or right or interest therein, and the rights acquired for the same, to any other corporation, company or association having the right to carry on the electric light, heat or power business in the town or city where such line or part thereof is located, or may enter into an agreement giving to any such corporation, company or association the right to use any such line or part thereof, or agreeing to transmit electricity for any such corporation, company or association over such line or part thereof.

Sec. 5. The act incorporating said Narragansett Electric Lighting Company and the various amendments thereto are hereby amended in accordance with the provisions of this act.

Sec. 6. All acts and parts of acts inconsistent herewith are hereby repealed, and this act shall take effect from and after its passage.



IN GENERAL ASSEMBLY.

Bill in Joint Session, etc.

22 Substitute "B".

AN ACT IN AMENDMENT OF  
ACT, ENTITLED "AN ACT TO  
CORPORATE THE NARRAGANSETT  
ELECTRIC LIGHTING COMPANY,"  
PASSED AT THE MAY SESSION OF  
GENERAL ASSEMBLY, A.D. 1884,  
IN THE SEVERAL ACTS IN  
AMENDMENT THEREOF AND RELATING  
THERE TO.

TE. April 10, 1917.  
COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
BILL marked Substitute B  
indefinite postponement  
of original bill,  
FOR THE COMMITTEE.  
J. L. Smith

APR 10 1917  
AND ORDERED TO BE  
PLACED ON CALENDAR.  
J. L. Smith

IN SENATE APR 12 1917  
READ AND ORDERED TO BE  
PLACED ON CALENDAR.  
James C. Dooley

IN SENATE APR 13 1917  
WITHIN Sub B  
READ AND PASSED.  
James C. Dooley

IN HOUSE OF REPRESENTATIVES  
APR 17 1917  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
James C. Dooley Clerk

HOUSE OF REPRESENTATIVES.  
April 18 1917  
COMMITTEE ON CORPORATIONS  
RECOMMEND INDEFINITE POSTPONE-  
MENT OF THE ORIGINAL AND PAS-  
SAGE OF SUBSTITUTE C  
Philip E. Goble  
FOR THE COMMITTEE.

IN HOUSE OF REPRESENTATIVES  
APR 18 1917  
Received and Ordered to be placed upon the  
CALENDAR.  
James C. Dooley Clerk

IN HOUSE OF REPRESENTATIVES  
APR 18 1917  
Ordered to be indefinitely postponed.  
James C. Dooley

## IN GENERAL ASSEMBLY.

## AN ACT

IN AMENDMENT OF AN ACT ENTITLED, "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY", PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY A. D. 1884 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Lighting Company, a corporation created by an act of the General Assembly passed at its May session, A. D. 1884, and engaged in a general electric lighting, heating and power business, and for that purpose owning, leasing or controlling lines of a voltage of 11,000 volts or more for the transmission of electricity, is hereby authorized and empowered to complete or extend any such lines as it may from time to time own, lease or control by acquiring and taking from time to time such additional lands and interests, estates and rights in lands as it may from time to time require for any such lines of the aforesaid voltage or for completing or extending any of the same and in the manner hereinafter provided. Provided, however, that all rights under this act in the City of Providence are hereby confined to the location of such lines extending from the power station of the Narragansett Electric Lighting Company on the westerly side of the Providence river generally southerly and then across said river to a point near India Street and then to India Street, and from a point or points on the southerly line of India Street to the boundary line of the City of Providence, but without any right to locate any of the same in, over or across any street or highway in said city, and provided further, with respect to the taking of any portion of the land, location or right of way of any railroad, street railway or other public service company in said city, said rights shall be subject to the provisions of section 3 of this act, and provided further, that said rights in the City of Providence shall be exercised within two years from and after the passage of this act and not thereafter. And

Sec. 2. All acts and parts of acts inconsistent herewith are hereby repealed and this act shall take effect from and after its passage.



provided further that said corporation shall not take under the provisions of this act any lands or any interests, estates or rights in any lands that shall have been acquired by the City of Providence for municipal or public purposes, except in such reasonable locations as may be approved by the City Council of said city.

Section 2. Whenever said corporation desires to take any lands, interests, estates or rights therein it may proceed to acquire the right to use such land and to acquire such estate or easement in such land as it may deem necessary to the purposes in the following manner; said corporation shall present a petition to the superior court in the county in which such land is situated or to any justice thereof in vacation, setting forth the right, easement or estate required, the name or names of the owner or owners of such land if known, or if not known or non-resident of the state setting forth that fact, and embracing in any one petition the names of any number of owners or any number of descriptions of land in which an estate or interest or easement may be required, and thereupon the court or the justice thereof to whom such petition shall be presented shall fix a time and place for the hearing of such petition and shall direct notice thereof to be served on the person or persons, corporation or corporations owning or interested in said land at least ten (10) days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of said court are required to be served, or if the owner or owners be unknown or non-resident of this state, such notice shall be published in a newspaper published in said county for a like period or for such longer period as the court may direct, and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court. Said petitioner shall thereupon file in the office of said court a bond in such sum as the Court may direct with surety satisfactory to the court conditioned to pay unto the parties owning such lands such damages as shall finally be awarded them and each of them and at or any time after the filing of such bond such corporation shall have the full power to use such lands for the purpose described in the petition or petitions. Said court, before fixing the amount of said bond and approving the surety or sureties thereon, shall give notice to the parties in the same manner as hereinbefore set forth.

At the time fixed for said hearing the court if it shall find the use and taking of the right, easement or estate mentioned in said petition to be necessary shall thereupon appoint three disinterested persons



resident of the county, commissioners to assess and appraise the damages which said owner or owners may sustain by reason of the taking of such land, easement or interest. Any vacancies in such commission shall be filled by said court. Before entering upon their services said commissioners shall severally be sworn faithfully and impartially to perform the duties required of them, and such commissioners or a majority of them, after such notice to the parties as the court shall direct, shall, after viewing the lands described in said petition or petitions and after hearing such testimony as may be offered, and the arguments of the parties or their counsel, should they desire to be heard, make a just appraisal in writing of the damages sustained by such owner or owners and file a report thereof in the office of the clerk of said court. Such corporation shall pay or tender the amounts of the damages so assessed to the party or parties to whom award is made. If such party or parties be unknown or not found, it shall pay the sum into said court. Said commissioners shall each receive such compensation for their services as shall be fixed by the court which shall be paid by said corporation and all the costs of any and all hearings before such commissioners, including the costs of counsel to be approved by the court and of attendance of the parties, shall be paid by said corporation. Any party aggrieved by the award of damages may have the matter determined by a jury provided jury trial be claimed within sixty days from the time of the filing of the report by the commissioners, and such trial shall be conducted as in the case of civil actions with the same rights of motion for new trial, exceptions and review by the supreme court. If the damages shall be increased by the verdict of the jury, the same and all costs and charges shall be paid by the corporation. If the damages shall not be increased by the jury, the costs and charges of such jury trial shall be paid by the owner or party interested, and judgment may be entered upon the verdict of said jury and execution issue thereon as in other cases. Said corporation may, at any time before execution is issued, elect to abandon the proposed appropriation of said land or of any right, easement or interest therein, by an instrument in writing to that effect to be filed with the clerk of the superior court in the county where said land lies, and to be entered upon the minutes of said court and as to so much of said land as is thus abandoned, the assessment of damages shall be void provided that before such abandonment the costs of all proceedings and counsel fees be allowed by said court, shall be paid by said corporation to the opposite party.

Sec. 3. Nothing in this act shall authorize the Narragansett Electric Lighting Company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of such land, location or right of way for railroad or street railway purposes or the purposes of such public service company. If said corporation and any such railroad, street railway or public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the Public Utilities Commission for a determination thereof and, after hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said Commission. Either party aggrieved by such order of said Commission may appeal to the Supreme Court in the manner provided by Section 34 of the Public Utilities Act. Said corporation shall be liable to any such railroad, street railway or public service company for such damages and reasonable expense as may result to it by reason of any line of said corporation crossing such railroad, street railway or public service company's land, location or right of way.

Sec. 4. Said corporation may convey any such transmission line or any part thereof or right or interest therein, and any rights authorizing the same, to any other corporation, company or association having the right to carry on the electric light, heat or power business in the town or city where such line or part thereof is located, or may enter into an agreement giving to any such corporation, company or association the right to use any such line or part thereof or agreeing to transmit electricity for any such corporation, company or association over such line or part thereof.

Sec. 5. The act incorporating said Narragansett Electric Lighting Company and the various amendments thereto are hereby amended in accordance with the provisions of this act.

Sec. 6. All acts and parts of acts inconsistent herewith are hereby repealed and this act shall take effect from and after its passage.

# AN ACT

IN AMENDMENT OF AN ACT  
 ENTITLED, "AN ACT TO INCORPORATE  
 THE NARRAGANSETT  
 TRIC LIGHTING COMPANY",  
 PASSED AT THE MAY SESSION OF  
 THE GENERAL ASSEMBLY A.D. 1884  
 THE SEVERAL ACTS IN AMEND-  
 MENT THEREOF AND RELATING  
 THERETO.

Introduced by

*the Senate.*

APR 13 1891  
 REFERRED TO COMMITTEE ON  
 CORPORATIONS

APR 11 1891

COMMITTEE ON CORPORATIONS

AND THE PASSAGE OF THE

BILL, PASSED BY THE SENATE  
 AND THE HOUSE OF REPRESENTATIVES  
 AND CARRIED BY THE

FOR THE COMMITTEE

IN SENATE APR 13 1891  
 READ AND ORDERED TO BE  
 INDEFINITELY POSTPONED.  
*James C. O'Connell*  
 CLERK

AN ACT

AMENDMENT OF AN  
D, "AN ACT TO IN  
THE NARRAGANSETT  
LIGHTING COMPA  
T THE MAY SESSI  
ERAL ASSEMBLY A.  
SEVERAL ACTS IN  
THEREOF AND RELATI

ed by

*W. L. Smith*

28 1917 191  
TO COMMITTEE ON  
CORPORATIONS  
*Ed. J. Smith*  
1917  
ON CORPORATIONS  
THE PASSAGE OF THE  
*marked Substit*  
*finite portions*  
*where bills*  
THE COMMITTEE

To the Honorable General Assembly  
of the State of Rhode Island:

The Narragansett Electric Lighting Company hereby  
petitions your honorable body to enact the accompanying act  
entitled "An act in amendment of an act entitled 'An act to  
incorporate the Narragansett Electric Lighting Company' passed  
at the May session of the General Assembly A. D. 1884 and the  
several acts in amendment thereof and relating thereto."

NARRAGANSETT ELECTRIC LIGHTING COMPANY,  
By *Edwin A. Garrison*  
President.

*W. L. Smith*  
Subscribed and sworn to before me this  
day of March, A. D. 1917.

*B. B. Anderson*  
*Notary Public*



**AFFIDAVIT OF PUBLICATION**

THE PROVIDENCE DAILY JOURNAL      THE EVENING BULLETIN  
THE PROVIDENCE SUNDAY JOURNAL

Published by the PROVIDENCE JOURNAL COMPANY  
Providence, R. I.

State of Rhode Island,

City and County of Providence.

On this 27th day of March 1917,

before me, a Notary Public, duly qualified for said  
County and State, personally appeared

WILLIAM G. ROELKER

Advertising Manager in the office of the Providence  
Journal Company, publishers of

THE PROVIDENCE DAILY JOURNAL

a newspaper published in the city of Providence by  
the Providence Journal Company, who, on being duly

sworn, states on oath that the advertisement of

Notice of pendency of the petition of  
the Narragansett Electric Lighting Company  
for the passage of a bill, etc.,

a true copy of which is hereunto annexed, was duly

inserted in the Providence Daily Journal

in its issues of March 2, 1917 to March 22, 1917  
inclusive.

1917  
*William G. Roelker*

Subscribed and sworn to before me this

27 day of March 1917.

*Robert W. Warren*  
Notary Public.

NOTICE OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR THE PASSAGE OF A BILL ENTITLED "AN ACT IN AMENDMENT OF AN ACT ENTITLED 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO." Notice is hereby given by the undersigned that there is now pending in the Senate of the General Assembly of the State of Rhode Island the petition of the undersigned for the passage of a bill entitled "An Act in amendment of an act, entitled 'An Act to incorporate the Narragansett Electric Lighting Company,' passed at the May session of the General Assembly, A. D. 1884, and the several acts in amendment thereof and relating thereto." The purpose of said corporation is general electric lighting, heating and power business and for the transaction of other business connected therewith. Said corporation is established and has an office and place of business in the city of Providence, Rhode Island. Said bill or act authorizes said corporation to exercise the right of eminent domain in the several towns and cities of said State for the purpose of completing or extending any of the lines as it may from time to time own, lease or control by acquiring and taking from time to time such additional lands and interest, estates and rights in lands as it may from time to time require for any such lines or for building or extending any of the same.

NARRAGANSETT ELECTRIC LIGHTING COMPANY.  
By EDWIN A. BARROWS, President.

Subscribed and sworn to before me this

day of March, A. D. 1917.

*B. B. Lindemuth*  
Notary Public



RECEIVED OF PUBLICATION

STATE OF RHODE ISLAND

CITY AND COUNTY OF PROVIDENCE,

**NOTICE**  
OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR THE PASSAGE OF A BILL ENTITLED, "AN ACT IN AMENDMENT OF AN ACT ENTITLED, 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY,' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO."  
Notice is hereby given by the undersigned that there is now pending in the Senate of the General Assembly of the State of Rhode Island the petition of the undersigned for the passage of a bill entitled, "An act to incorporate the Narragansett Electric Lighting Company," passed at the May session of the General Assembly, A. D. 1884, and the several acts in amendment thereof and relating thereto. The purpose of said corporation is general electric lighting, heating and power business and for the transaction of other business connected therewith. Said corporation is established and has an office and place of business in the city of Providence, Rhode Island. Said bill or act authorizes said corporation to exercise the right of eminent domain in the several towns and cities of said State for the purpose of completing or extending any of the lines as it may from time to time own, lease or control by acquiring and taking from time to time such additional lands and interest, estates and rights in lands as it may from time to time require for any such lines or for building or extending any of the same.  
NARRAGANSETT ELECTRIC LIGHTING COMPANY  
BY EDWIN A. BARROWS, President.  
ml 18

On this 24<sup>th</sup> day of March, A. D. 1917  
before me, a notary public duly qualified for said County and State, personally appeared James F. Harrington, a clerk in the Advertising Department of The Evening Tribune, a public newspaper published in the City and County of Providence in the State of Rhode Island by the Providence Tribune Company, who on being duly sworn states on oath that the advertisement of "NOTICE OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR THE PASSAGE OF A BILL ENTITLED, 'AN ACT IN AMENDMENT OF AN ACT ENTITLED, 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY,' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO," a true copy of which is hereunto annexed, was published in the Evening Tribune each day in its issues of March 1, 1917 to March 21, 1917, inclusive, the same being successive issues of said paper.

*James F. Harrington*

Subscribed and sworn to before me this  
day of March, A. D. 1917.

*B. D. Lindemuth*  
Notary Public

AFFIDAVIT OF PUBLICATION

STATE OF RHODE ISLAND,  
TOWN AND COUNTY OF BRISTOL

NOTICE OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR THE PASSAGE OF A BILL ENTITLED "AN ACT IN AMENDMENT OF AN ACT ENTITLED 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO."

Notice is hereby given by the undersigned that there is now pending in the Senate of the General Assembly of the State of Rhode Island, the petition of the undersigned for the passage of a bill entitled "An Act in amendment of an act entitled 'An Act to incorporate the Narragansett Electric Lighting Company' passed at the May session of the General Assembly, A. D. 1884, and the several acts in amendment thereof, and relating thereto." The purpose of said corporation is general electric lighting, heating and power business and for the transaction of other business connected therewith. Said corporation is established and has an office and place of business in the city of Providence, Rhode Island. Said bill or act authorizes said corporation to exercise the right of eminent domain in the several towns and cities of said State for the purpose of completing or extending any of the lines as it may from time to time own, lease or control by acquiring and taking from time to time such additional lands and interest, estates and rights in lands as it may from time to time require for any such lines or for building or extending any of the same.

NARRAGANSETT ELECTRIC LIGHTING COMPANY.  
By EDWIN A. BARROWS, President.

On this 28th day of March, A. D. 1917 before me, a notary public duly qualified for said County and State, personally appeared Joseph F. Farrally, Proprietor of the Bristol Phenix, a public newspaper published in the said Town and County of Bristol, who on being duly sworn states on oath that the advertisement of, "NOTICE OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR THE PASSAGE OF A BILL ENTITLED, "AN ACT IN AMENDMENT OF AN ACT ENTITLED, 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY,' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO," a true copy of which is hereunto annexed was duly published in the Bristol Phenix in six successive issues, viz.: On the 13th, 16th, 20th, 23d, 27th and 30th days of March, A. D. 1917.

*Joseph F. Farrally*

Subscribed and sworn to before me this

28th day of March, A. D. 1917.

*John H. Coggeshall*  
Notary Public



<p>AFFIDAVITS OF PUBLICATION OF NOTICE OF PENDENCY OF THE PETITION OF THE NARRAGANSETT ELECTRIC LIGHTING COMPANY FOR PASSAGE OF A BILL ENTITLED "AN ACT IN AMENDMENT OF AN ACT ENTITLED 'AN ACT TO IN- CORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY' PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY, A. D. 1884 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO."</p> <p>LAW OFFICE OF JOHN HENSHAW 42 WESTMINSTER ST. PROVIDENCE, R. I.</p> <p>ALVIN BISHOP &amp; CO., LAW STATIONERS, PHILA.</p>
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State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1918, Vol. 87 # 4**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY", PASSED MAY 29, 1884, AND THE SEVERAL  
ACTS IN AMENDMENT THEREOF AND RELATING THERETO." PASSED AT THE JANUARY  
SESSION A.D. 1899.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)



476.4  
H 776  
**State of Rhode Island, &c.**

IN GENERAL ASSEMBLY.

AN ACT

IN AMENDMENT OF AN ACT ENTITLED, "AN ACT IN AMENDMENT OF AN ACT ENTITLED, 'AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY,' PASSED MAY 29, 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO," PASSED AT THE JANUARY SESSION, A. D. 1899.

*It is enacted by the General Assembly as follows:*

Section 1. Sections 1, 2, 3 and 4 of the Act entitled, "An Act in amendment of an Act entitled, 'An Act to incorporate the Narragansett Electric Lighting Company,' passed May 29, 1884, and the several Acts in amendment thereof and relating thereto," passed at the January session, A. D. 1899, are hereby amended so as to read as follows:

"Section 1. In addition to the powers heretofore granted to the Narragansett Electric Lighting Company, said corporation is hereby authorized and empowered from time to time to acquire by lease, purchase or otherwise, on such terms and conditions as may be agreed upon, and to possess, use, exercise, and dispose of the ownership or control of any right, property or franchise held by any person, corporation or association engaged in or authorized to engage in a business similar to that of said corporation or to produce or furnish light, heat or power. And said Narragansett Electric Lighting Company may issue its capital stock or bonds at not less than par, in payment therefor; and any corporation or association which shall own or hold such rights or franchises may sell or lease the ownership or control of the same to said Narragansett Electric Lighting Company and receive such stock or bonds in payment therefor; and the capital stock of said Narragansett Electric Lighting Company when issued as aforesaid shall be deemed to be fully paid and non-assessable."

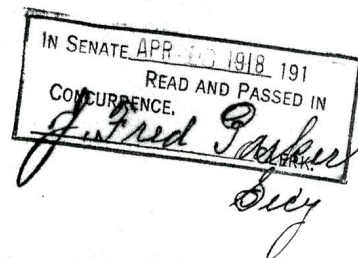
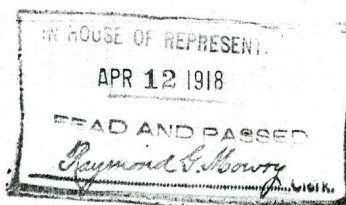
"Sec. 2. Said corporation is hereby authorized and empowered

to acquire, to hold, and to dispose of the stock, shares, bonds, securities and obligations issued by any other corporation or association engaged in or authorized to engage in a business similar to its own or to produce or furnish light, heat or power, and may issue its capital stock and bonds at not less than par in payment for the same, and any stock so issued shall be deemed full-paid and non-assessable."

"Sec. 3. Said corporation is hereby authorized and empowered from time to time to guarantee the stocks, shares and bonds, and the dividends and interest thereon, of any corporation or association established for purposes similar to its own or for the purpose of producing or furnishing light, heat or power."

"Sec. 4. Said corporation is hereby authorized and empowered to increase its capital stock from time to time and in such amounts as may be required in the exercise of the powers granted by this act and the several acts of which it is an amendment, to an amount not exceeding the amount of its capital stock as now or hereafter authorized. Said corporation may also guarantee the payment of bonds and obligations and dividends of profits on stocks of other similar corporations and associations, and corporations or associations authorized to engage in the business of producing or furnishing light, heat or power, controlled by it, and as security for the same and for the payment of bonds, notes, and other obligations originally issued by itself in the prosecution of its business may mortgage all or any part of its property and franchises."

Sec. 2. This Act shall take effect on and after its passage.





766

# AN ACT

ENDMENT OF AN ACT

"AN ACT IN AMEND-  
N ACT ENTITLED,

O INCORPORATE THE  
ETT ELECTRIC LIGHTING

PASSED MAY 29, 1884,

EVERAL ACTS IN

THEREOF AND RELATING

PASSED AT THE

SSION, A. D. 1899.

nted by  
J. White

OF REPRESENTATIVES  
12 1918  
D TO COMMITTEE ON  
PORATIONS  
nd S. Howry Clerk.

nter S. Smith

IN HOUSE OF REPRESENTATIVES  
*April 2<sup>nd</sup> 1918*  
COMMITTEE ON CORPORATIONS  
RECOMMEND PASSAGE OF THE WITHIN  
ACT  
*Wm. S. Green*  
FOR THE COMMITTEE.

IN HOUSE OF REPRESENTATIVES  
APR -9 1918  
Received and Ordered to be placed upon the  
CALENDAR.  
*Raymond S. Howry* Clerk.

IN HOUSE OF REPRESENTATIVES  
APR 12 1918  
READ AND PASSED  
*Raymond S. Howry* Clerk.

IN SENATE APR 16 1918  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*James E. Dwyer* Clerk.

IN SENATE *April 18, 1918*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL: *in concurrence*

FOR THE COMMITTEE  
*Arthur S. Smith*

IN SENATE APR 18 1918  
READ AND PASSED IN  
CONCURRENCE.  
*James E. Dwyer* CLERK.

IN SENATE.  
.....19....  
TRANSMITTED TO THE  
GOVERNOR,  
*J. Fred Parker*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received APR 19 1918  
APPROVED  
APR 29 1918  
*Wm. A. McKim*  
GOVERNOR

*James E. Dwyer*

On Motion it was unanimously voted that this Company apply to the General Assembly at its present session to have its charter amended so as to enable it to possess, use, exercise and dispose of the ownership or control of any right, property or franchise held by any person, corporation or association engaged in or authorized to engage in a business similar to that of this Company or to produce or furnish light, heat or power; to issue its capital stock or bonds in payment therefor; to acquire, hold and dispose of the stock, shares, bonds, securities and obligations issued by any other corporation or association engaged in or authorized to engage in a business similar to its own or to produce or furnish light, heat or power; to issue its capital stock and bonds in payment for the same; to guarantee the stocks, shares and bonds and the dividends and interest thereon of any corporation or association established for purposes similar to its own or for the purpose of producing or furnishing light, heat or power; to guarantee the payment of bonds and obligations and dividends of profits on stocks of other similar corporations and associations and corporations or associations authorized to engage in the business of producing or furnishing light, heat or power controlled by it and as security for the same and for the payment of bonds, notes and other obligations originally issued by itself in the prosecution of its business may mortgage all or any part of its property and franchises.

And that the President and General Manager and each of them be and hereby is authorized to take such steps as may



be necessary in the premises.

I hereby certify that the foregoing is a true and correct copy of the vote unanimously passed at a meeting of the Board of Directors of the Narragansett Electric Lighting Company held at its office in Providence, Rhode Island, on the 5th day of ~~March~~, A. D. 1918.

*Arthur D. Lyle*  
Secretary pro tem.

be necessary in the premises.

I hereby certify that the foregoing is a true and correct copy of the vote unanimously passed at a meeting of the Board of Directors of the Narragansett Electric Lighting Company held at its office in Providence, Rhode Island, on the day of ~~January~~, A. D. 1918.

*[Handwritten signature]*  
*[Handwritten text]*

IN HOUSE OF REPRESENTATIVES  
MAR 12 1918  
REFINEMENT COMMITTEE ON  
CORPORATIONS  
*Raymond S. Albany* Clerk



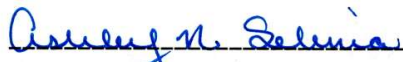
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1919, Vol. 88 #15**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*

\_\_\_\_\_

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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No. 15

## State of Rhode Island, &amp;c.

IN GENERAL ASSEMBLY.

January

SESSION, A. D. 1919

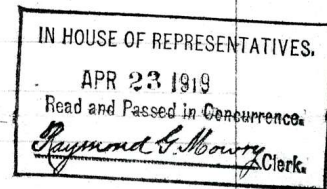
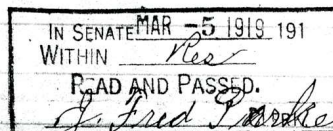
## AN ACT

In amendment of an act, entitled "An act to incorporate the Narragansett Electric Lighting Company," passed at the May session of the General Assembly, A.D. 1884, and the several acts in amendment thereof and relating thereto.

*It is enacted by the General Assembly as follows:*

*Section 1.* An Act, entitled "An Act to incorporate the Narragansett Electric Lighting Company," passed at the May Session of the General Assembly, A. D. 1884, and the several acts in amendment thereof and relating thereto are hereby amended so that said Narragansett Electric Lighting Company may increase its capital stock to such amount, not exceeding fifteen million dollars, as the corporation may from time to time, by vote determine; and said Company is hereby authorized to so increase its capital stock.

*Sec. 2.* All acts and parts of acts inconsistent herewith are repealed, and this act shall take effect from and after its passage.





Narragansett Electric Lighting Company, "passed at the May Session of the General Assembly, A. D., 1884, and the several acts in amendment thereof and relating thereto.

FOR THE COMMITTEE

RECOMMEND THE PASSAGE OF THE WITHIN BILL.

IN SENATE FEB 28 1919  
READ AND ORDERED TO BE PLACED ON CALENDAR  
*James B. O'Brien* CLERK

IN SENATE APR 5 1919  
READ AND PASSED.  
WRITTEN *Lee*  
*James B. O'Brien* CLERK

IN HOUSE OF REPRESENTATIVES  
APR 13 1919  
REFERRED TO COMMITTEE ON CORPORATIONS  
*Raymond S. Wilbur* Clerk

IN HOUSE OF REPRESENTATIVES  
APR 22 1919  
COMMITTEE ON CORPORATIONS RECOMMENDS PASSAGE OF THE WITHIN ACT IN CONCURRENCE.  
*James B. O'Brien* FOR THE COMMITTEE

APR 22 1919  
Received and Ordered to be placed upon CALENDAR  
*Raymond S. Wilbur* Clerk

IN HOUSE OF REPRESENTATIVES  
APR 23 1919  
Read and Passed in Concurrence  
*Raymond S. Wilbur* Clerk

IN HOUSE OF REPRESENTATIVES  
APR 23 1919  
TRANSMITTED TO THE GOVERNOR  
*Raymond S. Wilbur* Recording Clerk

EXECUTIVE DEPARTMENT,  
Received APR 29 1919  
APPROVED  
APR 24 1919  
*William D. Johnston* GOVERNOR

*Arthur L. Smith*

FEB 11 1919  
*James B. O'Brien*

*Apr 24*

In Amendment of an act entitled  
"An Act to Incorporate the  
Narragansett Electric Lighting  
Company," passed at the May  
Session of the General Assembly,  
A. D. 1919.

To the Honorable General Assembly of the State of Rhode Island, &c.,  
at its January Session, A. D. 1919.

The undersigned respectfully represent that they desire that the act entitled "An act  
to incorporate the Narragansett Electric Lighting Company,

passed at the May session of the General Assembly, A. D. 1919.

may be so amended as to provide that said Company may increase its capital  
stock to such amount not exceeding Fifteen Million Dollars  
(\$15,000,000.) as the Corporation may from time to time by vote  
determine.

conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said  
charter, and as in duty bound will ever pray.

*Narragansett Electric Lighting Co.*  
*Edwin A. Barrows*  
*President*

Received and Ordered to be placed upon  
CALENDAR  
Clerk



At the  
Narragansett  
authority  
1918, the  
Vote, as  
I 1

in Amend  
an Act  
Narrag  
Compan  
Session  
A. D.  
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relativ

Barrows, President  
W. Douglas, Vice  
A. T. Hall, Secretary  
Ray, Assistant Secretary  
Mowry, Assistant  
Liste, General Man  
Ovatt, General Ma  
Swan, Electrical En  
Stahl, General Eng  
Davenport, Sec

Narragansett Electric  
Lighting Company

FOR AMENDMENT OF its Charter.

PRESENTED BY  
*Arthur L. Smith*

IN HOUSE OF REPRESENTATIVES  
MAY 13 1919  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*Raymond S. Henry* Clerk

James  
Apr 27

Guinness  
FEB 1 1920



In Amer  
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A. D.  
acts 1

Narragansett Electric  
Lighting Company

INCORPORATED 1884

CAPITAL \$10,200,000

## NARRAGANSETT ELECTRIC LIGHTING CO.

### Executive Offices

TURKS HEAD BUILDING

GENERATING STATION, 25 SOUTH STREET

PROVIDENCE, R. I.

February 4, 1919.

BARROWS, President  
A. DOUGLAS, Vice President  
L. HALL, Secretary and Treasurer  
RAY, Assistant Secretary  
MOWRY, Assistant Treasurer  
LISLE, General Manager  
OVIATT, General Superintendent  
SWAN, Electrical Engineer  
STAHL, General Engineer  
DAVENPORT, Sales Agent

At the regular monthly meeting of the Board of Directors of the Narragansett Electric Lighting Company, held January 28, 1919, and on authority given by the Stockholders at a special meeting held June 12, 1918, the following Vote was passed:

"On motion duly made and seconded, it was voted that this Company make application to the General Assembly for permission to increase its Capital Stock from \$12,000,000 to \$15,000,000."

I hereby certify that the above is a true copy of the above mentioned Vote, as contained in the minutes of the meeting as mentioned.

ATTEST:

*J. L. Hall*

SECRETARY



IN HOUSE OF REPRESENTATIVES  
MAR 13 1919  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*Raymond S. Mowry* Clerk.

IN HOUSE OF REPRESENTATIVES.  
...APR 22 1919...  
TRANSMITTED TO THE  
GOVERNOR,  
*Charles H. Mearns*  
Recording Clerk.



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1921, Vol. 90 #6**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



No. 6.

# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

60

JANUARY SESSION, A. D. 1921

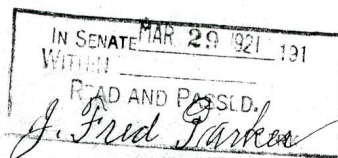
### AN ACT

In Amendment of an Act, Entitled "An Act to Incorporate the Narragansett Electric Lighting Company," Passed at the May Session of the General Assembly, A. D. 1884, and the Several Acts in Amendment thereof and Relating thereto.

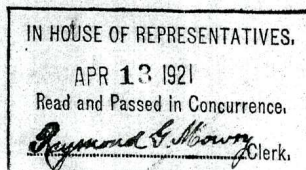
*It is enacted by the General Assembly as follows:*

Section 1. An Act, entitled "An Act to incorporate the Narragansett Electric Lighting Company," passed at the May Session of the General Assembly, A. D. 1884, and the several acts in amendment thereof and relating thereto are hereby amended so that said Narragansett Electric Lighting Company may increase its capital stock to such amount, not exceeding twenty million dollars, as the corporation may from time to time, by vote determine; and said Company is hereby authorized to so increase its capital stock.

Section 2. All acts and parts of acts inconsistent herewith are repealed, and this act shall take effect from and after its passage.



*Secretary of State*



<sup>6</sup>  
S-60 PA  
AN ACT

Amendment of an Act Entitled  
Act To Incorporate the Nar-  
rasett Electric Lighting Com-  
passed at the May Session  
General Assembly, A.D.  
and the several acts in  
ment thereof and relating  
to.

FEB -1 1921

DATE March 23, 1921  
COMMITTEE ON CORPORATIONS  
AMEND THE PASSAGE OF THE

FOR THE COMMITTEE  
Mr. Mullan

Corporation

Arthur L. Smith

MAR 23 1921

MAR 29 1921

IN HOUSE OF REPRESENTATIVES  
APR -1 1921  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
Raymond S. Brown

IN HOUSE OF REPRESENTATIVE  
April 5th 1921  
COMMITTEE ON CORPORATIONS  
RECOMMENDS  
THE WITHIN ACT IN CONCORDANCE  
F. W. Leonard

IN HOUSE OF REPRESENTATIVES  
APR -8 1921  
Received and Ordered to be placed upon the  
CALENDAR.  
Raymond S. Brown Clerk.

IN HOUSE OF REPRESENTATIVES.  
APR 13 1921  
Read and Passed in Concurrence.  
Raymond S. Brown Clerk.

IN HOUSE OF REPRESENTATIVES.  
APR 13 1921  
TRANSMITTED TO THE  
GOVERNOR.  
Charles M. Westland  
Recording Clerk

EXECUTIVE DEPARTMENT  
Received APR 13 1921  
APPROVED  
APR 14 1921  
Ernest J. San Souci  
GOVERNOR.



6. S-60 PA  
AN ACT  
amendment of an Act Entitled  
to incorporate the Narragansett  
Electric Lighting Co.  
passed at the May Session  
General Assembly, A.D.  
and the several acts in  
thereof and relating  
to.

FILED FEB -1 1921 101  
RECEIVED IN THE OFFICE OF THE  
CLERK

DATE: March 22, 1921  
COMMITTEE ON CORPORATIONS  
AMEND THE PASSAGE OF THE  
IN BILL

FOR THE COMMITTEE  
Mr. McLean

Carpenter

Arthur L. Smith

TO THE HONORABLE GENERAL ASSEMBLY OF THE STATE OF RHODE ISLAND,  
at its January Session, A. D. 1921.

The undersigned respectfully represent that they desire  
that the act entitled "An act to incorporate the Narragansett  
Electric Lighting Company, passed at the May session of the  
General Assembly, A. D. 1884 may be so amended as to provide  
that said Company may increase its capital stock to such  
amount not exceeding Twenty Million Dollars (\$20,000,000.)  
as the Corporation may from time to time by vote determine,  
in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their  
request amending their said charter, and as in duty bound will  
ever pray.

Narragansett Electric Lighting Co.

E. A. Barron President

J. F. Hall Treasurer

THE PETITION OF  
Narragansett Electric Lighting  
Company  
FOR AMENDMENT OF ITS CHARTER.

Presented by

*Arthur L. Smith*

IN HOUSE OF REPRESENTATIVES  
APR -1 1921  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*Raymond S. Brown* Clerk

IN HOUSE OF REPRESENTATIVES.  
APR 13 1921  
TRANSMITTED TO THE  
GOVERNOR.  
*Charles H. Brown*  
Recording Clerk

Executive Offices  
Turks Head Building  
GENERATING STATION, 25 SOUTH STREET  
PROVIDENCE, R. I.

JESSE E. CRAY, Assistant Secretary and Treasurer  
ARTHUR B. LIST, Assistant Manager  
WESLEY T. OVIATT, General Superintendent  
SAMUEL B. SWAN, Electrical Engineer  
NICHOLAS STAHL, General Engineer  
EDWARD H. DAVENPORT, Sales Agent

**PROVIDENCE, R. I.**  
JESSE E. GRAY, Assistant Secretary  
LESLIE F. MOWRY, Assistant Treasurer  
ARTHUR B. LISLE, General Manager  
WESLEY T. OVIATT, General Superintendent  
SAMUEL B. SWAN, Electrical Engineer  
NICHOLAS STAHL, General Engineer  
EDWARD R. DAVENPORT, Sales Agent

**Executive Offices**  
TURKS HEAD BUILDING  
GENERATING STATION, 25 SOUTH STREET  
PROVIDENCE, R. I.

**NARRAGANSETT ELECTRIC LIGHTING COMPANY**

EXTRACT FROM BOARD OF DIRECTOR'S MEETING, JANUARY 25, 1921.

"On motion made and seconded, it was voted - that this Company make application to the General Assembly at it's present session for permission to increase it's Capital Stock from \$15,000,000. to \$20,000,000."

I hereby certify that the above Vote was properly passed at a regular meeting of the Board of Directors held Tuesday, January 25, 1921.

ATTEST:



Secretary.





State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1925, Vol. 92 #20**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

\*\*\*\*\*



Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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*No. 20* State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1925.

## AN ACT

In Amendment of an Act, Entitled "An Act to Incorporate the Narragansett Electric Lighting Company," Passed at the May Session of the General Assembly, A.D. 1884, and the several Acts in Amendment thereof and Relating thereto.

*It is enacted by the General Assembly as follows:*

Section 1. An Act, entitled "An Act to incorporate the Narragansett Electric Lighting Company," passed at the May Session of the General Assembly, A.D. 1884, and the several acts in amendment thereof and relating thereto are hereby amended so that said Narragansett Electric Lighting Company may increase its capital stock to such amount, not exceeding Thirty Million Dollars (~~\$20,000,000~~) as the corporation may from time to time, by vote determine; and said Company is hereby authorized to so increase its capital stock.

Section 2. All acts and parts of acts inconsistent herewith are repealed, and this act shall take effect from and after its passage.

IN HOUSE OF REPRESENTATIVES.  
APR 23 1925  
READ AND PASSED.

*James MacCaulley*  
Clerk.

APR 24 1925 191  
READ AND PASSED IN  
SENATE  
*Emmet Sprague*  
Secretary of State

PA  
H. 728

# AN ACT

In Amendment of an Act Entitled "An Act to Incorporate the Narragansett Electric Lighting Company," passed at the May Session of the General Assembly, A.D. 1884, and the several acts in amendment thereof and relating thereto.

Presented by  
*John C. Bolan*

IN HOUSE OF REPRESENTATIVES  
FEB 10 1925  
REFERRED TO COMMITTEE ON CORPORATIONS  
*Thomas J. McGauley* Clerk.

Apr 27

IN HOUSE OF REPRESENTATIVES  
*April 24 1925*  
COMMITTEE ON CORPORATIONS  
RECOMMENDS  
THE WITHIN BILL.  
*Thomas J. McGauley* Clerk.

IN HOUSE OF REPRESENTATIVES  
*April 24 1925*  
COMMITTEE ON CORPORATIONS  
RECOMMENDS THE PASSAGE OF THE  
WITHIN BILL.  
*John B. Mitchell* FOR THE COMMITTEE.

IN HOUSE OF REPRESENTATIVES  
APR 21 1925  
Received and Ordered to be placed upon the  
CALENDAR.  
*Thomas J. McGauley* Clerk.

IN SENATE  
APR 24 1925  
REPORTED TO SENATE  
BY  
*Francis J. Brady* CLERK.

IN HOUSE OF REPRESENTATIVES.  
APR 23 1925  
READ AND PASSED.  
*Thomas J. McGauley* Clerk.

IN SENATE, *April 24 1925*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL, *in concurrence*  
*hunting suspended*  
FOR THE COMMITTEE.  
*Res M. M. McMahon*

IN SENATE  
APR 24 1925  
READ AND PASSED IN  
CONCURRENCE  
*Francis J. Brady* CLERK.

IN SENATE.  
APR 24 1925  
TRANSMITTED TO THE  
GOVERNOR  
*Emmet L. Sprague*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received APR 24 1925  
APPROVED  
APR 27 1925  
*John D. McKim*  
GOVERNOR.

*To the Honorable General Assembly of the State of Rhode Island, &c.,*

*at its*.....January.....*Session, A. D. 19 25.*

The undersigned respectfully represent that they desire that the act entitled "An act to incorporate the.....Narragansett Electric Lighting Company.....

passed at the.....May.....session of the General Assembly, A. D. 1884..

may be so amended as to provide that.....said Company may increase its capital stock to such amount not exceeding Thirty Million Dollars

(\$30,000,000.) as the Corporation may from time to time by vote determine.....

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

Narragansett Electric Lighting Co.,  
*E. A. Barrow*  
President.

PA

IN HOUSE OF REPRESENTATIVE

IN HOUSE OF REPRESENTATIVES.

APR 23 1925

THE PETITION OF

Narragansett Electric Lighting

Company.....

AMENDMENT OF its Charter.....

PRESENTED BY

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K.

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State.



P. 171  
THE PETITION OF  
Narragansett Electric Lighting  
Company  
AMENDMENT OF its Charter  
PRESENTED BY

Narragansett Electric Lighting Company

Extract from Minutes of Board of Directors' Meeting, Jan. 27, 1925

--000--

"On motion made and seconded, it was voted that this company make application to the General Assembly at its present session for permission to increase its Capital Stock from \$20,000,000. to \$30,000,000."

I, Franklin L. Hall, Secretary of the Narragansett Electric Lighting Company, certify that the foregoing is a true and correct copy of a vote passed by the Board of Directors of the Narragansett Electric Lighting Company, at a meeting held in the City of Providence on the 27th day of January, A. D. 1925.

Franklin L. Hall  
Secretary.



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1926, Vol. 93 #1**

**AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY.**

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

H 721

JANUARY SESSION, A. D. 1926

SUBSTITUTE "A"

## AN ACT

TO INCORPORATE UNITED ELECTRIC POWER COMPANY.

*It is enacted by the General Assembly as follows:*

Section 1. Albert E. Potter, Zenas W. Bliss, George H. Newhall, Harvey A. Baker, Ralph S. Richards, Edward B. Aldrich, J. Cunliffe Bullock and Harold J. Gross, their associates, successors and assigns, are hereby made a body corporate under the name of UNITED ELECTRIC POWER COMPANY with all the powers and privileges and subject to all the duties and liabilities applicable to such corporations as set forth in Chapter 248 of the General Laws and the several acts in amendment thereof and in addition thereto.

Sec. 2. The government of said corporation shall be vested in a board of directors, a majority of whom shall be citizens of the State of Rhode Island, who need not be stockholders, the number whereof shall be fixed by the by-laws but shall consist of not less than five ~~ten~~ persons. Said corporation shall have a president, secretary and treasurer who shall be chosen as the by-laws direct, and shall hold their offices until others are chosen in their stead. The president shall be chosen from among the directors. The directors may appoint such other officers, committees and agents as they deem needful, and their term of office shall be such as said directors may from time to time prescribe.

Sec. 3. Said corporation may lease, purchase, acquire, hold, possess, enjoy, operate, use and dispose of

United Electric Railways Company, together with all rights of way, equipment, machinery and other property used or useful in connection with the operation of said power house, sub-stations and transmission lines, situated in the counties of Providence, Bristol, Washington

and Kent, and the rights, privileges and franchises used, exercised or possessed in connection therewith, and

United Electric Railways Company is hereby authorized and empowered to sell or lease all or any part of such property, rights, privileges and franchises to the company hereby incorporated. United Electric Railways Company is also hereby empowered to acquire, hold and dispose of the stock, bonds and other obligations of the company hereby ~~incorporated~~ <sup>issued</sup> as provided in Section 7 of this Act.

Said corporation may also construct, acquire, own and operate within this State any extension of or addition to any property acquired under the foregoing provisions hereof, may buy electricity, may contract with and furnish electricity to United Electric Railways Company and may sell electricity to railroad, street railway, electric light, electric power and power transmission companies.

Sec. 4. The corporation hereby incorporated may sell to any other corporation or corporations organized under the laws of this State and authorized to carry on a similar business in this State, and said other corporation or corporations may purchase and hold, all of the assets, property, rights, privileges and franchises of the corporation hereby incorporated, and any such other corporation or corporations may sell to the corporation hereby incorporated, and the corporation hereby incorporated may purchase and hold, all of the assets, property, rights, privileges and franchises of any such other corporation or corporations. Any such sale may be for such consideration, which may consist in whole or in part of stock, bonds or other obligations of the corporation.



ing corporation, as may be agreed upon by the parties to such sale. Any such sale shall be approved by vote of at least two-thirds (2/3) in interest of the stockholders of the vendor corporation entitled to vote, at a meeting of the stockholders of such corporation duly called and held, of which meeting notice specifying the proposed sale shall have been given by mailing a copy thereof to each stockholder of record of said corporation entitled to vote at least thirty days before said meeting and by publication in one or more newspapers published in the city or town where said corporation has its principal office once a week for three consecutive weeks prior to said meeting.

Upon consummation of any such sale the purchasing corporation shall become vested with all the rights, privileges, powers and franchises held or enjoyed by the vendor corporation.

If a sale be effected in accordance with the foregoing provisions hereof, any stockholder of the vendor corporation, who shall not have voted in favor of said sale either in person or by proxy, shall be entitled to the rights, and such vendor corporation shall be subject to the duties, obligations and liabilities set forth in Section 56 of Chapter 248 of the General Laws with respect to dissenting stockholders and to corporations which sell, lease and exchange their entire assets, respectively.

Any corporation which under the provisions hereof is authorized to purchase the assets and property of the corporation hereby incorporated may acquire, hold and dispose of stock, bonds or other obligations of the corporation hereby incorporated.

Nothing in this act shall be construed to authorize the corporation hereby incorporated, or any other corporation, to acquire any of the property, rights, privileges, powers, franchises or capital stock of the Providence Gas Company.

Sec. 5. The corporation hereby incorporated may lease, purchase, acquire, hold, possess, enjoy, operate

use and dispose of such real and personal estate, rights, privileges and franchises within this state as may be necessary or convenient for the purposes for which said corporation is organized and may issue its capital stock, bonds and other obligations in payment or part payment therefor, in the manner and with the approval herein-after provided.

Sec. 6. Subject to the provisions of Section 7 hereof, said corporation may issue its bonds and other obligations in such amount as it may deem necessary, and may secure the same by a pledge or pledges, mortgage or mortgages of its franchises and property or any part thereof, such bonds, obligations, pledges and mortgages to be upon such terms and conditions and executed in such form and manner as the said corporation or its directors may by vote prescribe.

Sec. 7. All issues of stocks, bonds or other obligations of the company hereby incorporated (except obligations maturing within twelve months of the date of issue), the purposes of said issues and the manner and terms upon which they are to be disposed of shall be subject to the approval of the Public Utilities Commission, and such stocks, bonds and other obligations shall not be valid without such approval; provided, that not exceeding fifty thousand dollars, (\$50,000), par value of stock may be issued for cash at par and shall be valid without such approval.

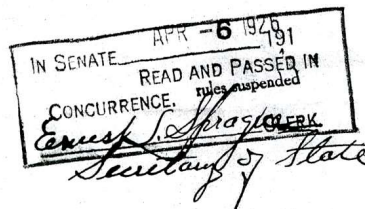
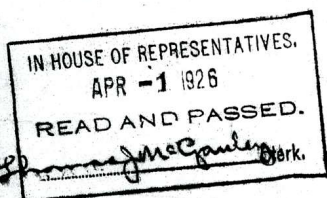
Sec. 8. Whenever the tax upon one hundred thousand dollars (\$100,000) of the capital stock of this corporation has been paid into the General Treasury as provided by Section 12 of Chapter 37 of the General Laws, the Secretary of State shall issue and deliver to the incorporation a certified copy of this Act under the seal of the State, and said corporation may then be organized, and stock thereof to the par value of one hundred thousand dollars (\$100,000) may, subject to the provisions of Section 7 hereof, from time to time be issued, and he shall thereafter from time to time upon application

and upon payment of the tax prescribed by said Section 12 in case of increase of capital stock, and with the approval of the Public Utilities Commission, issue his certificate to said corporation authorizing the issue of additional capital stock for which such tax has been paid.

Said stock shall be divided into shares of the par value of fifty dollars (~~\$50~~) each and may be divided into classes with such preference as to dividends, voting power and other incidents as said Public Utilities Commission may approve.

Sec. 9. Said corporation shall be located and have an office or place of business in the City of Providence.

Sec. 10. This act shall take effect from and after its passage.





STATE OF RHODE ISLAND

H-1201 10/10/24  
relativities & 10/10/24  
written in Capital letters

AN ACT  
INCORPORATE UNITED ELECTRIC POWER COMPANY

HOUSE OF REPRESENTATIVES  
March 27th 1926  
COMMITTEE ON CORPORATIONS  
HAS NO INDEFINITE POSTPONEMENT OF THE ORIGINAL BILL AND PASSED A SUBSTITUTE

John S. 10/10/24

ed by

HOUSE OF REPRESENTATIVES  
March 27th 1926  
and Ordered to be printed  
CALENDAR  
JAMES G. Gaulty

IN HOUSE OF REPRESENTATIVES.  
APR - 1 1926  
READ AND PASSED.  
James G. Gaulty

IN SENATE  
APR - 6 1926  
Read and Passed in  
CONJUNCTION AND  
REFERENCE TO COMMITTEE ON  
ENGROSSED ACTS.  
Francis Bradley  
IN SENATE  
APR - 7 1926  
When bill read and right engraved  
Francis Bradley CLERK.

IN SENATE.  
APR - 7 1926  
TRANSMITTED TO THE  
GOVERNOR  
James G. Gaulty  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received APR - 7 1926  
APPROVED  
GOVERNOR.





# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY.

January Session, A. D. 1926.

The Joint Committee on Engrossed Acts, to whom was referred to be engrossed, a bill entitled

H. 721. Sub. A. An Act to Incorporate United Electric Power Company.

### REPORT

The accompanying bill as truly and rightly engrossed.

For the Committee,

*Saul R. Roberson*

and shall hold their offices until others are chosen in their stead. The president shall be chosen from among the directors. The directors may appoint such other officers, committees and agents as they deem needful, and their term of office shall be such as said directors may from time to time prescribe.

Sec. 3. Said corporation may lease, purchase, acquire, hold, possess, enjoy, operate, use and dispose of the power house, substations and transmission lines of United Electric Railways Company, together with all rights of way, equipment, machinery and other property

To the Honorable General Assembly of the State of Rhode Island, &c.,  
at its January Session, A. D. 1926

The undersigned petitioners respectfully represent that they desire to become a body  
corporate under the name of

UNITED ELECTRIC POWER COMPANY

for the purpose of generating, purchasing, transmitting and distributing  
electricity and carrying on other business

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request creating them a  
corporation, and as in duty bound they will ever pray.

*Albert E. Foster*  
*James W. White*  
*Wm. H. Woodruff*  
*Harvey A. Baker*  
*Ralph S. Richards*  
*Edward B. Alvin*  
*J. Antliff Buller*  
*Walter J. Chase*

and shall hold their offices until others are chosen in their stead.  
The president shall be chosen from among the directors. The  
directors may appoint such other officers, committees and agents as  
they deem needful, and their term of office shall be such as said  
directors may from time to time prescribe.

Sec. 3. Said corporation may lease, purchase, acquire, hold,  
possess, enjoy, operate, use and dispose of the power house, sub-

transmission lines of United Electric Railways Company



THE PETITION OF

Robert E. Potter, et al.  
FOR AN ACT TO INCORPORATE

ited Electric Power Company.

PRESENTED BY

*Providence  
Narragansett*

State of Rhode Island, &c.

IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 192 6

AN ACT

# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1926

### AN ACT

#### TO INCORPORATE UNITED ELECTRIC POWER COMPANY

*It is enacted by the General Assembly as follows:*

Section 1. Albert E. Petter, Zenas W. Bliss, George H. Newhall, Harvey A. Baker, Ralph S. Richards, Edward B. Aldrich, J. Cunliffe Bullock and Harold J. Gross, their associates, successors and assigns, are hereby made a body corporate under the name of UNITED ELECTRIC POWER COMPANY with all the powers and privileges and subject to all the duties and liabilities applicable to such corporations as set forth in Chapter 248 of the General Laws and the several acts in amendment thereof and in addition thereto.

Sec. 2. The government of said corporation shall be vested in a board of directors, a majority of whom shall be citizens of the State of Rhode Island, who need not be stockholders, the number whereof shall be fixed by the by-laws but shall consist of not less than five (5) persons. Said corporation shall have a president, secretary and treasurer who shall be chosen as the by-laws direct, and shall hold their offices until others are chosen in their stead. The president shall be chosen from among the directors. The directors may appoint such other officers, committees and agents as they deem needful, and their term of office shall be such as said directors may from time to time prescribe.

Sec. 3. Said corporation may lease, purchase, acquire, hold, possess, enjoy, operate, use and dispose of the power house, sub-stations and transmission lines of United Electric Railways Company, together with all rights of way, equipment, machinery and other prop-



-2-

used or useful in connection with the operation of said power house, substations and transmission lines, situated in the counties of Providence, Bristol, Washington and Kent, and the rights, privileges and franchises used, exercised or possessed in connection therewith, and United Electric Railways Company is hereby authorized and empowered to sell or lease all or any part of such property, rights, privileges and franchises to the company hereby incorporated. United Electric Railways Company is also hereby empowered to acquire, hold and dispose of the stock, bonds and other obligations of the company hereby incorporated, issued in the manner and with the approval hereinafter provided.

Said corporation may also construct, acquire, own and operate within this State any extension of or addition to any property acquired under the foregoing provisions hereof, may buy electricity, may contract with and furnish electricity to United Electric Railways Company and may sell electricity to railroad, street railway, electric light, electric power and power transmission companies.

Sec. 4. The corporation hereby incorporated may sell to any other corporation or corporations organized under the laws of this State and authorized to carry on a similar business in this State, and said other corporation or corporations may purchase and hold, all of the assets, property, rights, privileges and franchises of the corporation hereby incorporated, and any such other corporation or corporations may sell to the corporation hereby incorporated, and the corporation hereby incorporated may purchase and hold, all of the assets property, rights, privileges and franchises of any such other corporation or corporations. Any such sale may be for such consideration, which may consist in whole or in part of stock, bonds or other obligations of the purchasing corporation, as may be agreed upon by the parties to such sale. Any such sale shall be approved by vote of at least two-thirds ( $2/3$ ) in interest of the stockholders of the vendor corporation entitled to vote, at a meeting of the stockholders of such

corporation duly called and held, of which meeting notice specifying the proposed sale shall have been given by mailing a copy thereof to each stockholder of record of said corporation entitled to vote at least thirty days before said meeting and by publication in one or more newspapers published in the city or town where said corporation has its principal office once a week for three consecutive weeks prior to said meeting.

Upon consummation of any such sale the purchasing corporation shall become vested with all the rights, privileges, powers and franchises held or enjoyed by the vendor corporation.

If a sale be effected in accordance with the foregoing provisions hereof, any stockholder of the vendor corporation, who shall not have voted in favor of said sale either in person or by proxy, shall be entitled to the rights, and such vendor corporation shall be subject to the duties, obligations and liabilities set forth in Section 56 of Chapter 248 of the General Laws with respect to dissenting stockholders and to corporations which sell, lease and exchange their entire assets, respectively.

Any corporation which under the provisions hereof is authorized to purchase the assets and property of the corporation hereby incorporated may acquire, hold and dispose of stock, bonds or other obligations of the corporation hereby incorporated.

Sec. 5. The corporation hereby incorporated may lease, purchase, acquire, hold, possess, enjoy, operate, use and dispose of such real and personal estate, rights, privileges and franchises within this state as may be necessary or convenient for the purposes for which said corporation is organized and may issue its capital stock, bonds and other obligations in payment or part payment therefor, in the manner and with the approval hereinafter provided.

Sec. 6. Subject to the provisions of Section 7 hereof, said corporation may issue its bonds and other obligations in such amount as it may deem necessary, and may secure the same by



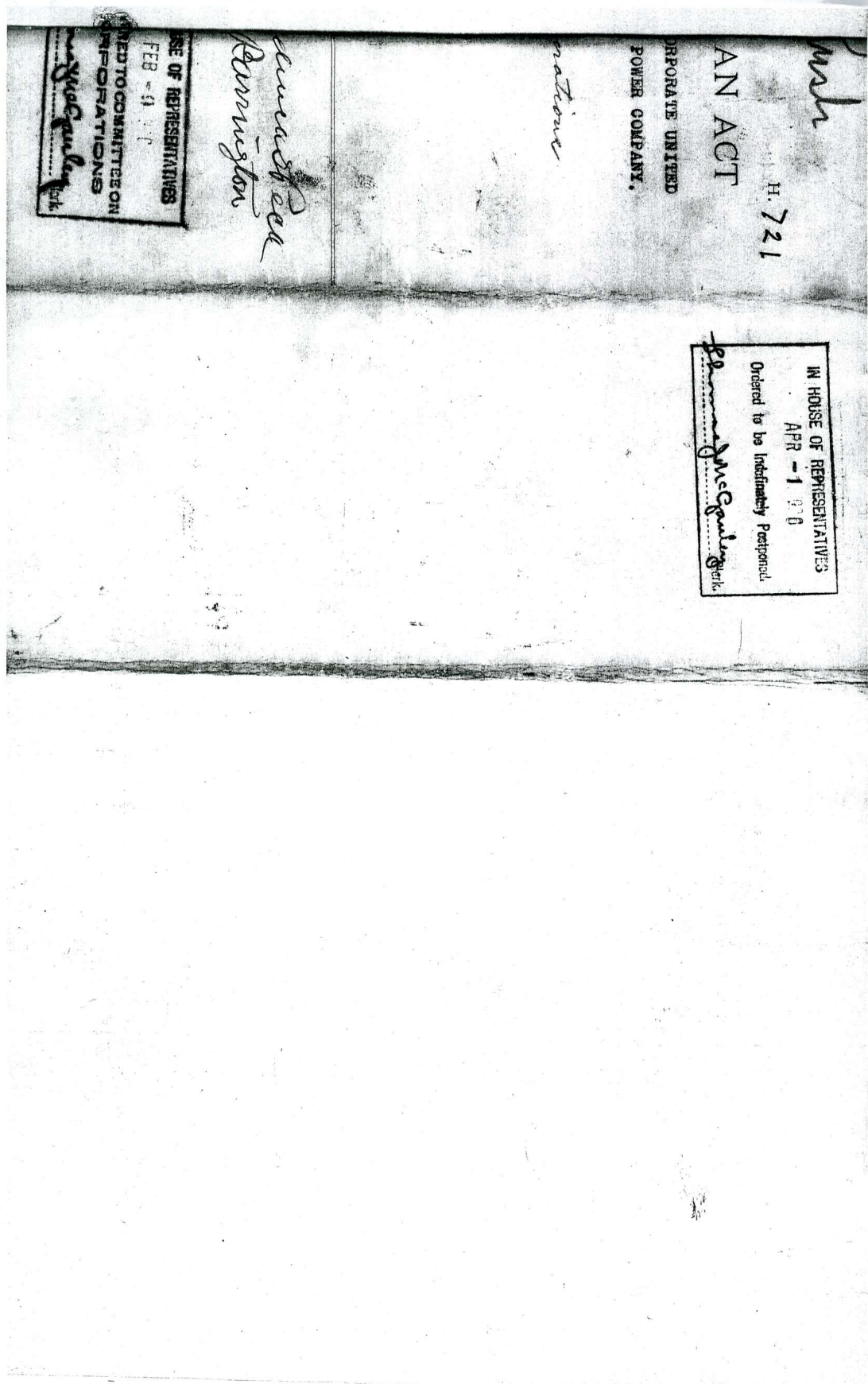
a pledge or pledges, mortgage or mortgages of its franchises and mortgages to be upon such terms and conditions and executed in such form and manner as the said corporation or its directors may by vote prescribe.)

Sec. 7. All issues of stocks, bonds or other obligations of the company hereby incorporated (except obligations incurred for current expenses), the purposes of said issues and the manner and terms upon which they are to be disposed of shall be subject to the approval of the Public Utilities Commission, and such stocks, bonds and other obligations shall not be valid without such approval; provided that not exceeding fifty thousand dollars (\$50,000) par value of stock may be issued for cash at par and shall be valid without such approval.

Sec. 8. Whenever the tax upon one hundred thousand dollars (\$100,000) of the capital stock of this corporation has been paid into the General Treasury as provided by Section 12 of Chapter 37 of the General Laws, the Secretary of State shall issue and deliver to the incorporators a certified copy of this Act under the seal of the State, and said corporation may then be organized, and stock thereof to the par value of one hundred thousand dollars (\$100,000) may, subject to the provisions of Section 7 hereof, from time to time be issued, and he shall thereafter from time to time upon application by the directors or other proper officers of the corporation and upon payment of the tax prescribed by said Section 12 in case of increase of capital stock, and with the approval of the Public Utilities Commission, issue his certificate to said corporation authorizing the issue of additional capital stock for which such tax has been paid. Said stock shall be divided into shares of the par value of fifty dollars (\$50) each and may be divided into classes with such preference as to dividends, voting power and other incidents as said Public Utilities Commission may approve.

Sec. 9. Said corporation shall be located and have an office or place of business in the City of Providence.

Sec. 10. This act shall take effect from and after its passage.







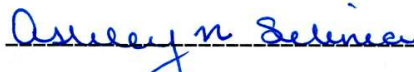
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1927, Vol. 94 #6**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC  
POWER COMPANY," PASSED AT THE JANUARY SESSION, A.D. 1926.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

# State of Rhode Island, &c.

No. 6.

## IN GENERAL ASSEMBLY

H 696

JANUARY SESSION, A. D. 1927

SUBSTITUTE "A"

## AN ACT

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY," PASSED AT THE JANUARY SESSION, A.D. 1926.

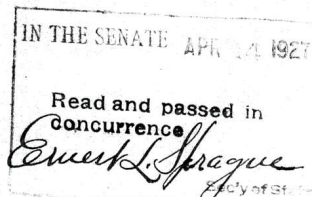
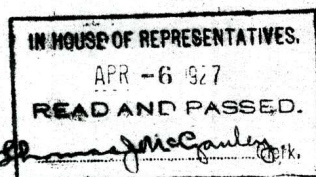
*It is enacted by the General Assembly as follows:*

SECTION 1. Section 5 of an act entitled "An act to incorporate United Electric Power Company", passed at the January session, A. D. 1926, is hereby amended so as to read as follows:

"Sec. 5. The corporation hereby incorporated may lease, purchase, acquire, hold, possess, enjoy, operate, use and dispose of such real and personal estate, rights, privileges and franchises within this state as may be necessary or convenient for the purposes for which said corporation is organized and may issue its capital stock, bonds, and other obligations in payment or part payment therefor, in the manner and with the approval hereinafter provided. Whenever the corporation hereby incorporated shall have received from the Narragansett Electric Lighting Company a conveyance of all or substantially all of its assets, property, rights, privileges, and franchises, which conveyance has been approved by vote of the holders of not less than two-thirds of its outstanding stock at a meeting called, notified and held in the manner prescribed in Section 4 of this act of incorporation, the corporation hereby incorporated may change its name to THE NARRAGANSETT ELECTRIC COMPANY; and by that name may hold, use, exercise and

enjoy all the assets, property, rights, privileges and franchises of the corporation, hereby incorporated and all the assets, property, rights, privileges and franchises of said Narragansett Electric Lighting Company so conveyed. Such change of name shall be authorized by a vote of the holders of not less than two-thirds of the outstanding stock of the corporation hereby incorporated, and shall become effective upon the filing with the Secretary of State of a certified copy of such vote and a certificate of the president or treasurer that all or substantially all of the assets, property, rights, privileges and franchises of the Narragansett Electric Lighting Company have been so conveyed; provided, however, that nothing herein contained shall deprive any stockholder of the Narragansett Electric Lighting Company of any right secured to such stockholder under the third paragraph of Section 4 of this act of incorporation or under Section 56 of Chapter 248 of the General Laws in said section 4 referred to."

SEC. 2. This act shall take effect upon its passage.





SUBSTITUTE <sup>106. A</sup> B

H. 696

# AN ACT

AMENDMENT OF AN ACT ENTITLED  
AN ACT TO INCORPORATE UNITED  
ELECTRIC POWER COMPANY," PASSED  
THE JANUARY SESSION, A.D.  
26.

ted by

HOUSE OF REPRESENTATIVE  
*April 1st* 1927  
MITTEE ON CORPORA-  
IS RECOMMENDS PASSAGE OF  
WITHIN ACT  
*For the Committee*  
FOR THE COMMITTEE

*april 19*

IN HOUSE OF REPRESENTATIVES  
APR -1 1927  
Received and Ordered to be placed upon the  
CALENDAR.  
*For the Committee*

IN HOUSE OF REPRESENTATIVES.  
APR -6 1927  
READ AND PASSED.  
*For the Committee*

IN THE SENATE APR 7 1927  
Read and referred to the  
Committee on Corpora-  
tions  
*For the Committee*

IN SENATE *April 12 1927*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN BILL: *in Concurrence*

FOR THE COMMITTEE  
*For the Committee*

IN THE SENATE APR 12 1927  
Ordered to be placed  
upon the Calendar  
*For the Committee*

IN THE SENATE APR 14 1927  
Read and passed in  
concurrence and ord-  
ered transmitted to His  
Excellency, the Governor.  
*For the Committee*

IN SENATE  
APR 14 1927 19...  
TRANSMITTED TO THE  
GOVERNOR.  
*Ernest L. Spaulding*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received APR 14 1927  
APPROVED  
*For the Governor*  
GOVERNOR.



State of Rhode Island, &c.

IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1927.

AN ACT 696

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE  
UNITED ELECTRIC POWER COMPANY", PASSED AT THE JANUARY  
SESSION, A.D. 1926.

*It is enacted by the General Assembly as follows:*

Section 1. Section 5 of an act entitled "An act to incorporate  
United Electric Power Company", passed at the January Session, A.D. 1926,  
is hereby amended so as to read as follows:

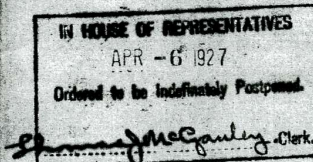
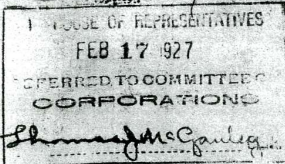
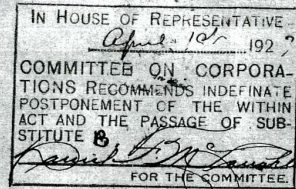
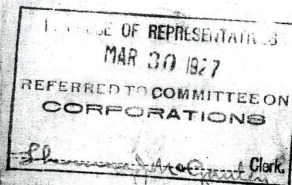
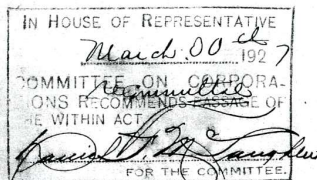
"Sec. 5. The corporation hereby incorporated may lease, purchase,  
acquire, hold, possess, enjoy, operate, use and dispose of such real  
and personal estate, rights, privileges and franchises within this state  
as may be necessary or convenient for the purposes for which said cor-  
poration is organized and may issue its capital stock, bonds and other  
obligations in payment or part payment therefor, in the manner and with  
the approval hereinafter provided. Whenever the corporation hereby  
incorporated shall have acquired all or substantially all of the assets,  
property, rights, privileges and franchises of The Narragansett Electric  
Lighting Company under the authority so to do hereinbefore granted, it  
may change its name to the "Narragansett Electric Company" by vote of  
the holders of not less than two-thirds of its outstanding stock at a  
meeting duly held for the purpose. Such change in name shall become  
effective upon filing with the Secretary of State a certified copy  
of such vote and a certificate of the President or Treasurer that all  
or substantially all of the assets, property, rights, privileges and  
franchises of The Narragansett Electric Lighting Company have been so  
acquired."

Sec. 2. This act shall take effect upon its passage.

H. 696

# AN ACT

IN AMENDMENT OF AN ACT ENTITLED  
"AN ACT TO INCORPORATE UNITED  
ELECTRIC POWER COMPANY", PASSED  
AT THE JANUARY SESSION, A.D. 1926.



Presented by

*David W. McLaughlin*

*To the Honorable General Assembly of the State of Rhode Island, &c.,*

*at its ..... January ..... Session, A. D. 19 27.*

The undersigned respectfully represent that they desire that the act entitled " An act to incorporate the United Electric Power Company"

passed at the January ..... session of the General Assembly, A. D. 1926

may be so amended as to provide that said corporation may, whenever it

shall have acquired all or substantially all the assets, property,

rights, privileges and franchises of The Narragansett Electric

Lighting Company, change its name to "Narragansett Electric Company."

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

UNITED ELECTRIC POWER COMPANY

By

*Alfred F. Brown*  
President

and By

*Harvey A. Baker*  
Secretary



THE PETITION OF

UNITED ELECTRIC POWER COMPANY

OR AMENDMENT OF "An act to in-

corporate the United Electric

Power Company."

PRESENTED BY





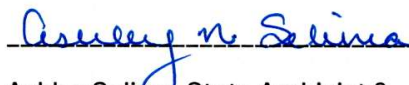
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1927, Vol. 94 #7**

AN ACT IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING COMPANY," PASSED AT THE MAY SESSION OF THE  
GENERAL ASSEMBLY, A.D. 1884, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO.

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\_\_\_\_\_  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

# State of Rhode Island, &c.

No. 7 IN GENERAL ASSEMBLY

H 745

JANUARY SESSION, A. D. 19 27

SUBSTITUTE "A"

## AN ACT

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY" PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY A. D. 1884 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

SECTION 1. The Narragansett Electric Lighting Company (hereinafter called "said company") a corporation created by an act of the general assembly passed at its May session A. D. 1884, is hereby authorized and empowered to acquire by condemnation from time to time such lands and such interests, estates and rights in lands as said company may from time to time take in the manner hereinafter provided, for the erection, construction, extension or installation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, installation and maintenance of such poles, wires, conduits and other appurtenances and appliances as may be suitable or convenient for such line or lines provided that nothing in this act shall authorize said company to acquire or take under the provisions of this act any water power or water rights, or to acquire or take any portion of any public street or highway of any town or city or any lands or interests, estates or rights in lands that shall have been acquired by any town or city for municipal or public purposes except in either case in reasonable locations to be approved by the town council or city council of said town or city, respectively; or to take under the

provisions of this act any lands, interests, estates or rights in lands in any town or city except in reasonable locations to be approved by the town council or city council of such town or city, respectively; or to take any lands or any interests, estates or rights in lands after the expiration of ten years from the date of the passage of this act; nor shall it exercise any right of condemnation within the limits of the city of Newport or of the towns of Jamestown, Middletown or Portsmouth.

SEC. 2. Whenever said company desires to take any land or any interest, estate or right therein under the provisions of this act, it shall file in the superior court of the State of Rhode Island for the County of Providence a certificate containing a general description thereof and a list of the owners thereof and persons interested therein so far as the same may be known to said company; said certificate shall be accompanied by a plat showing the location of such land and shall contain a notice that said company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in the land or any interest, estate or right therein taken in the proceedings commenced by the filing of such certificate. Said company shall also furnish a copy of said certificate and plat to the commissioners hereinafter referred to, to be filed by said commissioners as hereinafter provided in the land records of the town or city where such land is located.

SEC. 3. Upon the filing of such certificate and plat in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land in said certificate described may appear before said court and be heard with reference to the necessity of the taking of such land, or interest,

estate or right therein, the security to be given by said company for damages and costs and the appointment of commissioners to appraise the damages sustained by the owner or owners by such taking; and said court shall direct notice of said order to be served on the person or persons, corporation or corporations owning or interested in said land and said company at least ten days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of the superior court are required to be served, or if the owner or owners be unknown or non-residents of this state, such notice shall be published in such newspaper or newspapers and for a like period or for such longer period, as the court may direct; and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court.

SEC. 4. At the time and place mentioned in said notice, or at any adjournment therefrom ordered by the court, the court, after hearing the parties interested, including said company, who may appear and desire to be heard, shall first determine whether the land or such interest, estate or right therein in said certificate described is necessary or convenient to said company for its said corporate purposes; and if the court shall determine that such land or such interest, estate or right therein is necessary or convenient to said company for its said corporate purposes, said court shall proceed by its decree to fix and determine the security to be given by said company for the payment of costs and damages and to appoint three disinterested persons as commissioners to appraise the damages sustained by the owner or owners of the land or interest, estate or right therein described in said certificate, by reason of the taking thereof. After entry of such de-



decree as soon as said company shall have given the security fixed therein, title to said land, interest, estate or right shall vest in said company and said company may forthwith enter upon, take possession of and use the same. Any vacancies in said commission which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said company) and upon such notice as said court may direct.

Sec. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to all persons interested to file their claims, if any they have, which have not been released to said company, with the clerk of said court within sixty days from the date of said notice and shall file said copy of said certificate and plat and a certified copy of said decree in the land records of the town or city where such land is located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons interested, as to the damages by them sustained, at which hearing said company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week for at least three weeks prior to the date of such meeting, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear the parties interested, including said company, with their allegations and proofs and may examine the premises, and shall make a just appraisal of the damages sustained by the owner or own-

ers of said land, interest, estate or right taken as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them, to said court, with their fees marked thereon. The owner or owners of any land not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

Sec. 6. Upon the receipt of any report of said commissioners, the clerk of said court shall open the same, and shall give public notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been received and opened and that the same may be examined by any party interested therein; and either said company, or any other party aggrieved by any award of damages made by the said commissioners, or refusal of award by said commissioners, may claim a jury trial upon any item of damages thereby awarded or refused, and may file a claim for such trial with the clerk of said court at any time within two months from the opening of such report. And such claim shall stand for trial by jury, upon proper issues based upon such claim, as other civic cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause. But if the party claiming such jury trial shall not therein obtain an award more favorable to such party than that given by the commissioners, such party shall pay costs to the adverse party unless otherwise ordered by said



court; and if any party claiming such jury trial shall obtain therein an award more favorable than that given by the commissioners, such party shall recover his, her or its costs from the adverse party.

SEC. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said report as confirmed shall issue against said company as upon a judgment, in due course of law.

SEC. 8. Said company may abandon any lands or any interest, estate or right therein, taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided for are pending, at any time before the confirmation of the report of the commissioners appointed to assess damages; and if said company shall not have entered upon, taken possession, or used the lands so abandoned or such interest, estate or right therein, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the lands or such interest, estate or right therein so abandoned shall cease, and said company shall pay to any person interested in the property so abandoned, all of his costs and reasonable expenses, if any, incurred in prosecuting for damages for the taking of such lands or interest, estate or right therein up to the time of such abandonment, which costs shall be taxed by the clerk. If said company shall have entered upon, taken possession of, or used the lands or such interest, estate or right therein so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before the commissioners or a jury, then upon such abandonment, said company shall have the right to give

such abandonment in evidence in diminution of damages, paying the costs if the question of damages is pending upon the claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said company shall have the right to a revision of the assessment and a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered, with the right of any person interested to claim a jury trial as in the case of the original assessment.

Sec. 9. When the lands or any interest, estate or right therein in which any infant or other person not capable in law to act in his own behalf or unascertained or not in being is interested, are taken by said company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian *ad litem* for such infant or other person; and such guardian may appear and be heard in behalf of such infant or other person at any stage of the proceedings. And such guardian may also, with the advice and consent of the court appointing him, release to said company all claims for damages for the lands of such infant or other person, or for any interest, estate or right therein, so taken. And if there shall be any dispute as to the title of any lands or interests, estates or rights therein taken under the provisions of this act, or as to the persons entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is unascertained or not in being, said company may pay such damages into the registry of the court before which such proceedings are pending.

Sec. 10. Any court in which any proceedings under



such other and further notices to be given, in addition to those hereinbefore prescribed, and, may make such other orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the parties interested in such proceedings. And any proceedings taken under this act may be amended or corrected at any stage, and the time may be extended in which persons interested may file their claims, upon such terms and notice, if any, as said court may prescribe.

Sec. 11. Nothing in this act shall authorize said company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such other public service company. If said company and any such railroad, street railway or other public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the public utilities commission for a determination thereof, and, after hearing, such crossing or such transmission line shall be constructed, maintained and operated in such method and manner as may be ordered by said commission. Either party aggrieved by such order of said commission may appeal to the supreme court in the manner provided by section 34 of the public utilities act. Said company shall be liable to any such railroad, street railway or other public service company for such damages and reasonable

expense as may result to it by reason of any line or lines of said company crossing such railroad, street railway or other public service company's land, location or right of way.

SEC. 12. The commissioners appointed as hereinbefore provided shall each receive such compensation for their services as shall be fixed by said court which shall be paid by said company and all the costs of any and all hearings before such commissioners, including the cost of counsel for the owners of lands or interests, estates or rights therein taken under the provisions of this act to be approved by said superior court and of attendance of the parties, shall be paid by said company.

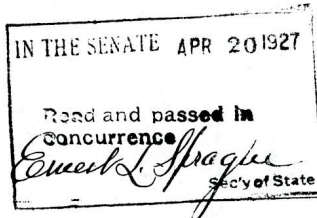
SEC. 13. Said company may convey any property or any interest, estate or right therein taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land or such interest, estate or right thereunder for the purposes for which the same were taken or may agree to use said land or interest, estate or right thereunder for any such corporation, company or association for the purposes for which the same were taken.

SEC. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act; and said public utilities commission shall have continuing control over said company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said company now operates or may hereafter operate in the streets and highways or else-



SEC. 15. The act incorporating said company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

SEC. 16. This act shall take effect upon its passage.





SUBSTITUTE "A" *H*  
7 H. 745  
N ACT

MENT OF AN ACT EN-  
AN ACT TO INCORPORATE  
AGANSETT ELECTRIC LIGHT-  
ANY" PASSED AT THE MAY  
OF THE GENERAL ASSEMBLY  
84 AND THE SEVERAL ACTS  
MENT THEREOF AND RELAT-  
ETO.

OF REPRESENTATIVE  
*Frank R. [illegible]*  
1927  
ON CORPORA-  
COMMENDS PASSAGE OF  
ACT  
*Frank R. [illegible]*  
FOR THE COMMITTEE

OF REPRESENTATIVES  
APR 15 1927  
Ordered to be placed upon the  
CALENDAR.  
*Clark*

OF REPRESENTATIVES.  
APR 16 1927  
AND PASSED.  
*John E. [illegible]*  
*Clark*

IN THE SENATE APR 8 1927  
*Francis J. Brady* Clerk.

IN THE SENATE APR 14 1927  
Ordered to be placed  
upon the Calendar  
*Francis J. Brady* Clerk.

IN THE SENATE APR 20 1927  
Read and passed in  
concurrence and ord-  
ered transmitted to His  
Excellency, the Governor  
*Francis J. Brady* Clerk.

IN SENATE  
APR 20 1927  
TRANSMITTED TO THE  
GOVERNOR  
*Emmet L. Sprague*  
Secretary of State.

EXECUTIVE DEPARTMENT,  
Received APR 20 1927  
APPROVED  
*[Signature]*  
GOVERNOR.

IN SENATE *APR 14 1927*  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE OF THE  
WITHIN 20 in *Concurrence*  
FOR THE COMMITTEE.

*Arthur L. Sprague*





## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1927.

## AN ACT 745

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE THE NARRAGANSETT ELECTRIC LIGHTING COMPANY" PASSED AT THE MAY SESSION OF THE GENERAL ASSEMBLY A. D. 1884 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Lighting Company (hereinafter called "said company") a corporation created by an act of the general assembly passed at its May session A. D. 1884, is hereby authorized and empowered to acquire by condemnation from time to time such lands and such interests, estates and rights in lands as said company may from time to time take in the manner hereinafter provided, for the erection, construction, extension or installation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, installation and maintenance of such poles, wires, conduits and other appurtenances and appliances as may be suitable or convenient for such line or lines; provided that said company, except in such reasonable locations as may be approved by the city council by the City of Providence, shall not exercise the right of condemnation conferred upon it by the provisions of this act within the limits of the city of Providence nor take under said provisions any lands or any interests, estates or rights in any lands that shall have been acquired by the city of Providence for municipal or public purposes; and provided further that said company shall not take any lands or any interests, estates or rights in any lands that shall have been acquired by any other city or town for municipal or public purposes, except in such reasonable locations as may be approved by the city council or town council of said city or town, respectively; and provided further that

said company shall not, under the provisions of this act, take any water power or water rights, nor shall it take any lands or any interests, estates or rights in any lands after the expiration of ten years from the date of the passage of this act.

Sec. 2. Whenever said company desires to take any land or any interest, estate or right therein under the provisions of this act, it shall file in the superior court of the State of Rhode Island for the County of Providence a certificate containing a general description thereof and a list of the owners thereof and persons interested therein so far as the same may be known to said company; said certificate shall be accompanied by a plat showing the location of such land and shall contain a notice that said company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in the land or any interest, estate or right therein taken in the proceedings commenced by the filing of such certificate. Said company shall also furnish a copy of said certificate and plat to the commissioners hereinafter referred to, to be filed by said commissioners as hereinafter provided in the land records of the town or city where such land is located.

Sec. 3. Upon the filing of such certificate and plat in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land in said certificate described may appear before said court and be heard with reference to the necessity of the taking of such land, or interest, estate or right therein, the security to be given by said company for damages and costs and the appointment of commissioners to appraise the damages sustained by the owner or owners by such taking; and said court shall direct notice of said order to be served on the person or persons, corporation or corporations owning or interested in said land and said company at least ten days prior to said hearing, which notice shall be



served in the same manner as writs of summons issued out of the superior court are required to be served, or if the owner or owners be unknown or non-residents of this state, such notice shall be published in such newspaper or newspapers and for a like period or for such longer period, as the court may direct; and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court.

Sec. 4. At the time and place mentioned in said notice, or at any adjournment therefrom ordered by the court, the court, after hearing the parties interested, including said company, who may appear and desire to be heard, shall first determine whether the land or such interest, estate or right therein in said certificate described is necessary or convenient to said company for its said corporate purposes; and if the court shall determine that such land or such interest, estate or right therein is necessary or convenient to said company for its said corporate purposes, said court shall proceed by its decree to fix and determine the security to be given by said company for the payment of costs and damages and to appoint three disinterested persons as commissioners to appraise the damages sustained by the owner or owners of the land or interest, estate or right therein described in said certificate, by reason of the taking thereof. After entry of such decree as soon as said company shall have given the security fixed therein, title to said land, interest, estate or right shall vest in said company and said company may forthwith enter upon, take possession of and use the same. Any vacancies in said commission which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said company) and upon such notice as said court may direct.

Sec. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge



thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to all persons interested to file their claims, if any they have, which have not been released to said company, with the clerk of said court within sixty days from the date of said notice and shall file said copy of said certificate and plat and a certified copy of said decree in the land records of the town or city where such land is located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons interested, as to the damages by them sustained, at which hearing said company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week for at least three weeks prior to the date of such meeting, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear the parties interested, including said company, with their allegations and proofs and may examine the premises; and shall make a just appraisal of the damages sustained by the owner or owners of said land, interest, estate or right taken as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them to said court, with their fees marked thereon. The owner or owners of any land not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

Sec. 6. Upon the receipt of any report of said commissioners the clerk of said court shall open the same, and shall give public



notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been received and opened and that the same may be examined by any party interested therein; and either said company, or any other party aggrieved by any award of damages made by the said commissioners, or refusal of award by said commissioners, may claim a jury trial upon any item of damages thereby awarded or refused, and may file a claim for such trial with the clerk of said court at any time within two months from the opening of such report. And such claim shall stand for trial by jury, upon proper issues based upon such claim, as other civil cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause. But if the party claiming such jury trial shall not therein obtain an award more favorable to such party than that given by the commissioners, such party shall pay costs to the adverse party unless otherwise ordered by said court; and if any party claiming such jury trial shall obtain therein an award more favorable than that given by the commissioners, such party shall recover his, her or its costs from the adverse party.

Sec. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said report as confirmed shall issue against said company as upon a judgment, in due course of law.

Sec. 8. Said company may abandon any lands or any interest, estate or right therein, taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided for are pending,

at any time before the confirmation of the report of the commissioners appointed to assess damages; and if said company shall not have entered upon, taken possession, or used the lands so abandoned or such interest, estate or right therein, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the lands or such interest, estate or right therein so abandoned shall cease, and said company shall pay to any person interested in the property so abandoned, all of his costs and reasonable expenses, if any, incurred in prosecuting for damages for the taking of such lands or interest, estate or right therein up to the time of such abandonment, which costs shall be taxed by the clerk. If said company shall have entered upon, taken possession of, or used the lands or such interest, estate or right therein so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before the commissioners or a jury, then upon such abandonment, said company shall have the right to give such abandonment in evidence in diminution of damages, paying the costs if the question of damages is pending upon the claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said company shall have the right to a revision of the assessment and to a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered, with the right of any person interested to claim a jury trial as in the case of the original assessment.

Sec. 9. When the lands or any interest, estate or right therein in which any infant or other person not capable in law to act in his own behalf or unascertained or not in being is interested, are taken by said company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian ad litem for such infant or other person; and such guardian



may appear and be heard in behalf of such infant or other person at any stage of the proceedings. And such guardian may also, with the advice and consent of the court appointing him, release to said company all claims for damages for the lands of such infant or other person, or for any interest, estate or right therein, so taken. And if there shall be any dispute as to the title of any lands or interests, estates or rights therein taken under the provisions of this act, or as to the persons entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is unascertained or not in being, said company may pay such damages into the registry of the court before which such proceedings are pending.

Sec. 10. Any court in which any proceedings under this act shall be pending may, from time to time, order such other and further notices to be given, in addition to those hereinbefore prescribed, and may make such other orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the parties interested in such proceedings. And any proceedings taken under this act may be amended or corrected at any stage, and the time may be extended in which persons interested may file their claims, upon such terms and notice, if any, as said court may prescribe.

Sec. 11. Nothing in this act shall authorize said company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such other public service company. If said company and any such railroad, street railway or other public

service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the public utilities commission for a determination thereof, and, after hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said commission. Either party aggrieved by such order of said commission may appeal to the supreme court in the manner provided by section 34 of the public utilities act. Said company shall be liable to any such railroad, street railway or other public service company for such damages and reasonable expense as may result to it by reason of any line or lines of said company crossing such railroad, street railway or other public service company's land, location or right of way.

Sec. 12. The commissioners appointed as hereinbefore provided shall each receive such compensation for their services as shall be fixed by said court which shall be paid by said company and all the costs of any and all hearings before such commissioners, including the cost of counsel for the owners of lands or interests, estates or rights therein taken under the provisions of this act, to be approved by said superior court and of attendance of the parties, shall be paid by said company.

Sec. 13. Said company may convey any property or any interest, estate or right therein taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land or such interest, estate or right thereunder for the purposes for which the same were taken or may agree to use said land or interest, estate or right thereunder for any such corporation, company or association for the purposes for which the same were taken.



Sec. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act; and said public utilities commission shall have continuing control over said company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said company now operates or may hereafter operate in the streets and highways or elsewhere, under any other authority.

Sec. 15. The act incorporating said company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

Sec. 16. This act shall take effect upon its passage.

# AN ACT

H. 745

AN AMENDMENT OF AN ACT ENTITLED  
AN ACT TO INCORPORATE THE  
NARRAGANSETT ELECTRIC LIGHTING  
COMPANY" PASSED AT THE MAY  
SESSION OF THE GENERAL ASSEMBLY  
A. D. 1894 AND THE SEVERAL ACTS  
IN AMENDMENT THEREOF AND RELATING  
THERE TO.

IN HOUSE OF REPRESENTATIVES

APR --7 1927

Ordered to be indefinitely Postponed.

*James M. Gaudin*

Signed by

*Samuel H. McLaughlin*

IN HOUSE OF REPRESENTATIVES

MAR -1 1927

REFERRED TO COMMITTEE ON  
CORPORATIONS

*Samuel H. McLaughlin*

IN HOUSE OF REPRESENTATIVE

MARCH 30 1927

COMMITTEE ON CORPORATIONS  
RECOMMENDS THE WITHIN ACT

*Samuel H. McLaughlin*

IN HOUSE OF REPRESENTATIVES

MAR 30 1927

REFERRED TO COMMITTEE ON  
CORPORATIONS

*Samuel H. McLaughlin*

IN HOUSE OF REPRESENTATIVE

APRIL 12 1927

COMMITTEE ON CORPORATIONS  
RECOMMENDS INDEFINITE  
POSTPONEMENT OF THE WITHIN  
ACT AND THE PASSED OF SUB-  
STITUTE A

*Samuel H. McLaughlin*

IN HOUSE OF REPRESENTATIVES

MAR -7 1927

READ AND PASSED.

*Samuel H. McLaughlin*



*To the Honorable General Assembly of the State of Rhode Island, &c.,*

*at its.....January.....Session, A. D. 1927.*

The undersigned respectfully represent that they desire that the act entitled " An act to incorporate ~~The~~ Narragansett Electric Lighting Company."

passed at the.....May.....session of the General Assembly, A. D. 1884, and the several acts in amendment thereof and relating thereto may be so amended as to provide that said ~~The~~ Narragansett Electric Lighting Company may exercise rights of condemnation and other rights in the manner and according to the procedure provided in, and

in conformity with the accompanying bill.

Wherefore, they pray your honorable body to grant their request amending their said charter, and as in duty bound will ever pray.

Narragansett Electric Lighting Co.  
*C. A. Barrett*  
President.



THE CHARTER OF  
The  
Narragansett Electric Light-  
ing Company

OR AMENDMENT OF "An act to incor-  
porate The Narragansett Elec-  
tric Lighting Company" passed  
at the May session of the  
General Assembly, A.D. 1884  
and the several acts in amend-  
ment thereof and relating thereto  
PRESENTED BY



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1937, Vol. 103 #25**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC  
POWER COMPANY," PASSED AT THE JANUARY SESSION OF THE GENERAL ASSEMBLY, A.D.  
1926 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

\*\*\*\*\*

  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

855

# State of Rhode Island, &c.

No. 25.

IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1937

*approved  
April 22, 1937*

## AN ACT

IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY" PASSED AT THE JANUARY SESSION OF THE GENERAL ASSEMBLY A. D. 1926 AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

### *It is enacted by the General Assembly as follows:*

SECTION 1. The Narragansett Electric Company (hereinafter called "said company") a corporation created by an act of the General Assembly passed at its January Session A. D. 1926 under the name of United Electric Power Company (which name was changed by authority of an act in amendment of said act passed at the January Session A. D. 1927) is hereby authorized and empowered to acquire by condemnation from time to time such lands and such interests, estates and rights in lands as said company may from time to time take in the manner hereinafter provided, for the erection, construction, extension or installation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, installation and maintenance of such poles, wires, conduits and other appurtenances and appliances as may be suitable or convenient for such line or lines provided that nothing in this act shall authorize said company to acquire or take under the provisions of this act any water power or water rights, or to acquire or take any portion of any public street or highway of any town or city or any lands or interests, estates or rights in lands that shall have been acquired by any town or city for municipal or public purposes except in either case in reasonable locations to be approved by the town council or city council of said town or city, respectively; or to take under the provisions of this act any lands, interests, estates or rights in lands in any town or city except in reasonable locations to be approved by the town council or city council of such town or city, respectively; or to take any lands or any interests, estates or rights in lands after the



expiration of ten years from the date of the passage of this act; nor shall it exercise any right of condemnation within the limits of the city of Newport or of the towns of Jamestown, Middletown or Portsmouth.

SEC. 2. Whenever said company desires to take any land or any interest, estate or right therein under the provisions of this act, it shall file in the superior court of the State of Rhode Island for the County of Providence a certificate containing a general description thereof and a list of the owners thereof and persons interested therein so far as the same may be known to said company; said certificate shall be accompanied by a plat showing the location of such land and shall contain a notice that said company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in the land or any interest, estate or right therein taken in the proceedings commenced by the filing of such certificate. Said company shall also furnish a copy of said certificate and plat to the commissioners hereinafter referred to, to be filed by said commissioners as hereinafter provided in the land records of the town or city where such land is located.

SEC. 3. Upon the filing of such certificate and plat in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land in said certificate described may appear before said court and be heard with reference to the necessity of the taking of such land, or interest, estate or right therein, the security to be given by said company for damages and costs and the appointment of commissioners to appraise the damages sustained by the owner or owners by such taking; and said court shall direct notice of said order to be served on the person or persons, corporation or corporations owning or interested in said land and said company at least ten days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of the superior court are required to be served, or if the owner or owners be unknown or non-residents of this state, such notice shall be published in such newspaper or newspapers and for a like period or

for such longer period, as the court may direct; and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court.

SEC. 4. At the time and place mentioned in said notice, or at any adjournment therefrom ordered by the court, the court, after hearing the parties interested, including said company, who may appear and desire to be heard, shall first determine whether the land or such interest, estate or right therein in said certificate described is necessary or convenient to said company for its said corporate purposes; and if the court shall determine that such land or such interest, estate or right therein is necessary or convenient to said company for its said corporate purposes, said court shall proceed by its decree to fix and determine the security to be given by said company for the payment of costs and damages and to appoint three disinterested persons as commissioners to appraise the damages sustained by the owner or owners of the land or interest, estate or right therein described in said certificate, by reason of the taking thereof. After entry of such decree as soon as said company shall have given the security fixed therein, title to said land, interest, estate or right shall vest in said company and said company may forthwith enter upon, take possession of and use the same. Any vacancies in said commission which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said company) and upon such notice as said court may direct.

SEC. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to all persons interested to file their claims, if any they have, which have not been released to said company, with the clerk of said court within sixty days from the date of said notice and shall file said copy of said

certificate and plat and a certified copy of said decree in the land records of the town or city where such land is located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons interested, as to the damages by them sustained, at which hearing said company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week for at least three weeks prior to the date of such meeting, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear the parties interested, including said company, with their allegations and proofs and may examine the premises; and shall make a just appraisal of the damages sustained by the owner or owners of said land, interest, estate or right taken as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them, to said court, with their fees marked thereon. The owner or owners of any land not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

SEC. 6. Upon the receipt of any report of said commissioners, the clerk of said court shall open the same, and shall give public notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been received and opened and that the same may be examined by any party interested therein; and either said company, or any other party aggrieved by any award of damages made by the said commissioners, or refusal of award by said commissioners, may claim a jury trial upon any item of damages thereby awarded or refused, and may file a claim for such trial with



the clerk of said court at any time within two months from the opening of such report. And such claim shall stand for trial by jury, upon proper issues based upon such claim, as other civil cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause. But if the party claiming such jury trial shall not therein obtain an award more favorable to such party than that given by the commissioners, such party shall pay costs to the adverse party unless otherwise ordered by said court; and if any party claiming such jury trial shall obtain therein an award more favorable than that given by the commissioners, such party shall recover his, her or its costs from the adverse party.

SEC. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said report as confirmed shall issue against said company as upon a judgment, in due course of law.

SEC. 8. Said company may abandon any lands or any interest, estate or right therein, taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided for are pending, at any time before the confirmation of the report of the commissioners appointed to assess damages; and if said company shall not have entered upon, taken possession, or used the lands so abandoned or such interest, estate or right therein, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the lands or such interest, estate or right therein so abandoned shall cease, and said company shall pay to any person interested in the property so abandoned, all of his costs and reasonable expenses, if any, incurred in prosecuting for damages for the taking of such lands or interest, estate or right therein up to the time of such abandonment, which costs shall be taxed by the clerk. If said

company shall have entered upon, taken possession of, or used the lands or such interest, estate or right therein so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before the commissioners or a jury, then upon such abandonment, said company shall have the right to give such abandonment in evidence in diminution of damages, paying the costs if the question of damages is pending upon the claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said company shall have the right to a revision of the assessment and a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered, with the right of any person interested to claim a jury trial as in the case of the original assessment.

SEC. 9. When the lands or any interest, estate or right therein in which any infant or other person not capable in law to act in his own behalf or unascertained or not in being is interested, are taken by said company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian ad litem for such infant or other person; and such guardian may appear and be heard in behalf of such infant or other person at any stage of the proceedings. And such guardian may also, with the advice and consent of the court appointing him, release to said company all claims for damages for the lands of such infant or other person, or for any interest, estate or right therein, so taken. And if there shall be any dispute as to the title of any lands or interests, estate or rights therein taken under the provisions of this act, or as to the persons entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is unascertained or not in being, said company may pay such damages into the registry of the court before which such proceedings are pending.

SEC. 10. Any court in which any proceedings under this act shall be pending may, from time to time, order such other and further

notices to be given, in addition to those hereinbefore prescribed, and, may make such other orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the parties interested in such proceedings. And any proceedings taken under this act may be amended or corrected at any stage, and the time may be extended in which persons interested may file their claims, upon such terms and notice, if any, as said court may prescribe.

SEC. 11. Nothing in this act shall authorize said company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such other public service company. If said company and any such railroad, street railway or other public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the Division of Public Utilities within the Department of Revenue and Regulation for a determination thereof, and, after hearing, such crossing or such transmission line shall be constructed, maintained and operated in such method and manner as may be ordered by said Division of Public Utilities. Either party aggrieved by such order of said Division of Public Utilities may appeal to the supreme court in the manner provided by section 34 of the public utilities act. Said company shall be liable to any such railroad, street railway or other public service company for such damages and reasonable expense as may result to it by reason of any line or lines of said company crossing such railroad, street railway or other public service company's land, location or right of way.

SEC. 12. The commissioners appointed as hereinbefore provided shall each receive such compensation for their services as shall be



fixed by said court which shall be paid by said company and all the costs of any and all hearings before such commissioners, including the cost of counsel for the owners of lands or interests, estates or rights therein taken under the provisions of this act, to be approved by said superior court and of attendance of the parties, shall be paid by said company.

SEC. 13. Said company may convey any property or any interest, estate or right therein taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land or such interest, estate or right thereunder for the purposes for which the same were taken or may agree to use said land or interest, estate or right thereunder for any such corporation, company or association for the purposes for which the same were taken.

SEC. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act; and said Division of Public Utilities shall have continuing control over said company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said company now operates or may hereafter operate in the streets and highways or elsewhere, under any other authority.

SEC. 15. The act incorporating said company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

SEC. 16. This act shall take effect upon its passage.

HOUSE OF REPRESENTATIVE  
APR 8 1937  
COMMITTEE ON CORPORATIONS  
RECOMMENDS PASSAGE  
WITHIN ACT.  
*John F. Clastrie*

HOUSE OF REPRESENTATIVES  
APR 8 1937  
COMMITTEE ON CORPORATIONS  
FOR THE COMMITTEE.  
*P. Sullivan* Clerk.

HOUSE OF REPRESENTATIVE  
APR 22 1937  
COMMITTEE ON CORPORATIONS  
RECOMMENDS PASSAGE OF  
WITHIN ACT.  
*John F. Clastrie*  
FOR THE COMMITTEE.

HOUSE OF REPRESENTATIVES  
APR 22 1937  
Ordered and placed upon the  
CALENDAR.  
*John F. Clastrie* Clerk.

S. X H. 855

# AN ACT

IN AMENDMENT OF AN ACT ENTITLED "AN  
ACT TO INCORPORATE UNITED ELECTRIC  
POWER COMPANY" PASSED AT THE JANUARY  
SESSION OF THE GENERAL ASSEMBLY A. D.  
1926 AND THE SEVERAL ACTS IN AMENDMENT  
THEREOF AND RELATING THERETO

Presented by

*James H. Keirnan*  
and  
*John Clastrie*

IN HOUSE OF REPRESENTATIVES  
MAR 24 1937  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
*John F. Clastrie*  
Clerk.

IN HOUSE OF REPRESENTATIVES.  
APR 23 1937  
READ AND PASSED.  
*Henry P. Sullivan* Clerk.

IN THE SENATE APR 24 1937  
Read and passed in  
concurrence  
*Raymond H. Brennan* Clerk.

EXECUTIVE DEPARTMENT,  
Received April 26 1937  
APPROVED  
APR 27 1937  
*Robert C. Keirnan*  
GOVERNOR.



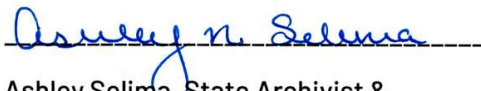
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1947, Vol. 111 #27**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC  
POWER COMPANY," PASSED AT THE JANUARY SESSION A.D. 1926, AND THE SEVERAL ACTS IN  
AMENDMENT THEREOF AND RELATING THERETO.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)



# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

74

JANUARY SESSION, A. D. 19 47.

### AN ACT

IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY," PASSED AT THE JANUARY SESSION, 1926 ,AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

SECTION 1. The Narragansett Electric Company (hereinafter called "said company") a corporation created by an act of the general assembly passed at its January session A. D. 1926 under the name of United Electric Power Company (which name was changed by authority of an act in amendment of said act passed at the January session A. D. 1927) is hereby authorized and empowered to acquire by condemnation from time to time such lands and such interests, estates and rights in lands as said company may from time to time take in the manner hereinafter provided, for the erection, construction, extension or installation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, installation and maintenance of such poles, wires, conduits and other appurtenances and appliances as may be suitable or convenient for such line or lines, provided that nothing in this act shall authorize said company to acquire or take under the provisions of this act any water power or water rights, or to acquire or take any portion of any public street or highway of any town or city or any lands or interests, estates or rights in lands that shall have been acquired by any town or city for municipal or public purposes except in either case in reasonable locations to be approved by the town council or city council of said town or city, respectively; or to take under the provisions of this act any lands, interests, estates or rights in lands in any town or city except in reasonable locations to be approved by the town council or city council of such town or city, respectively; or to take any lands or any interests, estates or rights in lands after the expiration of ten years from the date of the passage of this act; nor shall it exercise

the towns of Jamestown, Middletown or Portsmouth.

SEC. 2. Whenever said company desires to take any land or any interest, estate or right therein under the provisions of this act, it shall file in the superior court of the state of Rhode Island for the county of Providence a certificate containing a general description thereof and a list of the owners thereof and persons interested therein so far as the same may be known to said company; said certificate shall be accompanied by a plat showing the location of such land and shall contain a notice that said company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in the land or any interest, estate or right therein taken in the proceedings commenced by the filing of such certificate. Said company shall also furnish a copy of said certificate and plat to the commissioners hereinafter referred to, to be filed by said commissioners as hereinafter provided in the land records of the town or city where such land is located.

SEC. 3. Upon the filing of such certificate and plat in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land in said certificate described may appear before said court and be heard with reference to the necessity of the taking of such land, or interest, estate or right therein, the security to be given by said company for damages and costs and the appointment of commissioners to appraise the damages sustained by the owner or owners by such taking; and said court shall direct notice of said order to be served on the person or persons, corporation or corporations owning or interested in said land and said company at least ten days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of the superior court are required to be served, or if the owner or owners be unknown or non-residents of this state, such notice shall be published in such newspaper or newspapers and for a

like period or for such longer period, as the court may direct; and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court.

SEC. 4. At the time and place mentioned in said notice, or at any adjournment therefrom ordered by the court, the court, after hearing the parties interested, including said company, who may appear and desire to be heard, shall first determine whether the land or such interest, estate or right therein in said certificate described is necessary or convenient to said company for its said corporate purposes; and if the court shall determine that such land or such interest, estate or right therein is necessary or convenient to said company for its said corporate purposes, said court shall proceed by its decree to fix and determine the security to be given by said company for the payment of costs and damages and to appoint three disinterested persons as commissioners to appraise the damages sustained by the owner or owners of the land or interest, estate or right therein described in said certificate, by reason of the taking thereof. After entry of such decree as soon as said company shall have given the security fixed therein, title to said land, interest, estate or right shall vest in said company and said company may forthwith enter upon, take possession of and use the same. Any vacancies in said commission which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said company) and upon such notice as said court may direct.

SEC. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to all persons interested to file their claims, if any they have, which have not been released to said company, with the clerk of said court within sixty days from the date of said



notice and shall file said copy of said certificate and plat and a certified copy of said decree in the land records of the town or city where such land is located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons interested, as to the damages by them sustained, at which hearing said company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week for at least three weeks prior to the date of such meeting, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear the parties interested, including said company, with their allegations and proofs and may examine the premises; and shall make a just appraisal of the damages sustained by the owner or owners of said land, interest, estate or right taken as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them, to said court, with their fees marked thereon. The owner or owners of any land not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

SEC. 6. Upon the receipt of any report of said commissioners, the clerk of said court shall open the same, and shall give public notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been received and opened and that the same may be examined by any party interested therein; and either said company, or any other party aggrieved by any award of damages made by the said commissioners, or refusal of award by said commissioners, may claim a jury trial upon any item of damages thereby awarded or refused,

and may file a claim for such trial with the clerk of said court at any time within two months from the opening of such report. And such claim shall stand for trial by jury, upon proper issues based upon such claim, as other civil cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause. But if the party claiming such jury trial shall not therein obtain an award more favorable to such party than that given by the commissioners, such party shall pay costs to the adverse party unless otherwise ordered by said court; and if any party claiming such jury trial shall obtain therein an award more favorable than that given by the commissioners, such party shall recover his, her or its costs from the adverse party.

SEC. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said report as confirmed shall issue against said company as upon a judgment, in due course of law.

SEC. 8. Said company may abandon any lands or any interest, estate or right therein, taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided for are pending, at any time before the confirmation of the report of the commissioners appointed to assess damages; and if said company shall not have entered upon, taken possession, or used the lands so abandoned or such interest, estate or right therein, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the lands or such interest, estate or right therein so abandoned shall cease, and said company shall pay to any person interested in the property so abandoned, all of his costs and reasonable expenses, if any, incurred in prosecuting for damages for the taking of such lands or interest, estate or right therein up to the time of such

abandonment, which costs shall be taxed by the clerk. If said company shall have entered upon, taken possession of, or used the lands or such interest, estate or right therein so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before the commissioners or a jury, then upon such abandonment, said company shall have the right to give such abandonment in evidence in diminution of damages, paying the costs if the question of damages is pending upon the claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said company shall have the right to a revision of the assessment and a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered, with the right of any person interested to claim a jury trial as in the case of the original assessment.

SEC. 9. When the lands or any interest, estate or right therein in which any infant or other person not capable in law to act in his own behalf or unascertained or not in being is interested, are taken by said company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian ad litem for such infant or other person; and such guardian may appear and be heard in behalf of such infant or other person at any stage of the proceedings. And such guardian may also, with the advice and consent of the court appointing him, release to said company all claims for damages for the lands of such infant or other person, or for any interest, estate or right therein, so taken. And if there shall be any dispute as to the title of any lands or interests, estate or rights therein taken under the provisions of this act, or as to the persons entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is unascertained or not in being, said company may pay such damages into the registry of the court before which such proceedings are pending.

SEC. 10. Any court in which any proceedings under this act shall be



pending may, from time to time, order such other and further notices to be given, in addition to those hereinbefore prescribed, and, may make such other orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the parties interested in such proceedings. And any proceedings taken under this act may be amended or corrected at any stage, and the time may be extended in which persons interested may file their claims, upon such terms and notice, if any, as said court may prescribe.

SEC. 11. Nothing in this act shall authorize said company to condemn any portion of the land, location or right of way of any railroad, street railway or other public service company, except for the purpose of crossing the same either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such other public service company. If said company and any such railroad, street railway or other public service company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the public utility administrator within the department of business regulation for a determination thereof, and, after hearing, such crossing of such transmission line shall be constructed, maintained and operated in such method and manner as may be ordered by said public utility administrator. Either party aggrieved by such order of such public utility administrator may appeal therefrom in the manner which is or shall be provided by law for such an appeal. Said company shall be liable to any such railroad, street railway or other public service company for such damages and reasonable expense as may result to it by reason of any line or lines of said company crossing such railroad, street railway or other public service company's land, location or right of way.

SEC. 12. The commissioners appointed as hereinbefore provided shall

each receive such compensation for their services as shall be fixed by said court which shall be paid by said company and all the costs of any and all hearings before such commissioners, including the cost of counsel for the owners of lands or interests, estates or rights therein taken under the provisions of this act, to be approved by said superior court and of attendance of the parties, shall be paid by said company.

SEC. 13. Said company may convey any property or any interest, estate or right therein taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land or such interest, estate or right thereunder for the purposes for which the same were taken or may agree to use said land or interest, estate or right thereunder for any such corporation, company or association for the purposes for which the same were taken.

SEC. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act or any related acts now in force; and said public utility administrator shall have continuing control over said company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said company now operates or may hereafter operate in the streets and highways or elsewhere, under any other authority.

SEC. 15. The act incorporating said company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

SEC. 16. This act shall take effect upon its passage.

DATE FEB 14 1947

and referred to  
committee on  
CORPORATIONS

C. McOsher Clerk

PR - 2 1947

ITTEE ON CORPORATIONS  
THE RECORD  
BILL TO THE SENATE CO-  
CORPORATIONS

FOR THE COMMITTEE

DATE APR 2 1947

RECOMMENDED  
committee  
CORPORATIONS

C. McOsher Clerk

4/16/47

ITTEE ON CORPORATIONS  
THE PASSAGE  
OF THE WITHIN BE

TING SUSPENDED

NG SUSPENDED

FOR THE COMMITTEE

S. 74

## AN ACT

IN AMENDMENT OF AN ACT, ENTITLED  
"AN ACT TO INCORPORATE UNITED  
ELECTRIC POWER COMPANY," PASSED  
AT THE JANUARY SESSION, 1926,  
AND THE SEVERAL ACTS IN AMENDMENT  
THEREOF AND RELATING THERETO.

*Harold Peckham*  
Presented by  
*North Kingstown*  
*By Request*

IN THE SENATE APR 16 1947

Ordered to be placed  
upon the Calendar

*John C. McOsher* Clerk

IN THE SENATE APR 17 1947

Read and passed under  
suspension of the rules

*John C. McOsher* Clerk

IN HOUSE OF REPRESENTATIVES  
APR 18 1947  
REFERRED TO COMMITTEE ON  
CORPORATIONS

IN HOUSE OF REPRESENTATIVES

APR 24 1947

THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE  
OF THE WITHIN BILL

*August B. France*

IN HOUSE OF REPRESENTATIVES

APR 25 1947

Read and Passed in Concurrence

*Henry R. Sullivan*

IN HOUSE OF REPRESENTATIVES

MAY 28 1947

TRANSMITTED TO THE  
GOVERNOR,

*Raymond F. Wadsworth*  
Recording Clerk

EXECUTIVE DEPARTMENT,  
Received MAY 28 1947

APPROVED

JUN 3 1947

*John D. Foster*  
GOVERNOR





State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1947, Vol.111 #34**

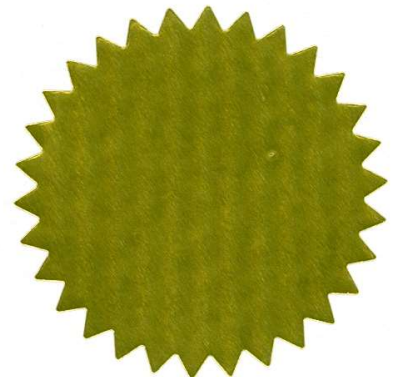
AN ACT TO ENABLE THE NARRAGANSETT ELECTRIC COMPANY TO BUILD AND MAINTAIN A  
STRUCTURE OVER AND ACROSS POINT STREET AND OVER AND ACROSS SOUTH STREET, IN  
THE CITY OF PROVIDENCE

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\_\_\_\_\_  
Ashley Selima, State Archivist &

Public Records Administrator

March 27, 2023



7-10-24  
**State of Rhode Island, &c.**

**IN GENERAL ASSEMBLY**

218

JANUARY SESSION, A. D. 19 47

**AN ACT**

TO ENABLE THE NARRAGANSETT ELECTRIC COMPANY TO BUILD AND  
MAINTAIN A STRUCTURE OVER AND ACROSS POINT STREET AND OVER  
AND ACROSS SOUTH STREET, IN THE CITY OF PROVIDENCE.

*It is enacted by the General Assembly as follows:*

SECTION 1. The Narragansett Electric Company, a corporation organized and existing under the laws of the state of Rhode Island, is hereby authorized and empowered, with the consent of and upon such terms and conditions as may be prescribed by the city council of the city of Providence, to build and maintain a structure of one or more decks over and across Point street and over and across South street, in said city of Providence, at a location substantially parallel to and within 50 feet of the westerly harbor line of the Providence river, to be used for the purpose of conveying fuel between land and structures owned by said Narragansett Electric Company located south of the aforesaid streets and land and structures located north of said streets; provided, however, that every part of said structure over either of said streets shall be at least 20 feet above the surface thereof.

SEC. 2. This act shall take effect upon its passage and all acts and parts of acts inconsistent herewith are hereby repealed.

THE SENATE MAR 19 1947

Read and passed under  
suspension of the rules

*John C. McPherson* Clerk

HOUSE OF REPRESENTATIVES  
MAR 20 1947

REFERRED TO COMMITTEE ON  
CORPORATIONS

*Henry F. Sullivan*

HOUSE OF REPRESENTATIVES  
APR 25 1947

THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE

OF THE WITHIN BILL

*Ernest D. Fennera*  
FOR THE COMMITTEE

HOUSE OF REPRESENTATIVES  
APR 25 1947

*Henry F. Sullivan*

Clarks

S.

248

*Passed*

H.

## AN ACT

TO ENABLE THE NARRAGANSETT  
ELECTRIC COMPANY TO BUILD AND  
MAINTAIN A STRUCTURE OVER AND  
ACROSS POINT STREET AND OVER  
AND ACROSS SOUTH STREET, IN  
THE CITY OF PROVIDENCE.

Presented by

*Sy. Raymond G. McCabe*

MAY 27 1947

*Henry F. Sullivan*

IN HOUSE OF REPRESENTATIVES.

MAY 28 1947

TRANSMITTED TO THE  
GOVERNOR.

*Raymond F. Madison*  
Recording Clerk

EXECUTIVE DEPARTMENT,  
Received MAY 28 1947

APPROVED

JUN 3 1947

*John C. McPherson*  
GOVERNOR.






State of Rhode Island  
**Department of State | State Archives Division**  
**Gregg M. Amore, Secretary of State**

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1951, Vol.115 #6**

**AN ACT RELATING TO THE LOCATION BY THE NARRAGANSETT ELECTRIC COMPANY OF  
CERTAIN EQUIPMENT IN SOUTH STREET, IN THE CITY OF PROVIDENCE**

\*\*\*\*\*

  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 19 51

### AN ACT

RELATING TO THE LOCATION BY THE NARRAGANSETT ELECTRIC COMPANY  
OF CERTAIN EQUIPMENT IN SOUTH STREET, IN THE CITY OF PROVIDENCE .

*It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Company, a corporation organized and existing under the laws of the state of Rhode Island, is hereby authorized and empowered, with the consent of and upon such terms and conditions as may be prescribed by the city council of the city of Providence, to build, maintain and operate in and on South Street, in said city of Providence, pipes, screens, pumps, fixtures and other structures and apparatus for receiving and taking from and for discharging into the Providence River condenser cooling or circulating water for use in its generating station abutting on said South Street; and for other purposes incident to the generation of electricity in said generating station.

Sec. 2. This act shall take effect upon its passage and all acts and parts of acts inconsistent herewith are hereby repealed.

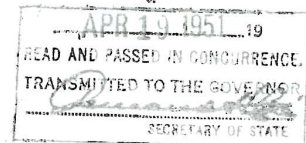
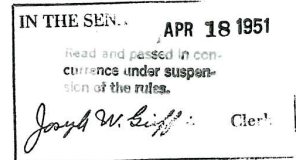
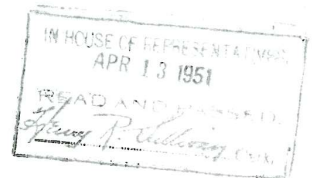
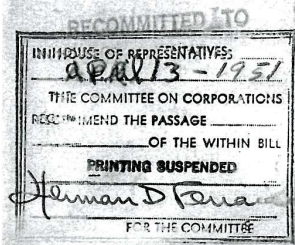
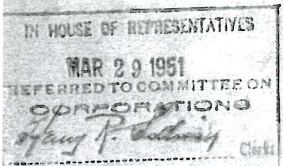
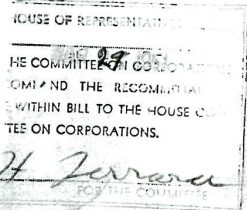
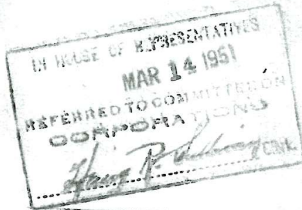
S. ☒ *Passed* 821 H. ☒

## AN ACT

RELATING TO THE LOCATION BY THE  
NARRAGANSETT ELECTRIC COMPANY  
OF CERTAIN EQUIPMENT IN SOUTH  
STREET, IN THE CITY OF PROVIDENCE.

Presented by

*Herman D. Ferrara*







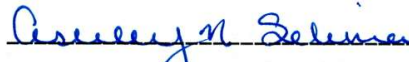
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1956, Vol. 120 #75**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCOPORATE UNITED ELECTRIC  
POWER COMPANY," PASSED AT THE JANUARY SESSION, A.D. 1926, AND THE SEVERAL ACTS  
IN AMENDMENT THEREOF AND RELATING THERETO.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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# State of Rhode Island, &c.

400

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1956

### AN ACT

S - 400

*Adopted March 23, 1956*

IN AMENDMENT OF AN ACT, ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY," PASSED AT THE JANUARY SESSION, 1926, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

#### *It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Company (hereinafter called "said company") a corporation created by an act of the general assembly passed at its January session A. D. 1926 under the name of United Electric Power Company (which name was changed by authority of an act in amendment of said act passed at the January session A. D. 1927) is hereby authorized and empowered to exercise the right of eminent domain for the purpose of taking any lands, estates, interests, easements or rights in or to lands necessary or desirable for the erection, construction, extension or installation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, installation and maintenance of such poles, towers, wires, conduits and other appurtenances and appliances, including buried ground wires, as may be suitable or convenient for such line or lines, in the manner and subject to the conditions hereinafter provided in this act, subject to first obtaining an order from the Public Utility Administrator permitting the filing of a certificate in accordance with Section 2 hereof.

To obtain such an order the corporation shall file with the Public Utility Administrator a statement signed and verified by the President or a Vice President and the Secretary or an Assistant Secretary setting forth the general character of the land, interests

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S. B. — Page 2

in land and other rights over which it desires to exercise said right of eminent domain and the reasons why such taking is necessary or desirable in connection with the conduct of its business and is in the public interest.

It shall be the duty of the Public Utility Administrator to issue such an order forthwith whenever necessary or desirable to enable any such corporation to carry on its business, unless in his opinion such action would be contrary to the public interest, and for the purpose of determining such necessity and such public interest said Public Utility Administrator may hold such hearings, make such inquiries or investigations and examine such witnesses, books, papers, **documents** and contracts as he may deem proper.

Any order issued by the Public Utility Administrator under the provisions of this section shall recite that said company has established at least a prima facie case in favor of the necessity or desirability of the exercise of the right of eminent domain for the purposes of carrying on its business and that in the opinion of the Public Utility Administrator the exercise of such rights, subject to the provisions hereinafter contained, would not be contrary to the public interest. Any refusal of the Public Utility Administrator to issue such an order shall be subject to appeal as provided by law.

Sec. 2. Whenever any corporation shall have obtained from the Public Utility Administrator an order pursuant to the provisions of Section 1 hereof, it may file in the superior court of the State of Rhode Island for the County of Providence a certificate containing a general description of the lands, estates, interests, easements or rights which it desires to take, a general description of the structures, works, excavations and facilities to be constructed, made, operated or enjoyed over, under or across such lands and the privileges and advantages to be exercised and enjoyed in connection with such estates, interests, easements or rights, and a list of the owners of the land in which any estate or interest is to be taken



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and the land over which any easements or rights are to be exercised thereon, and the persons interested therein, so far as the same may be known to said company. Said certificate shall be accompanied by a map or plan showing the location of such lands in which any estates or interests or over which any easements, rights or rights of way are to be taken or exercised, and the location of any easements, rights, rights of way in any land and the location of any structures, works, excavations, facilities or other appliances or appurtenances to be constructed, maintained, altered, used or operated and shall contain a notice that said company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in the lands, estates, interests, easements, rights and rights of way taken in the proceedings commenced by the filing of such certificate. Said corporation shall also file a copy of said certificate and map or plan with the Public Utility Administrator and with the town or city clerk of every town or city in which any of the lands or estates, interests, easements or rights in land to be taken thereunder are located, and shall furnish such copies of said certificate and map or plan to the commissioners hereinafter referred to as may be required by said commissioners for filing as hereinafter provided in the land records of the towns or cities where such land is located.

Sec. 3. Upon the filing of such certificate and plat in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land in said certificate described may appear before said court and be heard with reference to the necessity of the taking of such land, or interest, estate or right therein, the security to be given by said company for damages and costs and the appointment of commissioners to appraise the damages sustained by the owner or owners by such taking; and said court shall direct notice of said

which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said company) and upon such notice as said court may direct.

Sec. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to all persons interested to file their claims, if any they have, which have not been released to said company, with the clerk of said court within sixty days from the date of said notice and shall file said copy of said certificate and said map or plan and a certified copy of said decree in the land records of the town or city where such land is located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons interested as to the damages by them sustained, at which hearing said company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week for at least three weeks prior to the date of such meeting, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear the parties interested, including said company, with their allegations and proofs and may examine the premises; and shall make a just appraisal of the damages sustained by the owner or owners of said lands, estates, interests, easements or right taken as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them, to said court, with their fees marked thereon, which fees, being first allowed by the court, shall be forthwith paid by said company. The owner or owners of any land

not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land taken hereunder.

Sec. 6. Upon the receipt of any report of said commissioners, the clerk of said court shall open the same, and shall give public notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been received and opened and that the same may be examined by any party interested therein; and either said company, or any other party aggrieved by any award of damages made by the said commissioners, or refusal of award by said commissioners, may claim a jury trial upon any item of damages thereby awarded or refused, and may file a claim for such trial with the clerk of said court at any time within two months from the opening of such report. And such claim shall stand for trial by jury, upon proper issues based upon such claim, as other civil cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause, and to prosecute bill of exceptions. But if the party claiming such jury trial shall not therein obtain an award more favorable to such party than that given <sup>by</sup> the commissioners, such party shall pay costs to the adverse party unless otherwise ordered by said court; and if any party claiming such jury trial shall obtain therein an award more favorable than that given by the commissioners, such party shall recover his, her or its costs from the adverse party.

Sec. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said



Senate Bill

Act concerning

Introduced by Senator

District

No.

report as confirmed shall issue against said company as upon a judgment, in due course of law.

Sec. 8. Said company may abandon any lands or any interests or estates therein or any easements or rights taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided are pending, at any time before confirmation of the report of the commissioners appointed to assess damages. If said company shall not have entered upon, taken possession of, or used the lands, easements or rights so abandoned, or any interest or estate therein, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the land, easements or rights or the interests or estates therein, so abandoned shall cease, and said corporation shall pay to any person interested in the property, land, easements or rights, so abandoned all his costs incurred in prosecuting the damages for the taking of such land, easements or rights or estates or interests therein up to the time of such abandonment, which costs shall be taxed by the clerk. If said company shall have entered upon, taken possession of, or used the lands or exercised the easements or rights or any interests or estates therein, so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before commissioners or a jury, then, upon such abandonment, said corporation shall have the right to give such abandonment in evidence in diminution of damages, paying costs, if the question of damages is pending, on claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said company shall have a right to a revision of the assessment and to a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered with right of

any party interested to claim a jury trial as in case of the original assessment.

Sec. 9. When the lands or easements or rights in lands or any interests or estates therein in which any infant or other person not capable in law to act in his own behalf is interested are taken by said company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian ad litem for such infant or other person, and such guardian may appear and be heard in behalf of such infant or other person at any stage of the proceedings; and such guardian may also, with the advice and consent of the court appointing him, release to said company all claims for damages for the lands or for easements or rights in land, of such infant or other person, or for any interests or estates therein, so taken. And if there shall be any dispute as to the title of any lands taken or any lands in which easements or rights are taken, or interests or estates therein under the provisions of this act, or as to the persons entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is uncertain or unknown, said company may pay such damages into the registry of the court before which such proceedings are pending, with the same effect as to the title of said company to such lands, easements, rights, or interests or estates therein as though such damages had been paid to the person or persons entitled to receive the same.

Sec. 10. Any court in which any proceedings under this act shall be pending may from time to time order such other and further notices to be given in addition to those hereinbefore prescribed and may make such further orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the parties interested in

such proceedings. And any proceedings taken under this act may be amended or corrected at any stage of the proceedings and the time may be extended within which persons interested may file their claims, upon such terms and notice, if any, as the court may prescribe.

Sec. 11. Nothing in this act shall authorize said company to condemn any water power or water rights or to acquire or take any portion of any public street or highway of any town or city or any lands or interests, estates or rights in lands that shall have been acquired by any town or city for municipal or public purposes, except in either case in reasonable locations to be approved by the town council or city council of said town or city respectively; nor to exercise any right of condemnation within the limits of the city of Newport or of the towns of Jamestown, Middletown or Portsmouth; nor to take any lands, estates, interests, easements, or rights in or to lands after the expiration of ten years from the date of passage of this act; nor to condemn any portion of the land, location or right of way of any railroad, street railway or other public utility company, except for the purpose of crossing the same, either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such public utility company. If said company and any such railroad, street railway or public utility company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the Public Utility Administrator for a determination thereof, and, after hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said Public Utility Administrator. Either party aggrieved by such order of said Public Utility Administrator may appeal therefrom in the manner provided by law. Said company shall be liable to any such railroad, street railway or public utility company for such damages and reasonable expense as may result to it by reason of any line or lines of



said company crossing such railroad, street railway or public utility company's land, location or right of way.

Sec. 12. The commissioners appointed as hereinbefore provided shall each receive such compensation for their services as shall be fixed by said court which shall be paid by said company and all the costs of any and all hearings before such commissioners, including the cost of counsel for the owners of lands or interests, estates or rights therein taken under the provisions of this act, to be approved by said superior court and of attendance of the parties, shall be paid by said company.

Sec. 13. Said company may convey any property or any interest, estate or right therein taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land or such interest, estate or right thereunder for the purposes for which the same were taken or may agree to use said land or interest, estate or right thereunder for any such corporation, company or association for the purposes for which the same were taken.

Sec. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act or any related acts now in force; and said public utility administrator shall have continuing control over said company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said company now operates or may hereafter operate in the streets and highways or elsewhere, under any other authority.

Sec. 15. The act incorporating said company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

Sec. 16. This act shall take effect upon its passage.

IN THE SENATE MAR 16 1956

Read and referred to  
the Committee on  
CORPORATIONS

*James J. Davis*

Reading  
Clerk

IN SENATE MAR 21 1956  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE  
OF THE WITHIN BILL

PRINTING SUSPENDED

*Sey. P. G. McCabe*  
FOR THE COMMITTEE

IN THE SENATE MAR 21 1956

Read and passed under  
suspension of the rules

*James J. Davis*

Reading  
Clerk

HOUSE OF REPRESENTATIVES

MAR 22 1956

Read and passed in accordance

*James J. Davis*  
Clerk

S. 400

H.

AN ACT

IN AMENDMENT OF AN ACT, ENTITLED  
"AN ACT TO INCORPORATE UNITED  
ELECTRIC POWER COMPANY," PASSED AT  
THE JANUARY SESSION, 1926, AND THE  
SEVERAL ACTS IN AMENDMENT THEREOF  
AND RELATING THERETO.

EXECUTIVE DEPARTMENT,

Received MAR 22 1956

APPROVED

MAR 23 1956

*Paul B. McMan*  
GOVERNOR

Presented by

*Sey. P. G. McCabe*

IN HOUSE OF REPRESENTATIVES

MAR 22 1956

TRANSMITTED TO

GOVERNOR

*Paul B. McMan*  
Recording



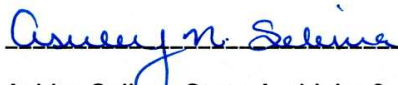
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1964, Vol. 128 #1 – 4**

AN ACT IN AMENDMENT OF AN ACT ENTITLED "AN ACT TO INCORPORATE UNITED ELECTRIC  
POWER COMPANY," PASSED AT THE JANUARY SESSION, A.D. 1926, AND THE SEVERAL ACTS  
IN AMENDMENT THEREOF AND RELATING THERETO.

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Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

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# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1964

### AN ACT

IN AMENDMENT OF AN ACT, ENTITLED " AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY," PASSED AT THE JANUARY SESSION, 1926, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND RELATING THERETO.

*It is enacted by the General Assembly as follows:*

Section 1. The Narragansett Electric Company (hereinafter called "said Company") a corporation created by an act of the general assembly passed at its January Session A. D. 1926 under the name of United Electric Power Company (which name was changed by authority of an act in amendment of said act passed at the January session A. D. 1927) is hereby authorized and empowered to exercise the right of eminent domain for the purpose of taking any land, interests in land, or other rights necessary or desirable for the erection, construction, extension, installation, maintenance, alteration, use or operation from time to time of a line or lines for the transmission of currents of electricity of eleven thousand volts or more and for the erection, construction, extension, installation, maintenance, alteration, use or operation of such poles, towers, wires, conduits and other appurtenances and appliances, including buried ground wires, as may be necessary or desirable for such line or lines, in the manner and subject to the conditions hereinafter provided in this act, subject to first obtaining an order from the Public Utility Administrator permitting the filing of a petition in accordance with Section 2 hereof.

To obtain such an order said Company shall file with the Public Utility Administrator a statement signed and verified by the President or a Vice President and the Secretary or an Assistant Secretary setting

forth the general character of the land, interests in land or other rights over which it desires to exercise said right of eminent domain and the reasons why such taking is necessary or desirable in connection with the conduct of its business and is in the public interest.

It shall be the duty of the Public Utility Administrator to issue such an order forthwith whenever necessary or desirable to enable said Company to carry on its business, unless in his opinion such action would be contrary to the public interest, and for the purpose of determining such necessity or desirability and such public interest said Public Utility Administrator may hold such hearings, make such inquiries or investigations and examine such witnesses, books, papers, documents and contracts as he may deem proper.

Such order issued by the Public Utility Administrator under the provisions of this section shall recite that said Company has established at least a prima facie case in favor of the necessity or desirability of the exercise of the right of eminent domain for the purpose of carrying on its business and that in the opinion of the Public Utility Administrator the exercise of such rights, subject to the provisions hereinafter contained, would be in the public interest. Any refusal of the Public Utility Administrator to issue such an order shall be subject to appeal as provided by law.

Sec. 2. Whenever said Company shall have obtained from the Public Utility Administrator an order pursuant to the provisions of Section 1 hereof, it may file in the superior court of the State of Rhode Island for the County of Providence a petition setting forth the general character of the land, interests in land or other rights over which it desires to exercise said right of eminent domain, a general description of the structures, works, excavations and facilities initially to be erected, constructed, extended, installed, maintained, altered, used or operated over, under or across such land, interests in land, or other rights, and a list of the owner or owners of record of and other persons having an interest in such land, interests in

land or other rights over which it desires to exercise said right of eminent domain. Said petition shall be accompanied by a map or plan showing the location of such land, interests in land or other rights and the location of any structures, works, excavations, facilities initially to be erected, constructed, extended, installed, maintained, altered, used or operated thereon and shall contain a notice that said Company will give such security as the court may require for the payment of all such costs and damages as may be finally awarded to any person interested in such land, interests in land, or other rights taken in the proceedings commenced by the filing of such petition. Said Company shall furnish copies of said petition and map or plan to the commissioners hereinafter referred to as may be required by said commissioners for filing as hereinafter provided in the land records of the towns or cities where such land is located.

Sec. 3. Upon the filing of such petition and map or plan in said superior court, said court shall enter an order fixing the time when and the place where all persons interested in the land, interests in land, or other rights, described in said petition may appear before said court and be heard with reference to the necessity or desirability of the taking of such land, interests in land, or other rights, the security to be given by said Company for damages and costs and the appointment of commissioners to appraise the damages sustained by such taking by the persons entitled thereto; and said court shall direct notice of said order to be served on the city or town clerks of the cities and towns wherein such land, interests in land, or other rights are located and on the owner or owners of record of or other persons having an interest in said land, interests in land, or other rights, and on said Company at least ten days prior to said hearing, which notice shall be served in the same manner as writs of summons issued out of the superior court are required to be served, or if said owner or owners of record, or other persons having an



interest are non-residents of this State, such notice shall be published in such newspaper or newspapers three (3) times on such dates as the court may direct; and in case the post office address of such non-resident shall be known, a copy of said notice shall be mailed to said owner or owners, postage prepaid, under the direction of said court.

Sec. 4. At the time and place mentioned in said notice, or at any adjournment thereof ordered by the court, the court, after hearing the parties interested, including the Public Utility Administrator and any of the municipalities in which the land, interests in land, or other rights to be taken are located, who may appear and desire to be heard, shall first determine whether the land, interests in land, or other rights, as set forth in said petition are necessary or desirable to said Company for its purposes aforesaid; and if the court shall determine that such land, interests in land, or other rights, are necessary or desirable to said Company for its purposes aforesaid and that such taking is in the public interest, said court shall proceed by its decree to fix and determine the security to be given by said Company for the payment of costs and damages and to appoint three disinterested persons as commissioners to appraise the damages sustained by the persons entitled thereto, by reason of the taking of said land, interests in land, or other rights. After entry of such decree as soon as said Company shall have given the security fixed therein, title to said land, interests in land, or other rights shall vest in said Company, its successors and assigns, and said Company may forthwith enter upon, take possession of and use the same. Any vacancies in said commission which may occur from time to time shall be filled by said court, upon application of any party interested in said proceedings (including said Company) and upon such notice as said court may direct.

Sec. 5. Said commissioners, before they proceed to execute their duties, shall be sworn to a faithful and impartial discharge

thereof, shall give reasonable notice, by publication or otherwise, in such manner as said court in said decree may direct, to the owner or owners of record of and other persons having an interest in said land, interests in land, or other rights, to file their claims, if any they have, which have not been released to said Company, with the clerk of said court within sixty days from the date of said notice and shall file said copy of said petition and said map or plan and a certified copy of the decree in the land records of the town or city where such land, interests in land, or other rights are located. At the end of the time allowed for filing such claims, or of any extension thereof, the commissioners, or a majority of them, shall fix a time and place for hearing all persons who have filed claims as aforesaid, as to the damages by them sustained, at which hearing said Company may also be heard, and shall give notice of such hearing by publication in such newspaper or newspapers, as said court may direct, once a week during each of the three weeks prior to the date of said hearing, and shall give such further notice, if any, as said court may direct. At the time and place fixed for said hearing, or at any adjournment therefrom the commissioners, or a majority of them, shall proceed to hear said persons, including said Company, with their allegations and proofs and may examine the premises; and shall make a just appraisal of the damages sustained by said persons by reason of the taking of said land, interests in land, or other rights as aforesaid. And the commissioners, or a majority of them, shall, as soon as may be, make report of their doings and of the damages, if any, assessed by them, to said court, with their fees marked thereon, which fees, being first allowed by the court, shall be forthwith paid by said Company. The owner or owners of any land, interests in land, or other rights not taken under the provisions of this act, who are entitled to compensation by law by reason of any taking under the provisions hereof, shall have the right to claim and recover such damages

and the same shall be determined and collectible in the same manner as herein provided for determining and collecting the damages for land, interests in land, or other rights taken hereunder.

Sec. 6. Upon the receipt of any report of said commissioners, the clerk of said court shall file the same, and shall give public notice by advertisement for such time and in such newspaper or newspapers as said court may prescribe, that such report has been filed and that the same may be examined by any person interested therein; and either said Company, or any other person aggrieved by any award of damages made by the said commissioners, or refusal of any person who has established an interest in said land, or other rights so abandoned, to accept such award, may claim a jury trial upon any item of damages thereby awarded or refused, and may file a claim for such trial with the clerk of said court at any time within thirty (30) days of the date of the first publication of notice as aforesaid.

Any such claim shall stand for trial by jury, upon proper issue based upon such claim, as other civil cases upon the docket of said court, and shall be tried therein in every respect as other civil cases are therein tried, including the right to except to rulings and to apply for a new trial for cause, and to prosecute bill of exceptions. But if the person claiming such jury trial shall have the right to give such abandonment in evidence, or shall obtain an award more favorable than that given by the commissioners, such person shall recover his, her or its costs from the adverse party.

Sec. 7. The report of the commissioners shall be confirmed by the court, after being so corrected as to conform to the findings of the jury in cases where a jury trial is claimed; and upon such confirmation, execution or executions for the damages fixed by said report as confirmed shall issue against said Company as upon a judgment, in due course of law, and shall be paid forthwith.



Sec. 8. Said Company may abandon any land, interests in land, or other rights taken under the provisions of this act, by filing a notice of such abandonment in the office of the clerk of the court in which the proceedings hereinbefore provided are pending, at any time before confirmation of the report of the commissioners appointed to assess damages. If said Company shall not have entered upon, taken possession of, or used the land, interests in land, or other rights, prior to the filing of such notice of abandonment, all proceedings for the assessment of damages for the taking of the land, interests in land, or other rights so abandoned shall cease, and said Company shall pay to any person who has established an interest in said land, interests in land, or other rights so abandoned all his costs incurred in prosecuting the damages for the taking of said land, interests in land, or other rights up to the time of such abandonment, which costs shall be taxed by the clerk. If said Company shall have entered upon, taken possession of, or used said land, interests in land, or other rights, so abandoned prior to such abandonment, and the assessment of damages for the same is then pending before commissioners or a jury, then, upon such abandonment, said Company shall have the right to give such abandonment in evidence in diminution of damages, paying costs, if the question of damages is pending, on claim of jury trial, notwithstanding a diminution of damages in consequence of such abandonment given in evidence; or if the commissioners or a jury have finally assessed the damages, said Company shall have a right to a revision of the assessment and to a re-assessment, by petition to the commissioners, in order that the diminution of damages in consequence of such abandonment may be considered with right of any person who has established an interest in said land, interests in land, or other rights, to claim a jury trial as in case of the original assessment.

Sec. 9. Whenever the land, interests in land, or other rights of which any infant or other person not capable in law to

act in his own behalf is the owner of record or in which he has an interest are taken by said Company under the provisions of this act, the court before which the proceedings for such taking are pending may appoint a guardian ad litem for such infant or other person, and such guardian may appear and be heard in behalf of such infant or other person at any stage of the proceedings; and such guardian may also, with the advice and consent of the court appointing him, release to said Company all claims for damages for the land, interests in land, or other rights of such infant or other person so taken. And if there shall be any dispute as to the title of any land, interests in land, or other rights taken under the provisions of this act, or as to the person entitled to receive the damages awarded for such taking, or if the person entitled to receive such damages is uncertain or unknown, said Company may pay such damages into the registry of the court before which such proceedings are pending, with the same effect as to the title of said Company to such land, interests in land, or other rights, as though such damages had been paid to the person or persons entitled to receive the same.

Sec. 10. Any court in which any proceedings under this act shall be pending may from time to time order such other and further notices to be given in addition to those hereinbefore prescribed and may make such further orders, not inconsistent with the provisions of this act or with the general laws of the state, as may be required, in the opinion of such court, to protect the rights and interests of the persons having an interest in such proceedings. And any proceedings taken under this act may be amended or corrected at any stage of the proceedings and the time may be extended within which persons interested may file their claims, upon such terms and notice, if any, as the court may prescribe.

Sec. 11. Nothing in this act shall authorize said Company to condemn any water power or water rights or to acquire or take



any portion of any public street or highway of any town or city or any land, interests in land, or other rights that shall have been acquired by any town or city for municipal or public purposes, except in either case in reasonable locations to be approved by the town council or city council of said town or city respectively; nor to exercise any right of condemnation within the limits of the city of Newport or of the towns of Jamestown, Middletown or Portsmouth, ~~and the written consent of the board of directors of the Narragansett Electric Company, Inc. shall be obtained in each case.~~ ~~and the written consent of the board of directors of the Narragansett Electric Company, Inc. shall be obtained in each case.~~ ~~and the written consent of the board of directors of the Narragansett Electric Company, Inc. shall be obtained in each case.~~ nor to condemn any portion of the land, location or right of way of any railroad, street railway or other public utility company, except for the purpose of crossing the same, either above or below grade and of maintaining suitable and convenient supports for such crossing, in such manner as not to render unsafe, or to impair the usefulness of, such land, location or right of way for railroad or street railway purposes or the purposes of such public utility company. If said Company and any such railroad, street railway or public utility company are unable to agree as to the method and manner of the construction and maintenance of any such crossing, either may apply to the Public Utility Administrator for a determination thereof, and, after hearing, such crossing shall be constructed and maintained in such method and manner as may be ordered by said Public Utility Administrator. Either party aggrieved by such order of said Public Utility Administrator may appeal therefrom in the manner provided by law. Said Company shall be liable to any such railroad, street railway or public utility company for such damages and reasonable expense as may result to it by reason of any line or lines of said Company crossing such railroad, street railway or public utility company's land, location or right of way.

Sec. 12. The commissioners appointed as hereinbefore provided shall each receive such compensation for their services as shall be



ON THE 15TH DAY OF DECEMBER 1911, the Board of Directors of the Narragansett Electric Company, at its regular meeting, resolved that the following be adopted as the policy of the Company:

fixed by said court which shall be paid by said Company and all the costs of any and all hearings incurred by such commissioners, including the cost of counsel for the owners of land, interests in land or other rights taken under the provisions of this act, subject to approval by said court, shall be paid by said Company.

Sec. 13. Said Company may sell and convey any land, interests in land, or other rights taken by it hereunder and any line or lines, poles, wires, conduits or other appurtenances and appliances placed thereon to any other corporation, company or association having the right to carry on an electric lighting, heating or power business in this state, or may enter into an agreement giving to any such corporation, company or association the right to use such land, interests in land, or other rights for the purposes for which the same were taken or may agree to use said land, interests in land, or other rights for any such corporation, company or association for the purposes for which the same were taken.

Sec. 14. Nothing in this act contained shall be deemed to repeal, abridge or modify the provisions of the public utilities act or any related acts now in force; and said public utility administrator shall have continuing control over said Company in the operation of the lines erected, constructed or extended under the authority of this act as well as over the lines which said Company now operates or may hereafter operate in the streets and highways or elsewhere, under any other authority.

Sec. 15. The act incorporating said Company and all acts in amendment thereof or in addition thereto are hereby amended in accordance with the foregoing provisions of this act.

Sec. 16. This act shall take effect upon its passage.

S. 697

(14)

H. ✓

# AN ACT

IN AMENDMENT OF AN ACT, ENTITLED  
"AN ACT TO INCORPORATE UNITED  
ELECTRIC POWER COMPANY," PASSED  
AT THE JANUARY SESSION, 1926,  
AND THE SEVERAL ACTS IN  
AMENDMENT THEREOF AND RELATING  
THERE TO.

Presented by

*Harry J. Hall*

EXECUTIVE DEPARTMENT,

Received APR 30 1964

APPROVED

MAY 6 1964

*John H. Hall*  
GOVERNOR

IN THE SENATE APR 15 1964

Read and referred to  
the Committee on  
CORPORATIONS

*Samuel G. Galt*  
Reading  
Clerk

APR 28 1964

COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE  
AS AMENDED OF THE WITHIN BILL  
PRINTING SUSPENDED

*Francis R. Clark*  
FOR THE COMMITTEE

IN THE SENATE APR 29 1964

Read and passed under  
suspension of the rules.

AS AMENDED

*Samuel G. Galt*  
Reading  
Clerk

IN HOUSE OF REPRESENTATIVES

APR 29 1964  
REFERRED TO COMMITTEE ON  
CORPORATIONS

*Samuel G. Galt*  
Clerk

IN HOUSE OF REPRESENTATIVES

APR 29 1964

THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE  
OF THE WITHIN BILL.  
PRINTING SUSPENDED

*Samuel G. Galt*  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES

APR 29 1964

Read and Passed in Concurrence

*Samuel G. Galt*  
Clerk

IN HOUSE OF REPRESENTATIVES

APR 30 1964

TRANSMITTED TO THE  
GOVERNOR

*Samuel G. Galt*  
Clerk



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1976, Vol. 143 #S – 2**

AN ACT IN AMENDMENT OF AN IN ADDITION TO AN ACT ENTITLED "AN ACT IN AMENDMENT OF  
AN ACT, ENTITLED 'AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY,' PASSED  
AT THE JANUARY SESSION, 1926, AND THE SEVERAL ACTS IN AMENDMENT THEREOF AND  
RELATING THERETO."

\*\*\*\*\*

Ashley N. Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)



(52)  
76S 2696

# State of Rhode Island, &c.

## IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 1976

### AN ACT

In Amendment of and in Addition to  
An Act Entitled  
"AN ACT in Amendment of an Act, Entitled 'An Act  
to Incorporate United Electric Power Company,'  
Passed at the January Session, 1926, and the Several  
Acts in Amendment Thereof and Relating Thereto."

*It is enacted by the General Assembly as follows:*

Section 1. Section 1 of the Act entitled "AN ACT  
in Amendment of an Act, Entitled 'An Act to Incorporate  
United Electric Power Company,' Passed at the January  
Session, 1926, and the Several Acts in Amendment Thereof  
and Relating Thereto" passed at the January session of the  
general assembly, A.D. 1964, as amended, is hereby further  
amended as follows:

The Narragansett Electric Company (hereinafter  
called "said Company") a corporation created by an act of  
The general assembly passed at its January Session A.D. 1926  
under the name of United Electric Power Company (which name  
was changed by authority of an act in amendment of said act  
passed at the January session A.D. 1927) is hereby authorized  
and empowered to exercise the right of eminent domain for the  
purpose of taking any land, interest in land, or other rights  
necessary or desirable for the erection, construction, exten-  
sion, installation, maintenance, alteration, use or operation  
from time to time of a line or lines for the transmission of  
currents of electricity of eleven thousand volts or more, and sub-  
stations for the transmission and distribution of electricity  
and for the erection, construction, extension, installation,  
maintenance, alteration, use or operation of such poles,  
towers, wires, conduits, structures, machinery, equipment and

In the event the right of eminent domain is exercised and there is no agreement upon the sum to be paid for the value of the land or other real property so taken and of appurtenant damage to any remainder or for the value of the estate right or interest therein, then upon application of the party in interest to the court, the court shall order paid forthwith to the party or parties so applying for or on account of the just compensation to be awarded upon petition for the assessment of damages, not less than seventy-five per cent (75%) of the acquiring party's final offer pending final disposition of the petition for assess-

APPROVED BY SENATE 9/30/86  
M. L. Mearns, Secretary Clerk

In the event the right of eminent domain is exercised and there is no agreement upon the sum to be paid for the value of the land or other real property so taken and of appurtenant damage to any remainder or for the value of the estate right or interest therein, then upon application of the party in interest to the court, the court shall order paid forthwith to the party or parties so applying for or on account of the just compensation to be awarded upon petition for the assessment of damages, not less than seventy-five per cent (75%) of the acquiring party's final offer pending final disposition of the petition for assessment of damages. The verdict and the judgment thereafter entered shall not include any interest upon such amount that shall have been paid on account of just compensation for any period of time from and after thirty (30) days following the making in writing of the acquiring party's final offer.



(S 2)

S. 76S 2806 H.

# AN ACT

in Amendment of and in Addition  
to An Act Entitled "AN ACT in  
Amendment of an Act, Entitled  
'An Act Passed at the January  
Session, 1926, and the Several  
Acts in Amendment Thereof and  
Relating Thereto."

EXECUTIVE DEPARTMENT,  
Received MAY 28 1976

APPROVED

JUN 2 1976

GOVERNOR

Presented by

John P. Hawkins  
Pet Veto

PRINTED  
APR 13 1976

IN HOUSE OF REPRESENTATIVES  
MAY 27 1976  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN COM-  
CURRENCE  
OF THE WITHIN BILL  
Samuel H. [Signature]  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES  
MAY 27 1976  
Received and Reported to the House upon the  
Clerk

IN HOUSE OF REPRESENTATIVES  
MAY 28 1976  
Bill called vote  
MAY 28 1976  
Bill called vote in Concurrence  
Bill 41 May 6

IN HOUSE OF REPRESENTATIVES  
MAY 28 1976  
TRANSMITTED TO THE  
GOVERNOR  
Salvatore A. [Signature]  
Recording Clerk

RECEIVED 31 1976  
and referred to  
COMMITTEE ON CORPORATIONS  
Reading Clerk

APR 27 1976  
COMMITTEE ON CORPORATIONS  
THE PASSAGE  
OF THE WITHIN BILL

APR 27 1976  
FOR THE COMMITTEE

APR 27 1976  
for placed  
MAY 28 1976  
Reading Clerk

APR 30 1976  
ASSIGNED  
MAY 28 1976  
Reading Clerk

HOUSE OF REPRESENTATIVES  
APR 30 1976  
COMMITTEE ON CORPORATIONS  
Reading Clerk



State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 1988, #117**

AN ACT RELATING TO "AN ACT TO INCORPORATE UNITED ELECTRIC POWER COMPANY"

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Ashley Selima

Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



(117)

8 8 -- S 2675 SUBSTITUTE A

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RS864/SUB A  
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S T A T E   O F   R H O D E   I S L A N D

I N   G E N E R A L   A S S E M B L Y

J A N U A R Y   S E S S I O N ,   A . D .   1 9 8 8

A N   A C T

R E L A T I N G   T O   " A N   A C T   T O   I N C O R P O R A T E  
U N I T E D   E L E C T R I C   P O W E R   C O M P A N Y "

Introduced By:   Senator John F. McBurney, III

Date Introduced:   March 1, 1988

Referred To:   Senate Committee on Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. As authorized by chapter 146 of the public laws,  
2   1987, the charter of the Narragansett electric company, a corporation  
3   created by an act of the general assembly passed at its January  
4   session. A.D. 1926 under the name of United Electric Power Company  
5   (which name was changed by authority of an act in amendment of said  
6   act passed at the January session, A.D. 1927), as heretofore amended,  
7   is hereby further amended by adding thereto the following section:

8           "SEC. 2.5. No director of said corporation shall be personally  
9   liable to said corporation or its stockholders for monetary damages  
10   for breach of the director's duty as a director, provided, however,  
11   that the foregoing shall not eliminate or limit the liability of a  
12   director to the extent that such liability is imposed pursuant to the  
13   provisions of section 7-1.1-43 of the general laws or otherwise pur-  
14   suant to applicable law for (i) any breach of the director's duty of  
15   loyalty to said corporation or its stockholders; (ii) acts or  
16   omissions not in good faith or which involve intentional misconduct  
17   or a knowing violation of law; or (iii) any transaction from which the



1 director derived an improper personal benefit (unless said transaction  
2 is permitted by section 7-1.1-37.1 of the general laws). No amendment  
3 to or repeal of this section 2.5 shall eliminate or reduce the effect  
4 of this section in respect of any act or omission of any director  
5 occurring prior to such amendment or repeal."

6 SECTION 2. This act shall take effect upon passage.

-----  
RS864/SUB A  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
AN ACT  
RELATING TO "AN ACT TO INCORPORATE  
UNITED ELECTRIC POWER COMPANY"

\*\*\*

1       This act would amend the charter of the Narragansett Elec-  
2       tric Company to limit the personal liability of its directors to  
3       the extent that Rhode Island business corporations may limit such  
4       liability.

5       The act would take effect upon passage.

-----  
RS864/SUB A  
-----

117

88 -- S 2675  
SUBSTITUTE A

H.

A N A C T

RELATING TO "AN ACT TO INCORPORATE  
UNITED ELECTRIC POWER COMPANY"

Presented by

EXECUTIVE DEPARTMENT  
Received JUN 3 1988  
APPROVED  
JUN 9 1988  
Governor

IN THE SENATE MAY 24 1988  
Read and referred to  
the Committee on  
CORPORATIONS  
Reading Clerk

IN HOUSE OF REPRESENTATIVES  
MAY 20 1988  
READ AND PASSED  
Clerk

IN HOUSE OF REPRESENTATIVES  
MAY 18 1988  
Received and Ordered to be placed upon the  
CALENDAR  
Clerk

IN HOUSE OF REPRESENTATIVES  
MAY 17 1988  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE  
OF THE BILL MARKED SUBSTITUTE "A"  
AND THE INDEFINITE POSTPONEMENT  
OF THE ORIGINAL BILL.  
Clerk

READ AND PASSED IN CONCURRENCE  
TRANSMITTED TO THE GOVERNOR  
JUN 3 1988  
Secretary of State

IN THE SENATE JUN 1 1988  
Read and PASSED  
IN CONCURRENCE  
Reading Clerk

IN THE SENATE MAY 27 1988  
Ordered to be  
placed upon the  
consent calendar.  
Reading Clerk

IN SENATE MAY 27 1988  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE  
OF THE BILL MARKED SUBSTITUTE "A"  
AND THE INDEFINITE POSTPONEMENT  
OF THE ORIGINAL BILL.  
Clerk



8 8 --

=====  
RS864  
=====

S T A T E   O F   R H O D E   I S L A N D

I N   G E N E R A L   A S S E M B L Y

J A N U A R Y   S E S S I O N ,   A . D .   1 9 8 8

A N   A C T

R E L A T I N G   T O   " A N   A C T   T O   I N C O R P O R A T E  
U N I T E D   E L E C T R I C   P O W E R   C O M P A N Y "

88-S 2675   *as amended*

Introduced By:   Senator John F. McBurney, III  
Date Introduced:   March 1, 1988  
Referred To:   Senate Committee on Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. As authorized by chapter 146 of the public laws,  
2   1987, the charter of the Narragansett electric company, a corporation  
3   created by an act of the general assembly passed at its January  
4   session. A.D. 1926 under the name of United Electric Power Company  
5   (which name was changed by authority of an act in amendment of said  
6   act passed at the January session, A.D. 1927), as heretofore amended,  
7   is hereby further amended by adding thereto the following section:

8           "SEC. 2.5. No director of said corporation shall be personally  
9   liable to said corporation or its stockholders for monetary damages  
10   for breach of the director's duty as a director, provided, however,  
11   that the foregoing shall not eliminate or limit the liability of a  
12   director to the extent that such liability is imposed pursuant to the  
13   provisions of section 7-1.1-~~33~~<sup>3</sup> of the general laws or otherwise pur-  
14   suant to applicable law for (i) any breach of the director's duty of  
15   loyalty to said corporation or its stockholders; (ii) acts or  
16   omissions not in good faith or which involve intentional misconduct  
17   or a knowing violation of law; or (iii) any transaction from which the

*Amended in  
Committee  
RPP Chairman  
4/7/88*

1 director derived an improper personal benefit (unless said transaction  
2 is permitted by section 7-1.1-37.1 of the general laws). No amendment  
3 to or repeal of this section 2.5 shall eliminate or reduce the effect  
4 of this section in respect of any act or omission of any director  
5 occurring prior to such amendment or repeal."

6 SECTION 2. This act shall take effect upon passage.

=====  
RS864  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
AN ACT  
RELATING TO "AN ACT TO INCORPORATE  
UNITED ELECTRIC POWER COMPANY"

\*\*\*

1        This act would amend the charter of the Narragansett Elec-  
2        tric Company to limit the personal liability of its directors to  
3        the extent that Rhode Island business corporations may limit such  
4        liability.

5        The act would take effect upon passage.

=====  
RS864  
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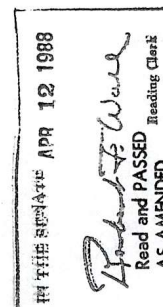
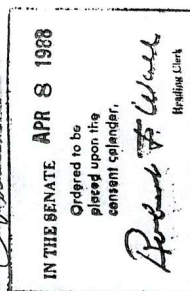
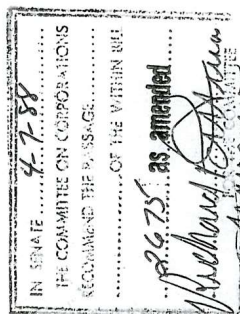
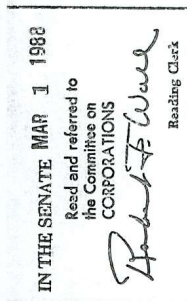
S. 00 2675 as amended

H.

A N A C T

RELATING TO "AN ACT TO INCORPORATE  
UNITED ELECTRIC POWER COMPANY"

Presented by





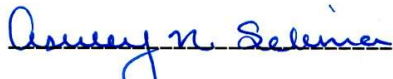
State of Rhode Island  
**Department of State | State Archives Division**  
Gregg M. Amore, *Secretary of State*

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 2000, #LA32**

**AN ACT RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY**

\*\*\*\*\*

  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

LA 32

2000 --

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LC02364  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2000**

**A N A C T**

**RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY**

**00-S 2665**

**Introduced By: Senators Coderre, Goodwin, Enos,  
Bates, Roney, et al.**

**Date Introduced: February 10, 2000**

**Referred To: Senate Committee on Corporations**

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 2 as amended of the public laws of 1926 entitled "An Act To  
2   Incorporate United Electric Power Company" is hereby further amended to read as follows:

3           Sec. 2. The government of said corporation shall be vested in a board of directors, a  
4   majority of whom shall be citizens of the United States, who need not be stockholders, the  
5   number whereof shall be fixed by the by-laws but shall consist of not less than five (5) persons.  
6   Said corporation shall have a president, secretary and treasurer who shall be chosen as the by-  
7   laws direct, and shall hold their offices until others are chosen in their stead. The president shall  
8   be chosen from among the directors. The directors may appoint such other officers, committees  
9   and agents as they deem needful, and their term of office shall be such as said directors may from  
10   time to time prescribe.

11          SECTION 2. This act shall take effect upon passage.

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LC02364  
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CIRP

LA32

S. 2000S 2665

H.

AN ACT

RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY

Presented by

EXECUTIVE DEPARTMENT,  
Received JUN 29 2000  
APPROVED  
GOVERNOR

J.R. Ch (40)  
May 11 Goodwin (1)  
William E. W. 47  
J.R. Ch (44)  
John B. 42

IN HOUSE OF REPRESENTATIVES  
6:27:00  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE OF THE WITHIN BILL  
FOR THE COMMITTEE  
B. P. K. 5:46:5

IN HOUSE OF REPRESENTATIVES  
REMOVED AND ORDERED  
TO BE PLACED UPON THE  
JUN 27 2000  
CALENDAR

IN HOUSE OF REPRESENTATIVES  
READ AND PASSED IN CONCURRENCE  
JUN 28 2000  
Clerk

IN HOUSE OF REPRESENTATIVES  
TRANSMITTED TO THE  
GOVERNOR  
JUN 29 2000  
Recording Clerk

IN THE SENATE  
Referred to the Committee on  
CORPORATIONS  
FEB 10 2000  
Reading Clerk

IN SENATE  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE  
OF THE WITHIN BILL  
2000-5-2665  
FOR THE COMMITTEE

IN THE SENATE  
Order to be placed upon the  
CALENDAR  
MAR 08 2000  
Reading Clerk

IN THE SENATE  
READ AND PASSED  
MAR 14 2000  
Reading Clerk

IN HOUSE OF REPRESENTATIVES  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
MAR 14 2000  
Clerk



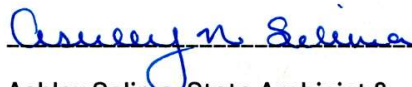
State of Rhode Island  
**Department of State | State Archives Division**  
**Gregg M. Amore, Secretary of State**

Annexed is a true copy of an original document held in the custody  
of the Rhode Island State Archives

**C#00203 – Private Acts, January Session, 2000, #LA59**

**AN ACT RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY**

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\_\_\_\_\_  
Ashley Selima, State Archivist &  
Public Records Administrator

March 27, 2023



**State Archives & Public Records Administration**

33 Broad Street, Providence, RI 02903 | Phone: 401-222-2353 | Fax: 401-222-3199 | [statearchives@sos.ri.gov](mailto:statearchives@sos.ri.gov) | [www.sos.ri.gov](http://www.sos.ri.gov)

LA59

2000 --

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LC02629  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2000**

**AN ACT**

**RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY**

2000-H 7916

Introduced By: Rep. Peter F. Kilmartin

Date Introduced: February 17, 2000

Referred To: Committee on Corporations

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 2 as amended of the public laws of 1926 entitled "An Act To  
2           Incorporate United Electric Power Company" is hereby further amended to read as follows:

3           Sec. 2. The government of said corporation shall be vested in a board of directors, a  
4           majority of whom shall be citizens of the United States, who need not be stockholders, the  
5           number whereof shall be fixed by the by-laws but shall consist of not less than five (5) persons.  
6           Said corporation shall have a president, secretary and treasurer who shall be chosen as the by-  
7           laws direct, and shall hold their offices until others are chosen in their stead. The president shall  
8           be chosen from among the directors. The directors may appoint such other officers, committees  
9           and agents as they deem needful, and their term of office shall be such as said directors may from  
10          time to time prescribe.

11          SECTION 2. This act shall take effect upon passage.

=====  
LC02629  
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2000H07916

## RELATING TO INCORPORATION OF UNITED ELECTRIC POWER COMPANY

Presented by

Pete F. Kilmartin 80

EXECUTIVE DEPARTMENT,  
RECEIVED ACTION JUL 14 2000  
 TAKEN BY THE  
 GOVERNOR  
 GOVERNOR

RECEIVED FROM THE SUPERVISOR  
WITHOUT SIGNATURE

EFFECTIVE JUL 22 2000

IN ACCORDANCE WITH ARTICLE XV  
OF THE CONSTITUTION OF THE  
STATE OF CALIFORNIA AND  
13-41 AND 13-42 OF THE GENERAL LAWS

*James M. ...*

IN SENATE ..... 6/1/00  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE IN CON-  
CURRENCE .....  
OF THE WITHIN BILL  
2000 - H. 7916  
Sen. William J. Spector  
FOR THE COMMITTEE

IN THE SENATE  
Order to be placed upon the  
CALENDAR

JUN 6 6 2000

*John D. Bant*  
Reading Clerk

IN THE SENATE  
READ AND PASSED IN CONFORMANCE

JUN 20 2000

*John B. Bate*  
Reading Clerk

READ AND PASSED IN CONCURRENCE  
TRANSMITTED TO THE GOVERNOR

JUL 14 2000

*Raymond T. Hynes Jr.*  
CLERK OF THE SENATE

IN HOUSE OF REPRESENTATIVES  
REFERRED TO COMMITTEE ON  
CORPORATIONS  
FEB 17 2000  
*John P. ...* Clerk

IN HOUSE OF REPRESENTATIVES.  
4-6-80  
THE COMMITTEE ON CORPORATIONS  
RECOMMEND THE PASSAGE 27-17-  
79.6. OF THE WITHIN BILL

Bruce P. Kennedy  
FOR THE COMMITTEE

IN HOUSE OF REPRESENTATIVES  
RECEIVED AND ORRERED  
TO BE PLACED UPON THE  
APR 26 2000  
SALES  
Clerk

IN HOUSE OF REPRESENTATIVES  
READ & PASSED  
MAY 17 2000  
D. J. [Signature] Clerk

IN THE SENATE  
Referred to the Committee on  
CORPORATIONS

MAY 23 2000

*John D. Breyer*  
Clerk

5/30/24, 6:38 PM

Act 038

38

96-S 3098 am

Effective Without the Governor's Signature

Aug. 9, 1996.

**AN ACT IN AMENDMENT OF THE ACT ENTITLED "AN ACT TO INCORPORATE  
THE PROVIDENCE GAS COMPANY" PASSED AT THE JUNE SESSION OF THE  
GENERAL ASSEMBLY A.D. 1847 AS THE SAME HAS BEEN FROM TIME TO TIME  
AMENDED**

It is enacted by the General Assembly as follows:

**SECTION 1.** An act entitled "An Act to Incorporate the Providence Gas Company" passed at the June session of the general assembly, A.D. 1847, as the same has been from time to time amended, is hereby further amended as set forth in sections 2 and 3 below:

**SECTION 2.** The Providence Gas Company, in addition to the powers heretofore granted to it, is hereby authorized and empowered to lay its pipes, make and sell gas, and exercise its other corporate powers in any and all locations outside the state of Rhode Island.

**SECTION 3.** The Providence Gas Company, in addition to the powers heretofore granted to it, is hereby authorized and empowered to lay its pipes and make and sell gas and exercise its other corporate powers in the city of Newport and in the towns of Burrillville (to the extent heretofore authorized by the division of public utilities), Charlestown, East Providence, Middletown, Portsmouth, Tiverton, Hopkinton, and Westerly, or any of them, and for the purposes aforesaid but only with the consent of the city council of such city or the town council of any such town, to open the ground in any part of the streets, lanes, highways and public places therein for the purpose of laying and repairing pipes and for other purposes in connection therewith.

**SECTION 4.** This act shall take effect upon passage.

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As always, your [comments](#) concerning this page are welcomed and appreciated.

Thank you for stopping by!

[Back](#)

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
100 ORANGE STREET  
PROVIDENCE, RHODE ISLAND 02903**

IN RE: Petition of Valley Gas Company, Bristol :  
and Warren Gas Company and Southern : Docket No. D-00-02  
Union Company for Approval of Mergers :

IN RE: Petition of Providence Energy Corporation, :  
Providence Gas Company and Southern : Docket No. D-00-03  
Union Company for Approval of Mergers :

**REPORT AND ORDER**

**1. INTRODUCTION**

On January 27, 2000, the Valley Gas Company (“Valley”) the Bristol and Warren Gas Company (“Bristol”) and the Southern Union Company (“Southern Union”) (collectively the “Valley/Southern Union Companies” or “Petitioners” or “Companies”), filed a petition with the Rhode Island Division of Public Utilities and Carriers (“Division”) seeking an approval of merger. The petition included a proposed *Agreement and Plan of Merger* (“*Merger Agreement*”). The petition was filed pursuant to the requirements of Rhode Island General Laws, Sections 39-3-24, 39-3-25 and 39-3-26. The Division docketed the Valley/Southern Union Companies petition and designated the case D-00-02.

Also on January 27, 2000, the Providence Energy Corporation (“ProvEnergy”) and Southern Union filed a notification with the Division detailing an *Agreement and Plan of Merger* (“*Merger Agreement*”) that ProvEnergy and Southern Union had previously executed on November 15,



1999. The notification stated that ProvEnergy had merged with and into Southern Union.

Upon receipt of the January 27, 2000 ProvEnergy and Southern Union notification of merger, the Division contacted ProvEnergy to notify ProvEnergy that the Division would be exercising jurisdiction over the merger through authority conferred under Sections 39-3-24 and 39-3-25, supra; and also under the broad regulatory powers of the Division as conferred under Rhode Island General Laws, Sections 39-1-1, 39-1-15, 39-1-38, 39-3-28, 39-3-30, 39-4-3 and 39-4-13. The Division indicated that the invocation of jurisdiction was necessitated by virtue of ProvEnergy's ownership of the Providence Gas Company ("ProvGas"), a natural gas distribution company operating in Rhode Island under the regulatory oversight of the Division.

Neither ProvEnergy nor Southern Union objected to the Division's invocation of jurisdiction and authority over the merger. ProvEnergy and Southern Union accepted the Division's interest in the merger's concomitant impact on ProvGas and ProvGas' Rhode Island ratepayers. Accordingly, the Division transformed the ProvEnergy, ProvGas and Southern Union (collectively the "ProvGas/Southern Union Companies" or "Petitioners" or "Companies") notification into a formal petition for approval of merger and designated the docketed case D-00-03.

Following the docketing of the two merger petitions, the Division received motions to intervene by the Energy Council of Rhode Island ("TEC-RI") and the

Department of Attorney General (“Attorney General”), each seeking to intervene in both merger dockets.<sup>1</sup>

The Division subsequently scheduled and conducted a consolidated prehearing conference on March 23, 2000. The dockets were consolidated in view of Southern Union’s involvement in both mergers and for reasons of administrative economy. A procedural and hearing schedule was established at the March 23 prehearing conference. The petitioners also stated that they had no objections to the interventions requested by TEC-RI and the Attorney General.<sup>2</sup> The Division’s Advocacy Section (“Advocacy Section”), an indispensable party, also entered an appearance in each docket.

## **2. SUMMARY OF MERGER PETITIONS**

### **A. Valley Gas/Southern Union Companies’ Merger Petition**

The Valley Gas/Southern Union Companies’ merger petition recites the following relevant information and claims:

- Valley and Bristol are both public utilities in the State of Rhode Island, and Southern Union is a public utility corporation organized under the laws of the State of Delaware. Valley and Bristol are wholly-owned subsidiaries of Valley Resources, a Rhode Island corporation, and serve approximately 64,000 customers.

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<sup>1</sup> TEC-RI’s motions were filed on February 28, 2000. The Attorney General’s motions were filed on March 2, 2000.

<sup>2</sup> The petitioners did not object to the intervention motions and consequently all were granted perfunctorily pursuant to Rule 17(e) of the Division’s Rules of Practice and Procedure.

- Southern Union is an international energy distribution company based in Austin, Texas with approximately \$1.8 billion in assets as of December 31, 1999. After consummating this and other previously-announced mergers, Southern Union will operate as a utility in Rhode Island, Massachusetts, Pennsylvania, Texas, Missouri and Florida, serving more than 1.6 million customers.
- If the merger is approved, Southern Union will operate as a public utility in the State of Rhode Island with Valley and Bristol constituting the “Valley Division” of the “New England Business Unit” of Southern Union. Southern Union, to the extent that it operates as a public utility in the State of Rhode Island, will be subject to regulation under Title 39 of the General Laws.
- The *Merger Agreement* provides initially for the merger of Valley Resources into SUG Acquisition Corporation, a wholly-owned subsidiary of Southern Union. Upon consummation of this merger, SUG Acquisition Corporation’s corporate existence will cease and Valley Resources will be a wholly-owned subsidiary of Southern Union. Immediately after this merger is completed, Valley and Bristol, wholly-owned subsidiaries of Valley Resources, each will be merged into Valley Resources. Immediately following these subsidiary mergers, Valley Resources will merge into Southern Union. Valley Resources’ utility operations will then become the Valley Division of the New England Business Unit of Southern Union, and Valley

Resources' non-utility subsidiaries will become subsidiaries of Southern Union. The mergers will become effective following the approval of the *Merger Agreement* by the stockholders of Valley Resources and the satisfaction or waiver of all other conditions to the mergers, including the requisite regulatory approvals. As a result of the initial merger of Valley Resources into SUG Acquisition Corporation, each share of Valley Resources' common stock will be converted into the right to receive \$25.00 in cash.

- Valley and Bristol are currently seeking legislative amendments to conform their respective charters to the provisions of Rhode Island General Laws, Section 39-3-26 which was amended at the last session of the General Assembly – to allow their respective mergers.
- The mergers are designed to be transparent to Valley's and Bristol's customers. There will be no base rate increase sought as a result of the mergers. Southern Union will continue to provide service to Valley's and Bristol's customers.
- The current directors of Valley Resources, Valley and Bristol will resign. The officers of Valley and Bristol will continue as officers of the Valley Division until such time as the surviving corporation determines otherwise.
- Southern Union will not seek recovery of merger-related costs, including the acquisition premium, in Valley's or Bristol's base rates. However, Southern Union will request that in future ratemaking



proceedings consideration be given to alternative performance-based approaches to recognize and encourage operational improvements, whether or not merger related.

- The petition states that the mergers “will have specific benefits” for Valley’s and Bristol’s customers. The anticipated benefits include the following:
  - The customers of Valley and Bristol will become customers of a financially larger company.
  - Gas cost fluctuations will be mitigated as a result of the greater purchasing power of the surviving corporation and a greater opportunity to enter into more beneficial long-term gas supply contracts.
  - The surviving corporation will have an enhanced ability to raise capital at reasonable rates for investment in the gas distribution system and customer service. This will result in improved opportunities to introduce new technologies.
  - There will be a further unbundling of rates to allow customers a broader range of choice of gas suppliers.
  - There will be savings of administrative costs (e.g. elimination of directors’ fees and other costs associated with Valley Resources as a publicly traded company).
- As a result of the mergers there will be no layoffs in Valley’s or Bristol’s work forces. Southern Union will honor Valley’s and Bristol’s

union contracts, and there will be no change in employee benefit programs for at least two years.

- All other existing contracts will be honored after the mergers.
- The officers and employees of Valley and Bristol will continue their commitment to community service with non-profit agencies. (Valley Exh. 1).

B. ProvGas/Southern Union Companies' Merger Petition

The ProvGas/Southern Union Companies' merger petition (notification) recites the following relevant information and claims:

- Founded in 1929, Southern Union is a natural gas local distribution company, incorporated under the laws of the State of Delaware, with a principal place of business in Austin, Texas. Southern Union serves approximately 1.2 million distribution customers through four operating divisions located in Texas, Missouri, Florida and Pennsylvania.
- ProvEnergy is a holding company established and incorporated under the laws of the State of Rhode Island in 1981, with a principal place of business in Providence, Rhode Island. ProvEnergy owns two regulated natural gas distribution companies, The Providence Gas Company ("ProvGas") and North Attleboro Gas Company ("North Attleboro"). ProvEnergy's unregulated business enterprises consist primarily of Providence Energy Services, Inc., a retail marketer of natural gas, oil and electricity, and ProvEnergy Fuels, Inc. a retail

fuel-oil distributor. ProvGas was organized in 1847 as a Rhode Island corporation and currently serves approximately 170,000 customers in Providence, Newport and 23 other cities and towns in Rhode Island. North Attleboro was organized in 1930 as a Massachusetts corporation and currently serves approximately 3800 customers in North Attleboro and Plainville, Massachusetts.

- ProvEnergy concluded that significant benefits could result from a business combination with a larger organization having access to greater resources, and therefore, that such a combination would be in the best interest of ProvEnergy's customers, employees and shareholders. ProvEnergy chose Southern Union as a merger partner based on the assessment that Southern Union was in the best position to offer the highest value for shareholders while meeting those principal objectives.
- The ProvGas/Southern Union Companies maintain that the merger will provide opportunities to improve service quality and to create the potential for gas-cost reductions as a result of the coordination of gas resources. Because ProvEnergy will serve as the headquarters for Southern Union's New England operations, ProvGas states that it will continue to serve its customers with the same skilled and dedicated employees who know and understand local needs.
- As a result of the merger, ProvGas will become an operating division of Southern Union. The *Merger Agreement* sets forth the sequence of

events that will result in the merger of ProvEnergy and Southern Union, which includes the following steps:

- (1) Southern Union and ProvEnergy will obtain all necessary approvals of the mergers from their respective shareholders;*
  - (2) Southern Union will create GUS Acquisition Corporation ("NewCo") as a Rhode Island corporation and wholly owned subsidiary of Southern Union for the purpose of effecting the merger with ProvEnergy and its wholly owned subsidiaries;*
  - (3) NewCo will be merged with and into ProvEnergy in accordance with the laws of the State of Rhode Island. ProvEnergy will be the surviving corporation in the merger and will continue its existence under the laws of the State of Rhode Island;*
  - (4) Immediately following the merger of NewCo with and into ProvEnergy, North Attleboro will merge with and into ProvEnergy, in accordance with the general business laws of Massachusetts and Rhode Island, with ProvEnergy being the surviving corporation;*
  - (5) Immediately following the merger of North Attleboro with and into ProvEnergy, ProvGas will merge with and into ProvEnergy, in accordance with the general business laws of Rhode Island, with ProvEnergy being the surviving corporation;*
  - (6) Immediately following the merger of ProvGas with and into ProvEnergy, ProvEnergy will merge with and into Southern Union in accordance with the general business laws of Rhode Island and Delaware, with Southern Union being the surviving corporation;*
  - (7) At the effective time of the merger between ProvEnergy and Southern Union, each share of the approximately 6.1 million issued and outstanding shares of ProvEnergy common stock, will be automatically converted into the right to receive \$42.50 in cash;*
  - (8) Upon the completion of the conversion of ProvEnergy common stock into cash, as described above, ProvEnergy will become a division of Southern Union. (ProvGas Exh. 1).*
- As a result of the mergers with Southern Union, ProvEnergy, ProvGas, North Attleboro Gas, Valley Gas and the Fall River Gas Company



(“Fall River Gas”) will become operating divisions of Southern Union.<sup>3</sup>

Each company, however, will continue to do business under the name currently used. These operating divisions will be organized by Southern Union into its “New England Business Unit,” which will be anchored by ProvEnergy.

- Although organized as separate operating divisions within the New England Business Unit, the new divisions will not function wholly as stand-alone entities. The Petitioners represent that certain corporate and administrative functions such as treasury, financial reporting, and investor relations, will be more economical if performed on a consolidated basis, and therefore, will be performed by Southern Union for all of its operating divisions. In addition, gas distribution activities will be managed on a coordinated basis, which the Petitioners claim will increase overall system reliability and lower overall gas costs.
- The Petitioners state that the overall impact of the merger on customers will largely be in the nature of customer-service enhancements that will result from technology upgrades, increased distribution system reliability and similar benefits that will flow over time from participation in a larger organization. The Petitioners claim that the merger with Southern Union is likely to produce some cost

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<sup>3</sup> In addition to its proposed mergers with ProvEnergy, Valley and Bristol, Southern Union is contemporaneously seeking a merger with the Fall River Gas Company, in Massachusetts.

savings over the long term by virtue of the ability to coordinate and consolidate certain corporate and gas-distribution activities of the New England Business Unit.

- The Petitioners claim that the merger of Southern Union and ProvEnergy will have no immediate impact on base rates. The base rates charged to ProvGas customers are the product of *Energize RI*, a three-year Price Stabilization Plan Settlement approved by the Rhode Island Public Utilities Commission (“Commission”) in August 1997, which is set to expire on September 30, 2000. The Petitioners state that any base-rate change necessitated by the expiration of *Energize RI*, will be unrelated to the merger.
- The Petitioners state that some cost savings will result from the merger over time as a result of the consolidation of certain administration activities. The Petitioners state that these cost savings will actually help to offset rate increases that may otherwise be required in the absence of the merger.
- The Petitioners note, however, that these savings are not of the same magnitude as the costs that will be incurred by Southern Union to accomplish the merger. The petition identifies the following three costs to be borne by Southern Union:

*(1) transaction costs relating to fees, appraisals and outside service such as accounting, legal, investment banking, actuarial, environmental, and engineering consultants; (2) integration costs to effect the consolidation of the operations of the*

*merging companies, such as the cost of upgrading computer systems and restructuring business functions to attain net cost savings; and (3) the acquisition premium.*

- The Petitioners state that Southern Union is not seeking recovery of the acquisition premium or other merger-related costs based on achieved synergies. Rather, Southern Union proposes that consideration be given to alternative ratemaking models that recognize and encourage operational improvements, whether or not merger-related. Southern Union encourages the Division to continue initiatives to move away from the traditional cost-of-service, rate-of-return model for establishing utility rates and instead to rely on alternative approaches involving performance-based ratemaking (“PBR”) concepts. Southern Union believes that PBR and earnings-sharing models can provide a workable framework within which ProvGas can be given sufficient incentives to increase operating efficiencies, while improving customer service and system integrity with a corresponding opportunity for increased earnings to shareholders.
- The Petitioners state that operating these systems as a single, integrated system will create the ability to adjust gas deliveries and gas flows between the affiliated distribution systems, thereby improving the delivery capabilities of the overall system. In addition, the coordination of the gas-supply portfolios of the combined

operations will enable Southern Union to utilize peak-shaving facilities and peaking-supply contracts more efficiently. The merger is also expected to create economies of scale in relation to gas-purchasing and outsourcing opportunities that may result in cost savings over the long term.

- The Petitioners state that the proposed merger will not adversely affect the quality of service experienced by ProvGas customers and is likely to result in improved service quality because of the resources that will be available from the larger organization.

### **3. HEARINGS AND APPEARANCES**

In response to the petition filings, the Division conducted duly noticed consolidated public hearings on May 31, and June 1, 2000. The hearings were held at the Division's hearing room, located at 100 Orange Street in Providence. The following counsel entered appearances:

Docket No. D-00-02

For Valley, Bristol and  
Southern Union:

Deming E. Sherman, Esq.

For the Advocacy Section:

Elizabeth Kelleher, Esq.  
Special Assistant Attorney General

For the Attorney General:

Paul J. Roberti, Esq.  
Assistant Attorney General

For TEC-RI:

Andrew J. Newman, Esq.

Docket No. D-00-03

For ProvEnergy, ProvGas  
and Southern Union:

Robert J. Keegan, Esq.



For the Advocacy Section	Elizabeth Kelleher, Esq.
For the Attorney General:	Paul J. Roberti, Esq. Assistant Attorney General
For TEC-RI:	Andrew J. Newman, Esq.

#### **4. PETITIONERS' DIRECT CASES**

##### **A. Valley Gas/Southern Union Companies' Direct Case**

The Valley Gas/Southern Union Companies proffered four witnesses in support of their merger petition. The witnesses were identified as: Mr. Alfred P. Degen, Chairman, President and CEO of Valley and Bristol, and Chairman, President and CEO of Valley Resources, Inc. ("Valley Resources"), the parent of Valley and Bristol; Mr. Peter H. Kelley, President and Chief Operating Officer of Southern Union; Mr. Ronald J. Endres, Executive Vice President and Chief Financial Officer of Southern Union; and Mr. Orlando M. Magnani, a principal in the consulting firm of Navigant Consulting, Inc., 200 Wheeler Road, Suite 400, Burlington, MA 01803.

Mr. Alfred Degen's testimony echoed many of the merger details contained in the petition. Mr. Degen also sponsored a copy of the *Merger Agreement* being proposed by the Companies. (Valley Exh. 3).

Mr. Degen related that Valley Resources decided to enter into the *Merger Agreement* with Southern Union because its directors and officers believe that the proposed mergers are in the best interests of both the stockholders of Valley Resources and the customers of Valley and Bristol. He testified that the stockholders of Valley Resources will receive fair value for their shares, and, over time, as part of a larger company, Valley's and Bristol's customers will

receive a number of benefits. Mr. Degen thereupon reiterated the benefits outlined in the petition. In sum, he related that the surviving company would be a financially larger company, with greater purchasing power and with an enhanced ability to raise capital (Id., p. 6).

Mr. Degen also emphasized that there will be no base rate increases sought as a result of the mergers. He further related that Valley's and Bristol's customers will notice no changes in the day-to-day operations of the Companies. (Id., p. 5).

In closing, Mr. Degen assured the Division that the "public interest will be served by the proposed mergers and the quality of service rendered by Valley and Bristol to their customers will be enhanced." (Id. p. 7).

Mr. Peter Kelley offered testimony relative to Southern Union's organizational structure, and its business approach and strategic direction. He also discussed the reasons for the merger with Valley Resources, and why he believes the merger will be beneficial to Valley's and Bristol's customers.

Mr. Kelley offered the following description of Southern Union and its organization structure:

*... the Company's primary business is the sale and distribution of natural gas. Southern Union now serves approximately 1.2 million gas distribution customers through four operating divisions. Our Texas division, Southern Union Gas Company, serves approximately 523,000 customers in various Texas towns and cities in west Texas (including El Paso and Monahans), the Gulf Coast (including Galveston and Port Arthur), the Rio Grande Valley (including McAllen and Brownsville), south Central Texas (including Austin and Lockhart), and north Texas (including Mineral Wells and Weatherford). Our Missouri division, Missouri Gas Energy, serves approximately 487,000 customers in western Missouri,*

*including the cities of Kansas City, St. Joseph, Monett, and Joplin. Southern Union acquired its Missouri properties in early 1994. Our Florida division, South Florida Natural Gas, serves approximately 5,000 customers in the vicinity of New Smyrna Beach and Lauderhill and was acquired in January 1998. Our newest division, PG Energy, was acquired by Southern Union in November 1999 and serves about 154,000 gas distribution customers in central and northeastern Pennsylvania, including the cities of Scranton, Wilkes-Barre and Williamsport.*

*In addition to its natural gas distribution divisions, Southern Union has several energy-related, non-utility subsidiaries. These subsidiaries are involved in natural gas marketing, electric power marketing, intrastate pipeline transportation service, propane sales and distribution, and international (Mexico) activities (Valley Exh. 4, pp. 2-3).*

Mr. Kelley testified that Southern Union's business approach emphasizes efficient operations, high quality customer service, sales activities that focus on improved utilization of Southern Union's distribution systems, and growth through cost-effective system expansions and strategic acquisitions. He related that Southern Union believes that this approach will make it "a highly successful participant in the increasingly competitive energy marketplace" (Id., p. 4). Mr. Kelley added that Southern Union expects that highly reliable, low cost gas distribution service will lead to growth in customers and throughput, thereby creating value for both customers and shareholders. (Id.).

Mr. Kelley stated that a number of factors make Southern Union's business approach successful. He identified the factors as safety and reliability, low cost gas procurement, highly motivated employees, deployment of new technologies, and economic development.

Mr. Kelley related that providing safe and reliable service is a prerequisite to successful participation in an increasingly competitive marketplace. He related that price is secondary if the service is not safe and dependable. He further related that recent developments in the area of performance-based regulation typically recognize the importance of maintaining service quality and reliability.

Mr. Kelley observed that after safety and reliability, the customer's primary concern is the amount he or she pays for gas service. He related that although low cost distribution service benefits the customer, the cost of gas portion of a customer's bill often can represent more than half of the total bill for a sales customer. Accordingly, the witness stated, Southern Union works diligently to secure additional supply sources in order to place competitive pressures on incumbent suppliers in its service areas. As an example, Mr. Kelley stated that after acquiring its Missouri properties, the Company successfully negotiated with a major pipeline to expand service to the Kansas City area. He stated that the Company also actively participates in proceedings before the Federal Energy Regulatory Commission. Mr. Kelley also noted that Southern Union has participated in various El Paso Natural Gas Company rate proceedings to help keep customer bills in Southern Union's El Paso Service Area among the lowest in the nation. Mr. Kelley noted that in the Northeast, the natural gas industry competes with fuel oil and other heating energy sources for the "privilege of serving customers." He concluded, therefore, that it is imperative that Southern Union maintain the lowest costs possible in order to maintain and grow our customer base in this region. He stated that Southern Union



would apply its resources and expertise to meet Valley's and Bristol's customer demands for reasonably priced, reliable service (Id., p. 6).

Mr. Kelley next testified that for its business objectives to be achieved, employees must have a clear understanding of the Company's overall business strategy and must be able to make effective, timely decisions in today's fast paced business environment. He described Southern Union's employees as knowledgeable, highly motivated individuals who are provided with the tools to achieve Southern Union's objectives. He explained that Southern Union has a "flat" organizational structure. He related that employees at all levels have significant decision making responsibility and authority and are committed to Southern Union's business strategy and objectives. Mr. Kelley testified that through cross-training opportunities and active team participation, Southern Union's employees have proven to be the Company's most valuable resource (Id., pp. 6-7).

Mr. Kelley testified that Southern Union has determined that cost-effective deployment of technology initiatives is the key to the attainment of improved operating efficiencies and/or enhanced customer service, both of which he asserted are critical to successful participation in today's energy marketplace.

As an example, he cited Southern Union's installation of automated meter reading systems throughout its Missouri properties. Mr. Kelley related that this new technology allowed Southern Union to achieve its objective of enhancing customer service by ensuring timely and accurate billing.

Mr. Kelley testified that Southern Union believes that when a local economy prospers, both businesses and residents benefit. It is for this reason, the witness stated, that Southern Union works “to keep its rates and gas costs as low as possible.” Mr. Kelley contended that this is how Southern Union contributes to the economic development of the local economy (Id., p. 8).

Mr. Kelley next discussed the reasons why Southern Union is seeking three mergers in the New England area. He related that by merging with Valley, ProvEnergy and the Fall River Gas, Southern Union would be expanding its geographic diversity. He explained that this diversity would reduce Southern Union’s dependence on economic and weather conditions in any single-operating region. He testified that Southern Union will benefit because “the stability of the Company’s earnings and cash flow will be enhanced” (Id., p. 9).

Mr. Kelley also explained that these three New England companies were chosen because their business perspectives are compatible with Southern Union’s business perspectives. He related that the compatibility provides “the opportunity to effectively coordinate our operations” (Id.).

Mr. Kelley additionally opined that Valley’s and Bristol’s customers will experience enhanced customer service over time. He reasoned that due to the expansion of its customer base, Southern Union believes that the deployment of new technologies will become more economical. He related that introducing new technologies will enhance Southern Union’s customer service and will improve the Company’s gas distribution operations in an unbundled, competitive marketplace. Mr. Kelley concluded that, as a result, Southern

Union will be well positioned to control rates and improve service for the benefit of customers (Id., p. 9).

Mr. Kelley added that Valley's and Bristol's (and ProvGas') customers would also benefit by being customers of a financially larger company. He stated that the improved access to capital markets and greater flexibility in financing alternatives should bring benefits to Valley and Bristol and their customers (Id., p.10).

Mr. Ronald Endres was proffered by the Valley/Southern Union Companies for the purpose of describing the terms of the *Merger Agreement* between Southern Union and Valley Resources; and the other corporate commitments that Southern Union has made in connection with the merger. Mr. Endres also discussed why Southern Union believes the price paid for Valley Resources is fair and reasonable. Mr. Endres additionally reviewed the specific costs and benefits associated with achieving the merger and why Southern Union believes the merger is consistent with the public interest. His testimony concluded with a description of the various state regulatory approvals required for completion of the merger (Valley Exh. 6).

Mr. Endres testified that under the terms of the *Merger Agreement*, Valley Resources would merge into Southern Union in a transaction valued at approximately \$160 million, including Southern Union's assumption of Valley Resources' debt. He related that for each outstanding share of Valley Resources common stock, Valley Resources shareholders would receive \$25.00 in cash (Id., p. 2).

In addition to the financial terms of the agreement, Mr. Endres testified that Southern Union has made several significant commitments related to employees. He testified that Southern Union has agreed to maintain employee benefits that are no less favorable in the aggregate than the current benefits for a 24-month period subsequent to closing of the merger. He further testified that Southern Union has agreed to provide retiree medical plan coverage substantially comparable to the current coverage for a five-year period. Mr. Endres related that Southern Union has agreed to recognize the tenure of the employees under all benefit plans and to assume all of the collective bargaining agreements. The witness stated that with regard to management, the merger agreement identifies current Valley Resources officers, who will become officers of Southern Union's Valley division of its New England Business Unit, which will be composed of the pending transactions with Valley Resources, ProvEnergy, and Fall River Gas. (Id., pp. 2-3).

Mr. Endres further testified that although not required by the *Merger Agreement*, Southern Union has committed that there would be no layoffs as a result of the merger. He related that Southern Union would rely on its local management for decisions relating to Valley's and Bristol's gas distribution operations and will require local management, in carrying out those responsibilities, to be responsive to Rhode Island regulators. He also stated that the Company would continue the level of investment in Valley's and Bristol's distribution systems necessary to maintain safe and reliable service to all customers. Mr. Endres assured the Division that Southern Union and



Valley Resources intend to work cooperatively with Rhode Island regulators to ensure that all regulatory requirements are satisfied (Id., pp. 3-4).

Mr. Endres testified that Southern Union has determined that the purchase price of Valley Resources is fair and reasonable based on a comparison of certain measures of value for recent, comparable mergers. Mr. Endres explained that the following three measures of value for recent mergers were considered: (1) price-to-earnings multiples, (2) price-to-book value multiples, and (3) total price paid (including assumption of debt) per customer. Mr. Endres thereupon offered an exhibit that provided details on twelve other mergers, to show that buyers have paid multiples of between 19.6 and 39.2 of earnings, with an average of 28.9.<sup>4</sup> He related that the corresponding measure for the Valley Resources acquisition is 24.0, which is below 75 percent of the listed transactions. With regard to price-to-book value multiples, Mr. Endres stated that the instant merger with Valley Resources entails a multiple of 3.3, which is slightly above the high end of the listed transactions (Id., p. 4).

Mr. Endres testified that the last measure of utility transaction value is the price paid per customer. He explained that the use of this measure is predicated on the belief that access to customers is a major driver of the future value of a utility. Mr. Endres related that research shows a fairly broad range for this measure, with an average of approximately \$3,100 per customer. He testified that Southern Union's merger with Valley Resources reflects a price

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<sup>4</sup> Mr. Endres' exhibit includes details on twelve comparable merger transactions (See Exhibit RJE-1, attached to Valley Exh. 6).

per customer of \$2,480, which is lower than 80 percent of the listed transactions (Id., p. 5).

Mr. Endres concluded that based on these comparisons, Southern Union determined that the price offered for Valley Resources is entirely consistent with recent market valuations for gas distribution properties and is fair and reasonable (Id.).

Mr. Endres next discussed the anticipated benefits of the merger. He related that the merger would enhance gas supply reliability, particularly with respect to the operation of local peak shaving facilities. He opined that over time, economies would also be realized through dispatching on a combined system and in purchasing supplies to satisfy the larger portfolio of the combined companies (Id. p. 5).

Mr. Endres predicted further savings associated with the elimination of certain “public company” functions, which will be performed by Southern Union on a consolidated basis after the merger, as well as savings in industry association dues and credit line commitment fees (Id., p. 6). He opined that other savings may occur over time as a result of realization of economies of scale in purchasing materials and supplies, centralized employee benefits administration, consolidation of information technology systems, adoption of the best practices of operating properties throughout the combined companies, and regional coordination of the New England operations. He related that these other types of savings can only be reasonably identified, quantified, and realized subsequent to the consummation of the merger after experience with

joint operations is achieved and a thorough assessment of human and non-human resource capabilities has occurred (Id.).

Regarding the types of savings to be realized from the elimination of duplicative “public company” functions, Mr. Endres related that Southern Union and Valley Resources incur annual expenses associated with their respective boards of directors, annual shareholder meetings, preparation and processing of required public filings, stock exchange listings, and stock transfer agents. He explained that these functions would no longer be separately performed by Valley Resources. He added that dividend processing and disbursement expenses would also be eliminated for Valley Resources. Mr. Endres did note, however, that although Valley Resources will no longer incur these “public company” expenses, Valley Resources will be allocated a share of Southern Union’s expenses associated with these functions. Mr. Endres also noted that Valley Resources will save expenses through single memberships in the American Gas Association and the New England Gas Association and through lower credit line commitment fees. In total, Mr. Endres calculated the estimated annual net savings to be \$264,644 for Valley Resources from these sources (Id., p.7).<sup>5</sup>

Mr. Endres next discussed merger-related costs, including the acquisition premium being paid by Southern Union. Mr. Endres defined an acquisition premium as the :

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<sup>5</sup> See Exhibit RJE-3, attached to Valley Exh. 6.

*... amount paid for a utility in excess of the historical book value of the seller's recorded net assets (Id., p. 7).*

Mr. Endres related that this concept and the requirement that utilities separately recognize premiums in their accounting records, is unique to regulated utilities and has existed for a number of years. He explained that by accounting for acquisition premiums independently of the related net assets, the acquisition premium could be separately analyzed by regulatory authorities.

Regarding the acquisition premium in the instant *Merger Agreement*, Mr. Endres offered the following calculation:

*... the merger agreement requires the payment of \$25.00 in cash per share of Valley [Resources] common stock, or \$124,625,000, assuming 4,985,000 outstanding shares. The recorded historical book value of Valley's net assets at May 31, 1999 was \$37,467,000, resulting in an acquisition premium of approximately \$87,158,000. The precise amount of the acquisition premium may differ at closing depending on a number of factors, including the results of operations of Valley prior to closing (Id., p. 8).*

In addition to the acquisition premium, Mr. Endres testified that other costs are required to accomplish the *Merger Agreement*. He explained that these expenditures can generally be separated into transaction costs and integration costs. He related that transaction costs encompass the direct, non-recurring costs to consummate an acquisition and includes items such as fees paid to outside consultants for accounting, legal, investment banking, actuarial, environmental, engineering and other services, appraisals, and other direct



costs to complete the acquisition. He quantified the additional transaction costs related to Valley Resources at \$5,000,000 (Id., p. 8). Mr. Endres explained that integration costs are incurred to effect the consolidation of the operations of the merging companies and could include items such as the costs of upgrading computer systems and costs of restructuring certain business functions. He testified that integration costs would become quantifiable as integration efforts develop (Id.).

Mr. Endres testified that Southern Union is not seeking recovery for any of the transaction, acquisition or integration costs it will incur through the mergers. He related that to pursue such recovery would invariably lead to extensive analyses and protracted debates about whether specific savings would offset merger-related costs. Mr. Endres testified that as an alternative Southern Union will be endorsing initiatives to move away from the traditional cost-of-service, rate-of-return model for establishing utility rates and instead to rely on alternative approaches involving PBR concepts. He stated that Southern Union believes that PBR and earnings-sharing models can provide a workable framework within which Valley Resources can be given sufficient incentives to increase operating efficiencies, while maintaining quality customer service and system integrity with a corresponding opportunity for increased earnings to shareholders. He called this type of plan a “win-win” for customers and shareholders (Id., p. 9).

Accordingly, Mr. Endres declared that Southern Union:

*... will request that it be afforded the opportunity  
to develop, for filing in a future proceeding, a proposal to*

*establish an alternative performance-based approach to setting rates for Valley, which would tie its performance, under an approved set of criteria, to its earnings. In making such a proposal in the future, Southern Union would ask that Rhode Island regulators consider performance-based approaches to strengthen incentives for continued operational improvements following the merger. In the event that this alternative approach is not acceptable, Southern Union would request that merger-related costs be recognized in future ratemaking proceedings to the extent that savings are demonstrated to have resulted from the merger. In the interim, Southern Union proposes no change to the base rates for Valley (Id., p. 10).*

Mr. Endres also hoped that future ratemaking proceedings would take into account Southern Union's efforts to provide "efficient high quality service and to arrange low cost, reliable gas supplies" (Id.).

Mr. Endres next discussed the factors on which he based his conclusion that the instant merger is in the public interest. He identified six factors, namely: (1) impact on rates, (2) financial integrity of the post-merger entity, (3) effect on service quality, (4) effect on competition, (5) social costs, and (6) economic development (Id., p. 11).

Mr. Endres opined that the merger would not have an adverse effect on rates because Southern Union plans to continue with Valley's current base rates after the merger.

Mr. Endres also contended that Valley's financial integrity would be improved as a result of the merger. Mr. Endres related that the size and diversity of Southern Union's operations will provide Valley and Bristol with greater financial stability, improved access to capital markets and enhanced

financing flexibility. He opined that over time, this should result in lower overall financing costs on more favorable terms and conditions.

As for the merger's effect on service quality, Mr. Endres echoed Mr. Kelly's comments. He emphasized that high quality customer service is essential in today's energy marketplace. He opined that the merger would result in improved service quality because of the resources that will be available from the larger organization (Id., p. 12).

Regarding competition, Mr. Endres pointed out that Southern Union does not have any operations in the New England area. He concluded, therefore, that the acquisition would not eliminate or have any adverse impact on existing competition (Id., p. 13).

Mr. Endres also claimed that there would not be any societal costs resulting from the merger. He offered the following basis for this conclusion:

*Societal costs typically result when a merger causes involuntary employee reductions that are accomplished without programs, such as outplacement programs and retraining support, to provide assistance to displaced employees. Southern Union did not enter the merger with the intent of achieving cost savings through employee layoffs. The Company has stated that there will be no layoffs caused by the merger. Future developments in the business, including customer demands and new technologies, will drive staffing, both types and levels. At the same time, Valley employees will have improved career opportunities as a result of being a part of a larger, growing organization. Further, as explained in the testimony of Peter Kelley, local management will be responsible for Valley's operations, including staffing. Thus, there will be no adverse effect on Valley's workforce as a result of the merger (Id., p. 14).*

Mr. Endres also maintained that the merger would have a positive impact on economic development in Valley's and Bristol's service territories. Mr. Endres relied on Southern Union's commitment to high quality customer service and the lowest possible rates as the bases for this prediction (Id., pp.14-15).

Predicated on the foregoing factors, Mr. Endres asserted that the proposed merger is "consistent with the public interest" (Id. p.15).

Mr. Orlando Magnani was offered by the Valley/Southern Union Companies to describe the gas supply benefits to Valley and Bristol resulting from the merger of Fall River Gas, ProvEnergy and Valley Resources with Southern Union.

Mr. Magnani testified that Valley and Bristol customers will receive two types of benefits, specifically, increased reliability and gas cost savings. He opined that reliability would increase as a result of the ability to plan, contract and dispatch on an integrated basis. He opined that gas cost savings will occur as a result of more efficient utilization of upstream pipeline resources; more efficient utilization of peakshaving facilities and contracts; and economies of scale and enhanced market knowledge in purchasing gas supply (Valley Exh. 5, p. 3).

Mr. Magnani supported his conclusion with an overview of Valley's and Bristol's existing gas supply and transmission portfolio. Mr. Magnani testified that Valley and Bristol currently receive pipeline deliveries from Tennessee Gas Pipeline ("Tennessee") and Algonquin Gas Transmission ("Algonquin") and peaking supplies from Distrigas, Duke Energy and Pawtucket Power. He



related that Distrigas can be received in the form of liquid deliveries by truck or vapor through Tennessee. Mr. Magnani testified that the contract to provide liquid terminates on October 31, 2002 while the contract to provide a combination of liquid and vapor expires on October 31, 2005. He stated that the Duke Energy supply was delivered by Tennessee but terminated on March 31, 2000. He further stated that the Pawtucket Power supply is delivered by Tennessee under a long-term contract that expires on October 31, 2010. Mr. Magnani concluded that Valley's and Bristol's portfolio is heavily weighted to supplies from Tennessee and their ability to receive gas from Algonquin is limited (Id., p. 4).

Mr. Magnani testified that the merger with Southern Union would improve supply reliability because Southern Union's supply sources will further diversify the portfolio available to the Northeast. He also opined that improved communications will allow the combined companies to better plan for routine projects and to react more quickly if a problem occurs (Id.).

Mr. Magnani also explained that dispatching on a combined system basis is more efficient than dispatching on a stand-alone basis. He noted that if one company has more capacity to receive gas from a less expensive source than it can use, that gas could be moved to one of the other companies by displacement (Id. pp. 5-6). He also explained that additional savings may result from the aggregation of deliveries across more delivery points. Mr. Magnani related that aggregating deliveries will reduce the likelihood and magnitude of daily imbalances on a given pipeline system (Id., p. 6).

Mr. Magnani further testified that the integration of the portfolios would allow the Companies to reduce purchases of LNG or other high cost supplemental fuels. He noted that Valley and Bristol both currently need to purchase LNG (Id., pp. 6-7).

Mr. Magnani also testified that integration would further allow more effective utilization of combined vapor/liquid contracts. He suggested that pipeline and storage surplus of one company could be used to displace the need of another company to take LNG as vapor during the winter season. He testified that this will allow more of the winter LNG supplies to be taken as liquid. Mr. Magnani stated that this will permit the companies to extract more of the higher form value of liquid LNG as well as reduce their overall takes of LNG (Id., p. 7).

Mr. Magnani explained that integration would also facilitate the Companies' ability to provide backup services for each other's peak shaving facilities. He related that this is true because there would be more peakshaving capacity available to offset the loss of a single source and because the communication between the Companies would significantly reduce the time required to implement backup services compared to a non-integrated system (Id.).

Mr. Magnani additionally noted that Valley and Bristol would benefit from having access to the backup capabilities of ProvEnergy's Providence LNG facility. He related that, when required, ProvEnergy could vaporize additional LNG into its system and redirect a corresponding amount of its Tennessee gas to Valley and Bristol. He explained that there would be no incremental

transportation charges for this service because the cost of delivering gas to Valley and Bristol is the same as delivering gas to Providence. He noted that gas could also be exchanged directly between Valley, Bristol and ProvEnergy through an existing interconnect (Id., p. 8).

Mr. Magnani next testified that the mergers should provide economies of scale with respect to the purchases of gas required for the Companies' combined New England market requirements. He identified two factors from which savings could result:

*First, the New England companies and the Southern Union companies are connected to pipelines that are owned by the same parent companies but operate in different parts of the United States. The companies also buy gas from the same national suppliers. This provides for greater operational flexibility and the opportunity for more efficient dispatch of available supply contracts.*

*Second, the availability of greater market knowledge than would be available to the individual companies provides an opportunity to lower daily gas costs. Stand-alone companies do not share market knowledge. The combined companies will share their knowledge and will realize economies associated with making larger purchases on a more informed basis (Id., p. 9).*

In closing, Mr. Magnani related that there are a number of synergies that can be identified from the proposed mergers. He concluded that these various synergies will bring about significant reductions in gas cost in the future.

B. ProvGas/Southern Union  
Companies' Direct Case

The ProvGas/Southern Union Companies proffered three witnesses in support of their merger petition. The witnesses were identified as: Mr. James

DeMetro, Executive Vice President of ProvEnergy and ProvGas; Mr. Peter H. Kelley, President and Chief Operating Officer of Southern Union; and Mr. Ronald J. Endres, Executive Vice President and Chief Financial Officer of Southern Union.

Mr. James DeMetro's testimony included a brief description of ProvEnergy and its affiliate, ProvGas. Mr. DeMetro also discussed the reasons for the merger and why he believes ProvGas' customers will benefit (ProvGas, Exh. 5).

Mr. DeMetro's description of ProvEnergy and ProvGas essentially paralleled the description provided in the petition. Mr. DeMetro's testimony did indicate that ProvGas' service territory is comprised of 730 square miles (Id., p. 2).

Mr. DeMetro testified that over the past several years, ProvEnergy's Board of Directors (the "Board") and the management of ProvEnergy have closely followed industry-restructuring developments. He related that deregulation of the gas industry, which first started at the national level with the unbundling of interstate natural gas pipeline services, has continued at the state level with unbundling initiatives being promoted by both LDCs and regulators. Mr. DeMetro testified that with this restructuring of the utility industry, the attractiveness of LDCs has grown significantly. According to the witness, convergence in the energy industry has made local utilities an extremely valuable part of any retail energy company's portfolio. He explained that traditional regional gas and electric utilities are repositioning themselves



as national and even international retailers of distributed power and energy services. At the same time, he related, restructuring initiatives are requiring companies to make significant investments in technology, which Mr. DeMetro contends has motivated companies to reach across industry lines and geographic borders in an effort to grow their customer base and to capture additional economies of scale. Mr. DeMetro testified that New England LDCs have been targeted for acquisition for a number of additional reasons, including the area's relatively low saturation of natural gas, the introduction of new gas transmission lines into the region, and the large number of small LDCs in the region (Id., pp. 2-3).

Mr. DeMetro testified that the Board has concluded that three primary factors are driving gas industry mergers. He identified the underlying factors as:

*... (1) the need to create economies of scale and/or scope in order to maintain competitiveness; (2) the recognition that technology investments are key to achieving efficiency gains, but require a larger capital base; and (3) that convergence in the energy industry was causing a high value to be placed on local utilities by larger, more diverse energy companies looking to become major players in the utility industry (Id., p. 3).*

Mr. DeMetro related that after considering these factors, the Board concluded that significant benefits could result from a business combination with a larger organization. Mr. DeMetro related that the Board also believes

that such a combination would be in the best overall interest of ProvEnergy's customers, shareholders and employees (Id., p. 4).

Mr. DeMetro testified that upon reaching this conclusion ProvEnergy sought a larger financial partner with resources to support continued growth as a broad based energy supplier throughout New England with a shared commitment to serve customers safely and reliably (Id.). Mr. DeMetro related that ProvEnergy has found this partner in Southern Union. Mr. DeMetro stated that ProvEnergy believes that Southern Union is in the:

*... best position to offer the highest value for our shareholders while providing benefits for customers and enhanced opportunities for employees (Id., p. 5).*

Mr. DeMetro testified that ProvEnergy expects the following benefits will result from the merger:

*First and foremost, the merger will enable us to deliver benefits to the customers of ProvGas that would likely not be realized without the merger. The merger will provide ProvEnergy with access to resources that will enable us to be more competitive and to continue to honor our commitments to our customers, the communities we serve and our employees. This merger offers the potential for increased efficiency and improved customer service for customers of ProvGas. In addition, Southern Union has agreed to operate ProvEnergy as the headquarters for its New England operations, which will enable us to continue serving our market with the same skilled and dedicated people who know and understand local needs. Moreover, ProvEnergy believes that a larger, more diversified company will benefit ProvGas employees over the long term by providing them with greater opportunities and a more dynamic working environment. ProvEnergy's shareholders will also benefit from*

*the merger because they will receive a fair value for their stock in an all-cash transaction (Id., p. 5).*

Mr. DeMetro next discussed the anticipated benefits for ProvGas' customers. He explained that the impact of the merger on customers will largely be in the nature of customer-service enhancements resulting from technology upgrades, increased distribution system reliability and similar benefits that would flow over time from participation in a larger organization. He added that even though undertaken for strategic purposes, he believes the merger with Southern Union is likely to produce some cost savings by virtue of the ability to coordinate and consolidate certain corporate functions as well as the opportunity to integrate the operations of Southern Union's other Northeast companies over the long term (Id., p. 6).

Mr. DeMetro also stated that ProvGas' customers will experience some benefits relating to the gas supply function. One benefit was described as a increase in overall system reliability, resulting from the ability to plan, contract and dispatch gas supply resources on an integrated basis (Id.). A second benefit was described as gas cost savings resulting from more efficient utilization of peakshaving facilities and peaking supply contracts, as well as the attainment of larger economies of scale and enhanced market knowledge in purchasing gas supply (Id.).

Mr. DeMetro explained that coordinating the gas supply resources of ProvGas, Fall River Gas and Valley Resources will improve supply reliability because the integrated system will have access to a more diverse set of resources than would be available on an individual basis. He related that this

is particularly important with respect to peaking resources. Mr. DeMetro explained that if operational or supply difficulties occur on one company's system, supplies accessible to one of the other companies can be diverted to meet that need. Mr. DeMetro related that the same is true for dispatching gas supply resources. He related that dispatching on a combined system basis is more efficient than dispatching on an individual system basis, because gas supplies can be moved across the system using displacement, and therefore, all companies have the ability to take advantage of lower-cost supplies that may be available today to only one of the companies. He opined that seasonal resources can be managed more efficiently in the same way (Id., p. 7).

Mr. DeMetro added that the most significant potential for achieving gas-cost savings will occur in relation to peaking supplies. As an example, he related that ProvGas currently is evaluating alternatives for obtaining a new peaking supply. He stated that by coordinating its peak-shaving needs and resources with those of Fall River Gas and Valley, ProvGas' need for this new resource may be reduced or eliminated. He concluded that this would provide substantial value to customers (Id.).

Mr. DeMetro also testified that he expects gas supply-related savings when each company's assets are planned, managed and dispatched in an integrated manner. Additionally, he expects that the combined companies will share their market knowledge, which he believes should create the opportunity to lower daily gas costs where, on a stand-alone basis, such market information would not normally be shared (Id., p. 8).



Also regarding the issue of benefits to ProvGas' ratepayers, Mr. DeMetro maintained that the merger "will have no immediate impact on the base rates charged to ProvGas customers" (Id.). He related that although ProvGas may need to seek a base-rate increase after the expiration of its *Energize RI* rate plan, he emphasized that such an increase would not be related to the merger with Southern Union (Id., pp. 8-9).

As in the Valley/Southern Union Companies' direct case, Southern Union's President and Chief Operating Officer, Mr. Peter Kelley; and its Executive Vice President and Chief Financial Officer, Mr. Ronald Endres, also testified in support of the ProvGas/Southern Union Companies' merger petition.

The testimony proffered by Messrs. Kelley and Endres in the ProvGas/Southern Union Companies' case was substantially similar to the testimony proffered in the Valley/Southern Union Companies' merger case.

Mr. Kelley again described the organizational structure of Southern Union. He also reiterated the Company's business approach and strategic direction.

Mr. Kelley similarly discussed the reasons why safety, reliability, low cost gas procurement, motivated employees, new technology deployment and economic development are important to Southern Union (ProvGas Exh. 3, pp. 3-8).

Mr. Kelley's description of why Southern Union agreed to the merger with ProvEnergy directly paralleled the description in the Valley/Southern Union

Companies merger case. In short, Southern Union is endeavoring to expand the geographic diversity of its operations in order to reduce its independence on economic and weather conditions in an single operating region (Id., pp. 8-9).

As in the Valley/Southern Union Companies' case, Mr. Endres described the principal terms of the *Merger Agreement*. In the ProvGas/Southern Union Companies *Merger Agreement*, each share of the approximately 6.1 million shares of ProvEnergy common stock will be converted into the right to receive \$42.50 in cash (ProvGas Exh. 4, pp. 2-3). All other terms are substantially similar to the Valley/Southern Union Companies' *Merger Agreement* (Id., pp. 3-4).

Mr. Endres again analyzed the merger based on a comparison of certain measures of value for recent comparable transactions. As in the Valley/Southern Union Companies case, Mr. Endres considered three measures of value: (1) price-to-earnings multiples, (2) price-to-book value multiples, and (3) total price paid (including assumption of debt) per customer (Id., pp. 4-5).

Mr. Endres sponsored an exhibit<sup>6</sup> reflecting that buyers have paid multiples of between 19.6 and 39.2 of earnings, with an average of 28.9 (Id., p. 5). He related that the corresponding measure for the ProvEnergy acquisition is 21.1, which he noted is lower than all but one of the other listed transactions. Mr. Endres observed that the price-to-book value multiples for the ProvEnergy acquisition is 2.6, which he noted is somewhat below the

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<sup>6</sup> See Exhibit RJE-2, attached to ProvGas Exh. 4.

average of the other listed transactions (Id.). As for the price paid per customer measure, Mr. Endres related that Southern Union's merger with ProvEnergy reflects a price per customer of \$2,131. He contrasted this price to the average price of \$3,100 per customer among the other listed transactions (Id.).

Based on these comparisons, Mr. Endres testified that Southern Union has concluded that the price offered for ProvEnergy is consistent with recent market valuations for gas distribution companies and is fair and reasonable (Id.).

Mr. Endres next discussed the reasons why the Division should find the merger to be consistent with the public interest. This testimony too, directly paralleled the testimony presented in the Valley/Southern Union Companies merger case. Generally, the reasons included: the elimination of duplicative 'public company' functions, no acquisition premium or other merger-related costs, enhanced service quality, no adverse effect on competition, no resulting societal costs, and a positive impact on economic development (Id., pp. 11-15).

## **5. DIRECT CASES OF THE ADVOCACY SECTION AND ATTORNEY GENERAL**

### **A. Valley/Southern Union Companies' Merger Case**

The Advocacy Section and the Attorney General jointly presented one witness in the Valley/Southern Union Companies' merger case. The witness was identified as Mr. Bruce R. Oliver, the President of Revilo Hill Associates, Inc., 7103 Laketree Drive, Fairfax Station, Virginia. Revilo Hill Associates, Inc. was described as a consulting firm, specializing in economics and utility planning matters. Mr. Oliver was qualified as an expert witness in these areas.

Mr. Oliver prefaced his testimony with an observation that the several benefits identified by the Valley/Southern Union Companies' witnesses, which said witnesses claim will accrue to ratepayers as a result of the proposed merger, are either unqualified or speculative (Advocacy/A.G. Exh. 1, p. 6). Moreover, he stated, the limited portion of such benefits that have been quantified is small relative to the Companies' \$5 million of estimated transaction costs and the more than \$87 million of acquisition premium to be paid by Southern Union for Valley and Bristol (Id.).

Mr. Oliver also rejected the Companies' claim that no base rate increase will be sought as a result of the mergers. Mr. Oliver contended that Southern Union's representation that there will be no change in base rates for Valley or Bristol as a result of the mergers "is only an interim commitment" (Id., p. 7). He pointed out that Mr. Endres testified that Southern Union may seek recognition of merger-related costs in future ratemaking proceedings if Southern Union's request for an alternative performance-based approach to setting rates is not accepted (Id.).

Based upon his review and analysis of the Valley/Southern Union Companies' petition and supporting testimony, exhibits and workpapers<sup>7</sup>, Mr. Oliver recommended that the Division adopt the following thirteen findings and conclusions:

1. *As provided under Section 39-3-25 of the Rhode Island General Laws, the Companies must demonstrate: (a) that the proposed mergers will not diminish facilities for*

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*furnishing service to the public, and (b) that the terms of the mergers are consistent with the public interest.*

2. *Any assessment of the merits of the proposed mergers must consider whether the ability to provide safe and adequate service at the lowest reasonable cost will be jeopardized. In this context, the Division's determinations in this proceeding should address: (a) the degree to which the mergers can be expected to impact ratepayer costs, (b) the effects of the mergers on the reliability and safety of the services provided, (c) the impact of the mergers on competition, and (d) the potential influences of the mergers on regulatory control and oversight of the utility operations.*
3. *The mergers' economic impact on ratepayers is a key determinant of whether the mergers are consistent with the public interest. Thus, as a general matter, the Division's approval of the mergers should be contingent upon demonstration of reliable ratepayer benefits that cannot be diminished by the Companies' future actions or future regulatory determinations.*
4. *The record in this proceeding indicates that substantial uncertainties exist regarding the merger's impact on service reliability and customer rates. Therefore, any approval of the mergers by the Division should require specific rate and service commitments from the Companies. Moreover, any approval of the merger should be structured in a manner that does not in any way impede the ability of the RIPUC to ensure that prospective regulated earning will be premised on the Companies' future performance concerning service and rates.*
5. *Representations that the proposed merger transactions will yield no net harm should not be viewed as sufficient basis for concluding that the mergers are consistent with the public*

*interest. The Division should require that the mergers clearly produce net benefits for stakeholders other than Valley and Bristol shareholders, particularly for ratepayers. Valley and Bristol shareholders should not be the only stakeholders who stand to benefit from the mergers. Speculative assessments of future ratepayer benefits should not be held sufficient to justify a finding that the merger is consistent with the public interest.*

- 6. The Companies have not attempted to quantify substantial elements of the merger-related cost savings that they anticipate. Without more specific identification and quantification of such cost savings, segregation of merger-related and non-merger-related cost savings becomes extremely difficult, and ratepayers may be denied the benefit of cost reductions that could have, and perhaps would have, been achieved in the absence of the proposed mergers.*
- 7. The Companies make numerous references to opportunities for savings resulting from consolidation of activities among the utilities that would comprise SU's New England Division. However, the Companies have not provided a timetable or plan to bring about either the rate consolidation or consolidation of operations for those companies. In the context of this proceeding, a key element of the public interest for the State of Rhode Island is the potential for consolidation of Valley and ProvGas operations and tariffs.*
- 8. The proposed mergers will give rise to approximately \$87 million of acquisition premium costs, an estimated \$5.0 million of transaction costs, and an as yet unquantified amount of integration costs. The rate treatment of these costs and their ultimate impact on Valley ratepayers, however, cannot be determined due to a contingency that SU has imposed based on future action by the RIPUC. If SU cannot remove that contingency*

*(i.e., the possibility that base rates will go up as a result of the merger), then the Division should defer any approval of the mergers in this proceeding until the Companies gain RIPUC approval of a post-merger rate plan. Any Division order approving the merger should make it explicitly clear that the Division is not approving or endorsing the concept of the inclusion of an acquisition premium or other merger-related costs in base rates.*

- 9. The merger proposals in this proceeding represent just one of several recent efforts by SU to acquire gas distribution utility operations. Over the past several years, SU also has acquired gas distribution utility operations in Missouri, Florida and Pennsylvania. It is also in the process of acquiring Fall River Gas Company in Massachusetts and Providence Gas Company in Rhode Island. However, Southern Union's post-merger operations in Missouri have produced some significant customer service and billing problems. Nothing in the merger proposals in this proceeding provide substantial assurance that similar post-merger customer service problems will be avoided if the Division approves the Companies' Petition.*
- 10. To provide assurance to Valley customers that similar post-merger customer service problems will not arise, the Division should require the Companies to commit to a comprehensive service measurement and monitoring program. Standards should be developed prior to approval of the merger, as well as a structure that compensates ratepayers if historic levels of service quality are not maintained. Given Southern Union's experience in Missouri, it may be appropriate to utilize some or all of the service standards that have been developed and implemented in that jurisdiction.*
- 11. With Southern Union's diverse operations, the cost allocation procedures that SU will use to determine the allocation of corporate overheads*

*and other commonly incurred costs to Valley are critical for public interest in Rhode Island. At this point, however, the procedures that SU will use to make such allocations, as well as the accounting treatment for costs and benefits resulting from additional Southern Union acquisitions, have yet to be established. Missouri has already taken a fairly aggressive position on these matters, and Rhode Island should require protections for its ratepayers that are at least comparable to those required of SU in Missouri.*

- 12. Additionally, the Companies should be required to commit to maintaining a major presence in Rhode Island so that management and operations remain responsive to the needs of both customers and the broader public interest in Rhode Island. The Companies should also commit to specified actions and procedures to ensure continuation of necessary regulatory oversight and avoid any unwarranted impairment of the Commission's authority. Similarly, Valley customers need greater assurance that the Companies' commitments to capital projects, low income programs, and service enhancements will be continued over time, not just for a brief transitional period.*
- 13. The public interest of Rhode Island also suggests that the Division should act in this proceeding to ensure that rate of return determinations in future Valley proceedings before the RIPUC limit the percentage of common equity which is recognized for rate setting purposes. Without such assurance of limits on the percentage of common equity, the Division may not be able to confidently conclude that rate impacts resulting from the mergers are consistent with the public interest. Thus, when calculating Valley's weighted cost of capital in future rate proceedings, any unamortized acquisition premium should be deducted from the common equity measurement in order to properly match the Companies' capitalization with its actual*



*utility assets. Or alternatively, the cost of capital should be developed based on a proxy group of comparable local gas distribution companies (Id., pp. 9-15).*

Mr. Oliver next discussed issues which he believed to be relevant to the Division's assessment of the merits of the proposed mergers. He contended that the most critical issues are those associated with the impacts of the mergers on:

- (1) changes in the levels of rates charged to customers,*
- (2) maintenance of at least historic levels of service quality, and*
- (3) merger effects on regulatory oversight and control (Id., p.18).*

Mr. Oliver also stated that the Division must consider the meaning of the phrase "consistent with the public interest," as contained in Section 39-3-25, of the Rhode Island General Laws.

Concerning this latter issue, Mr. Oliver related that the Valley/Southern Union Companies have indicated that they consider the phrase to mean that '*in Rhode Island, a merger is consistent with the public interest when there is no net harm resulting from the transaction*' (Id., p.19)<sup>8</sup> Mr. Oliver took exception to this 'no harm' standard espoused by the Companies. Instead, he opined that any approval of the Companies' petition in this proceeding should be premised on the same criteria that the Division applied in the "Narragansett, Blackstone Valley, and Newport merger proceeding, which is '*the best interest of*

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<sup>8</sup> Reciting language from Companies' response to discovery request AG 1-9 in Docket No. D-00-3.

*ratepayers'* (Id., pp.19-20).<sup>9</sup> He further opined that it would be difficult to conceive a situation in which the assignment of 100 percent of merger-related benefits to the Companies would constitute the "best interest of ratepayers" (Id., p. 20). Accordingly, Mr. Oliver related that the central issue then becomes "what is the appropriate balance between ratepayer and shareholder interests" (Id.).

Mr. Oliver also emphasized that in this proceeding the Division's appropriate focus should be on the merger's long-term impact on rates. He noted that Southern Union has estimated that the mergers would give rise to an acquisition premium of \$87 million and estimated transaction costs of \$5 million. Mr. Oliver related that if these costs were to be amortized over 40 years the annual cost would be \$2.3 million. He, therefore, concluded that what the Companies might represent relative to rate impact for an interim period is not dispositive. Mr. Oliver stated that a \$2.3 million annual increase in Valley's non-gas costs of service would represent roughly an 8% increase in the Company's base rate revenues (Id., p. 24).

Mr. Oliver testified that the rate implications of the acquisition premium and other merger-related costs could potentially become an issue in future rate proceedings in the event that the Commission refuses to adopt the performance

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<sup>9</sup> Mr. Oliver's reference to the "Narragansett, Blackstone Valley and Newport merger," relates to a similar merger proceeding conducted before the Division in Docket D-99-12 (See Order No. 16186, issued on February 25, 2000); and a concomitant rate proceeding before the Public Utilities Commission in Docket No. 2930.

based rates being suggested by Southern Union (Id., pp.24-25). For this reason, Mr. Oliver recommended that the Division consider the potential customer impacts of such merger cost recovery in the context of this proceeding (Id. p. 24).

Mr. Oliver also recommended that two other rate-related issues be considered in this proceeding. First, he contended that it is important that any unamortized acquisition premiums for any Southern Union mergers not be considered in developing measures of capital structure or costs of capital for Valley. He concluded, therefore, that in future rate proceedings the fair rate of return that underlies Valley's rates should be based on the capitalization and cost rates of the Valley operation. He related that to the degree these measures are not representative, then the rate of return should be established using data for comparable local gas distribution companies (Id., p. 27).

Secondly, Mr. Oliver testified that the Division should require that the Companies commit to a timetable and plan for the consolidation of Valley and ProvGas. Mr. Oliver presumed that a large portion of any merger-related savings will stem from such a consolidation, and therefore, he concluded, its nature and timing will have a direct bearing on public interest considerations. He further recommended that the Companies be required to disclose their principles of consolidation with respect to unifying the tariff structures of Valley and ProvGas and provide an explanation of how consolidation costs and benefits are to be allocated between the two utilities (Id., pp. 27-28).

Mr. Oliver also spent some time discussing why he finds the merger-related benefits enumerated by the Valley/Southern Union Companies to be small, unquantified and/or speculative. Mr. Oliver testified that the only benefits that the Companies have quantified to date are those associated with the elimination of duplicative public company functions. Relying on a Southern Union exhibit, Mr. Oliver related that the merger-related benefits are expected to produce annual savings of \$264,655 or less than 0.5% of Valley's annual utility revenues. Mr. Oliver observed that these benefits would have little, if any, perceptible impact on customers' bills. He added that any claims of net benefits that have not been quantified must be considered at best, speculative in nature, and therefore, unreliable and not sufficient support for a determination that the proposed mergers are consistent with the public interest (Id., p. 29).

Mr. Oliver also offered explanations for why he concludes that the merger may not mitigate gas cost fluctuations, reduce gas procurement costs, promote further rate unbundling, improve reliability, or improve service for Valley and Bristol ratepayers, as suggested by the Valley/Southern Union Companies' witnesses. In short, Mr. Oliver maintained that the record lacks sufficient evidence to support these predictions (Id., pp. 30-34).

In his closing comments, Mr. Oliver emphasized the importance of the Division's ability to maintain regulatory authority and oversight over a post-merger public utility. He related that cost allocations become a primary



concern after a merger with a “foreign” company. He also voiced concern regarding the priority that will be given by the foreign corporate parent for the local utility’s capital expenditures and service commitments (Id., pp. 35-38).

B. ProvGas/Southern Union Companies’ Merger Case

The Advocacy Section and Attorney General jointly presented one witness in the ProvGas/Southern Union Companies’s merger case. The witness was identified as Mr. Richard W. LeLash, 18 Seventy Acre Road, Redding, Connecticut. Mr. LeLash described himself as an independent financial and regulatory consultant. Mr. LeLash was qualified as an expert witness in public utility financial and regulatory matters.

Mr. LeLash testified that based on his review and analysis of the ProvGas/Southern Union Companies merger petition and supporting testimony and exhibits, he has reached several findings and conclusions. He presented the following summary:

1. *In evaluating proposed mergers, regulatory agencies consider whether or not the utilities’ ability to provide safe and adequate service at the lowest reasonable cost will be jeopardized. Their analyses typically address: the degree that ratepayer costs are reduced; the effects on service reliability and safety; the impact on competition; and the potential for reduced regulatory control and oversight of the utility operations.*
2. *Under Section 39-3-25 of the Rhode Island General Laws, any proposed utility merger should demonstrate that the facilities for furnishing service to the public will not be diminished, and that purchase, sale, or lease terms are consistent with the public interest.*

3. *Given the lack of specificity in the Companies' filing concerning merger related issues, substantial uncertainties exist regarding the merger's impact on service reliability and customer rates. Therefore, any approval of the mergers by the Division should require specific rate and service commitments by the Companies, and the approval should be structured in such a way that prospective regulated earnings will be based on the Companies' future performance concerning service and rates.*
4. *The Companies have stated that the proposed mergers will be in the public interest if there is not net harm resulting from the transactions. However, the Division should require that there be some net benefit to ratepayers in order to approve the mergers. Given the level of risk which will be assumed by ratepayers concerning rates and service quality, it is only reasonable that they should have some share of any merger related savings. In the end analysis, the shareholders of Providence Energy should not be the only stakeholders who stand to benefit from the mergers.*
5. *In their Petition, the Companies claim that the proposed mergers will bring about 'customer service enhancements' and are 'likely to produce some cost savings over the long term.' However, in support of the mergers, the Companies have not claimed, let alone quantified, cost savings which will be associated with the envisioned combination of companies. Accordingly, the merger approval process must address and circumscribe the mergers' impact on service, regulatory control, and consumer rates.*
6. *Under any reasonable interpretation of the public interest within the context of utility regulation, a proposed merger's economic impact on ratepayers is considered to be a major determinant of whether or not the merger is consistent with the public interest. As a general matter, it is desirable that any proposed merger brings about long-term ratepayer benefit.*

7. *The proposed mergers will give rise to a \$161.3 million acquisition premium and an unquantified amount of transaction and integration costs. At this time the Companies are not seeking recovery of the premium or other merger-related costs. However, in the future, they plan to request a performance based regulatory (PBR) framework so that ProvGas can have performance incentives. If such a PBR is not approved, Southern Union will 'request that merger-related costs be recognized in future ratemaking proceedings to the extent that savings are demonstrated to have resulted from the merger.'*
8. *In addition to not specifying what type of PBR mechanism would be acceptable to the Companies or attempting to quantify possible merger related savings, the Companies have not provided a timetable or a plan to bring about the consolidation of the Valley and ProvGas operations and tariffs. Absent such information, it is impossible to assess the post-merger impact of the envisioned consolidation. Under the assumption that prospective ratepayer benefits will be related to such a consolidation, it is reasonable to require that the Companies provide a timetable and general plan for operational consolidation. Even with an acceptable consolidation plan, the Division should still require service standards and oversight procedures. There is a real risk that, in restructuring labor intensive functions, necessary staffing may be reduced below acceptable levels. In effect, service should not become a trade-off for cost reductions.*
9. *In its Missouri operations, Southern Union has experienced problems with customer service, and it has been required to institute various programs and service measures to address the problem areas. During 1994, in its first year of ownership of the Missouri operation, Southern Union had 1.1 million customer inquiries and complaints from its 470,000 Missouri customers. As a result of service problems, the Missouri PSC initiated an*

*investigation of Southern Union's billing and customer service practices. In its resulting report, filed on April 28, 1995, the Commission's Management Service Department ("MSD") staff made 37 recommendations for service improvements. Subsequently, between November 1996 and February 1997, over 100,000 Missouri customers experienced billing errors.*

- 10. In order to ensure that similar problems do not arise for ProvGas after the merger, the Companies should commit to a comprehensive service measurement and monitoring program. Mutually agreeable standards should be developed with some form of incentive and/or penalty structure to avoid service related issues concerning customers and system reliability. Given Southern Union's experience in Missouri, it may be appropriate to utilize some or all of the service standards which have already been developed and implemented in that jurisdiction.*
- 11. Concerning the issue of regulatory control, there are several merger related issues which need to be addressed. With Southern Union's diverse operating structure, there must be specification of cost allocation procedures for Valley and ProvGas as well as for the regulated and unregulated entities of Southern Union. Procedures for cost allocation associated with the consolidation of Rhode Island operations as well as the accounting treatment for additional Southern Union acquisitions should be codified by the Companies as a condition of the merger. Also, the Division should ensure that in any future proceedings where ProvGas' rate of return is at issue, there should be a limit on the percentage of common equity which is recognized for rate setting purposes. When calculating ProvGas' weighted cost of capital, any unamortized acquisition premium should be deducted from the common equity measurement in order to properly match the capitalization with the actual utility assets. In the alternative, the cost of capital should be developed based on a proxy group of comparable local gas distribution companies.*



12. *Finally, the Companies should commit to specified actions and procedures to ensure continuation of necessary regulatory oversight and avoid any unwarranted impairment of the Commission's authority. Similarly, the Companies should be required to commit to maintaining a major presence in Rhode Island so that management and operations remain responsive to the needs of both customers and the broader public interest. Rhode Island customers also need to obtain an assurance that ProvGas will continue its commitments to capital projects, low income programs, service enhancements, and its on-going competitive initiatives (Advocacy/AG Exh. 1).*

Mr. LeLash next discussed the standards that he believed should apply to the Division's approval of a utility merger in Rhode Island. He asserted that the applicable standard should ensure that the proposed merger will maintain or improve reliability and customer service. Mr. LeLash also opined that a merger is not in the public interest if it will have the effect of increasing rates. Moreover, he testified that there is "ample precedent that ratepayers should be provided quantifiable benefits in order to warrant approval of a merger" (Id., p. 16).

Mr. LeLash explained that without tangible commitments from Southern Union, the proposed mergers are problematical because the Companies have not provided specifics as to how ratepayers may be affected (Id., p. 21). He emphasized that there is uncertainty concerning the ultimate rate treatment for the acquisition premium and related transition and integration costs. He related that he was troubled because the Companies have not quantified potential cost savings or provided any timetable or plan for the consolidation of the Valley and ProvGas operations (Id.).

Mr. LeLash thereupon offered recommendations relative to the requisite commitments that the Division should require of Southern Union in the areas of rates, service, and regulatory control. Beginning with rates, Mr. LeLash contended that while Southern Union indicates that it will not seek the recovery of merger costs through rates, it has implicitly based this statement on an expectation of a PBR framework in a future rate proceeding.

For this reason, Mr. LeLash recommended that the Division require the Companies to affirm their initial public statements that the Companies “have no intention of seeking to recover any of the premium paid for ProvEnergy by the ratepayers.”<sup>10</sup> He added that the Division should likewise specify that ratepayers should be entitled to a share of any demonstrated merger savings (Id., p. 24). Mr. LeLash asserted that Southern Union should not be permitted to retain 100 percent of such merger savings based on any claim involving the amortization of the acquisition premium (Id.).

Of additional concern regarding rates, Mr. LeLash maintained that it is also important that any unamortized acquisition premiums for any Southern Union mergers not be considered in developing measures of capital structure or costs of capital for ProvGas. He further recommended that the Division require that the Companies commit to a timetable and plan for the consolidation of Valley and ProvGas. Mr. LeLash recognized that a large portion of any merger related savings will result from such a consolidation (Id., pp. 26-27).

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<sup>10</sup> Southern Union response to Discovery Request AG 1-32.

On the issue of service, Mr. LeLash related that to the degree that Southern Union seeks to achieve merger related savings, there is a risk that labor extensive functions might be reduced with some degradation in the level of service (Id., p. 27). As an example, Mr. LeLash testified that such service degradation occurred in Missouri after Southern Union took control of Missouri Gas Energy Company (“MGE”) (Id., p. 28).

Mr. LeLash related that after Southern Union and MGE merged in 1994, MGE received 1.1 million customer inquiries and complaints from its 470,000 Missouri customers on matters to do with billings and customer service. He explained that in response to the complaints, the Missouri Public Service Commission (“MPSC”) opened an investigation and discovered that MGE had mis-billed over 100,000 residential customers and more than 10,000 general service customers. Mr. LeLash related that the MPSC investigation resulted in 37 audit recommendations (Id., pp. 28-29). To avoid this result in the instant merger, Mr. LeLash recommended that Southern Union be required to define appropriate service measures and performance benchmarks which will be achieved on a prospective basis (Id., p. 29).

Mr. LeLash next addressed the importance of addressing the matter of regulatory authority and oversight as part of the merger issue. Based on the type of issues that arose in Missouri and based on broader regulatory concerns, Mr. LeLash contended that Southern Union should be directed to provide the Division with a ‘most favored nation’ commitment. In short, Mr. LeLash related that the commitment should include specification that ProvGas

and its ratepayers will not be adversely affected by any other Southern Union acquisitions and that any allocation of joint and common costs will be subject to Commission review and approval before such costs can be recovered in Rhode Island rates. He added that there also should be commitments that ProvGas' capital programs and expenditures as well as its customer assistance programs will not be curtailed or diminished without specific Commission authorization. Similarly, he related, the Commission should have full access to information concerning all of Southern Union's operations for matters related to the setting of rates and oversight of ProvGas' regulated operations (Id., pp. 32-33).

Lastly, Mr. LeLash recommended that the Division require Southern Union to make a concrete commitment to ensure that operations and management functions continue to be controlled from a Rhode Island based headquarters. Mr. LeLash asserted that it is very beneficial that ProvGas maintain a local presence so that customers and regulators have direct access to decision-makers (Id., pp. 33-34).

## **6. SETTLEMENT AGREEMENT**

At the outset of the May 31, 2000 hearing, the parties collectively moved for a one day continuation of the proceedings in the consolidated dockets for the purpose of completing and submitting a settlement agreement. The parties indicated that they were attempting to reach a comprehensive settlement agreement that could result in a dispositive resolution to the parties'



differences in the instant dockets. The Division verbally granted the motion on May 31, 2000.

During a subsequent hearing on June 1, 2000, the parties represented that a comprehensive settlement agreement had been achieved. The parties proffered a joint exhibit as evidence of the agreement. The exhibit, entitled "Settlement Agreement" was proffered as a consolidated settlement agreement by all parties and in both dockets. The "Settlement Agreement" is attached to this Report and Order, and incorporated by reference.<sup>11</sup>

As a consequence of this Settlement Agreement reached between the parties, the hearing held on June 1, 2000 resulted in a nonadversarial proceeding during which the parties' witnesses discussed the principal elements of the agreement and/or answered questions posed by the hearing officer. At the conclusion of the hearing, all parties urged adoption and approval of the Settlement Agreement.<sup>12</sup>

## **7. DIVISION FINDINGS**

The regulatory review necessitated by the petitions in issue is based on statutory provisions contained in Rhode Island General Laws, Sections 39-3-24 and 39-3-25. Section 39-3-24 provides that with the consent and approval of the Division, but not otherwise:

*Any public utility may merge with any other public utility ...  
provided that the merger ... shall be authorized by a vote of at*

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<sup>11</sup> The Settlement Agreement was entered on the record as "Consolidated Joint Exhibit 1".

<sup>12</sup> Due to the settlement reached in the Valley/Southern Union Companies' case, rebuttal testimony which had been previously filed by Valley and Bristol on May 30, 2000 was marked for identification purposes only (See Valley Exhibits 7 and 8).

*least two-thirds (2/3) in interest of its stockholders at a meeting duly called for the purpose.<sup>13</sup>*

Section 39-3-25 provides, in pertinent part, that:

*If, after the hearing ... the Division is satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase [and] sale ... and the terms thereof are consistent with the public interest, it shall make such order ... as it may deem proper and the circumstances may require.*

Predicated on these relevant provisions, the Division considered the instant petitions, primarily in the context of their potential for adversely affecting existing service quality, and generally whether the mergers are consistent with the public interest. Toward this end, the Division spent considerable time examining the record evidence for confirmation that ratepayers will not be harmed by the proposed mergers. The Division also looked for substantiation that ratepayers would actually benefit from the mergers, a claim universally asserted by all Petitioners.

The Petitioners have consistently maintained that the costs associated with the mergers would not be borne by ratepayers. However, this commitment appeared to be intertwined with a condition subsequent that the Commission ultimately adopt a performance-based ratemaking methodology for Southern Union in future rate proceedings. This ambiguity in the Petitioners' promise to not pass the costs of the mergers onto ratepayers was clearly an issue of concern for the Division.

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<sup>13</sup> R.I.G.L. § 39-3-24(3).

The Division was similarly concerned about the merger-related cost savings espoused by the Petitioners, in view of the lack of supporting evidence quantifying such projected savings. The merger petitions further neglected to provide any plans for either the rate consolidation or consolidation of operations for the merging companies.

The Division also took great interest in the billing and customer service problems that resulted in the State of Missouri after Southern Union merged with a local distribution company in that state. The Petitioners' cases did little to allay concerns of a similar potential debacle in Rhode Island.

Additionally, issues regarding future cost allocations relative to Southern Union's aggregated (multi-state) overhead costs, Southern Union's commitment to capital projects in the State, and the direction that post-merger regulatory oversight would take were all concerns of the Division.

The record reflects that all of the aforementioned concerns were shared by the Advocacy Section and Attorney General. The testimony proffered by Messrs. Oliver and LeLash included detailed discussions regarding these very issues along with several warnings and recommendations for the Division to consider.

The record reflects that the direct cases filed by the Advocacy Section and the Attorney General sparked ensuing settlement discussions between the parties. These settlement discussions have been productive, as evidenced by the jointly filed Settlement Agreement before the Division.

The Division has thoroughly examined the record in this case, and finds that the stipulation proffered by the parties represents a fair and reasonable resolution to the issues previously in dispute. The Division also finds that the stipulated agreement satisfies the Division's initial concerns over the future rate implications associated with the mergers' costs, especially the acquisition premium and "golden parachute" related costs.

Regarding the issue of "public interest", the Division recognizes that:

*In litigation involving the administration of regulatory statutes designed to promote the public interests ... interests of private litigants must give way to the realization of public purposes"*<sup>14</sup>

In the instant merger cases the Division finds that the Settlement Agreement reached between the parties is consistent with the public interest. Indeed, the efforts being made to consolidate the rates and operations of the merging companies should, if properly monitored by the Division, result in a net benefit to the ratepayers. Consequently, the Division shall adopt the "Settlement Agreement" in its entirety, and approve its terms as a dispositive conclusion to this consolidated merger proceeding.

The approval granted herein must, however, be conditioned on the stockholder approvals mandated under Section 39-3-24(3), supra. Specifically, Rhode Island law requires that two-thirds of each utility's stockholders authorize the merger at a special meeting. This law, therefore, would require Southern Union's, ProvEnergy's (ProvGas) and Valley Resources' (Valley's and

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<sup>14</sup> New England Tel & Tel Co. v. PUC 376 A.2d 1036 (1977) quoting from Virginia Petroleum Jobbers Ass'n v. Federal Power Commission, 259 F.2d at 925.



Bristol's) stockholders to each approve their respective mergers by at least a two-thirds majority vote. The Division's approval of the mergers must be conditioned on these requisite stockholder approvals.

Accordingly, it is

(16338) ORDERED:

1. That the January 27, 2000 petition filing by the Valley Gas Company, the Bristol and Warren Gas Company and the Southern Union Company, seeking Division approval of a proposed merger agreement between the Petitioners, as modified by the Settlement Agreement reached and filed during the instant proceeding, is hereby approved.
2. That the January 27, 2000 notification/petition filing by the Providence Energy Corporation and Southern Union, seeking Division approval and ratification of a merger agreement previously executed between the two companies on November 15, 1999, as modified by the Settlement Agreement reached and filed during the instant proceeding, is hereby approved.
3. That the Division hereby adopts and approves the parties' "Settlement Agreement," attached herewith, in toto. The attached Settlement Agreement is incorporated by reference.
4. That the approvals granted herein are conditioned upon the stockholder approvals mandated under Rhode Island General Laws, Section 39-3-24(3). The instant approvals shall be effective upon the submission of

evidence by the Petitioners that the stockholder approvals discussed herein have been satisfied. In the absence of such evidence of stockholder approvals, this report and order shall become null and void.

5. The Petitioners shall have 90 days from the issue date of this Report and Order to effectuate the necessary stockholder approvals, unless extended by order of the Division.

Dated and Effective at Providence, Rhode Island on July 24, 2000.

Division of Public Utilities and Carriers

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John Spirito, Jr., Esq.  
Hearing Officer

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Thomas F. Ahern  
Administrator

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS**

_____ )	
In Re: Petition of Valley Gas Company )	
Bristol and Warren Gas Company, )	Docket No. D-00-2
and Southern Union Company )	
_____ )	

_____ )	
In Re: Petition of Providence Energy )	
Corporation, Providence Gas Company, )	Docket No. D-00-3
and Southern Union Company )	
_____ )	

**SETTLEMENT AGREEMENT**

Providence Energy Corporation (“ProvEnergy”), The Providence Gas Company (“ProvGas”), Valley Gas Company (“Valley Gas”), Bristol and Warren Gas Company (“Bristol and Warren”), Southern Union Company (“Southern Union”) (collectively, the “Companies”), the Advocacy Section of the Division of Public Utilities and Carriers (the “Advocacy Section”), Sheldon Whitehouse, Attorney General (the “Attorney General”) and The Energy Council of Rhode Island (“TEC-RI”) (together with the Companies, the “Settling Parties”) have reached agreement on all issues arising in Docket Nos. D-00-2 and D-00-3, as set forth herein, relating to the merger of ProvEnergy and ProvGas with and into Southern Union and the merger of Valley Gas and Bristol and Warren with and into Southern Union, and hereby jointly request approval by the Division of Public Utilities and Carriers (the “Division”) of this Settlement Agreement

(the “Agreement”). The Agreement provides that the mergers of ProvEnergy, ProvGas and Southern Union and Valley Gas, Bristol and Warren and Southern Union are consistent with the public interest subject to the conditions set forth herein relating to: (1) the impact on rates charged to gas customers in Rhode Island; (2) post-merger service quality; and (3) post-merger regulatory oversight and control.

## **I. PREAMBLE**

### **A. Introduction**

On November 15, 1999, ProvEnergy and Southern Union entered into an Agreement and Plan of Merger providing for the merger of ProvEnergy, and its principal operating subsidiary, ProvGas, with and into Southern Union. As a result of the merger, ProvGas will become a division of Southern Union, which, as the surviving corporation, will operate as a public utility in Rhode Island as defined in R.I. Gen. Laws § 39-1-2.

On November 30, 1999, Valley Resources, Inc. (“Valley Resources”), the parent corporation of Valley Gas and Bristol and Warren, and Southern Union entered into an Agreement and Plan of Merger providing for the merger of Valley Resources, Valley Gas and Bristol and Warren, with and into Southern Union. As a result of the merger, Valley Gas and Bristol and Warren will become a division of Southern Union, which, as the surviving corporation, will operate as a public utility in Rhode Island as defined in R.I. Gen. Laws § 39-1-2.



This Agreement is the result of the Settling Parties' efforts to resolve issues relating to the mergers and is intended to ensure that Rhode Island gas customers experience a net benefit as a result of the mergers in relation to their rates for gas service. The Settling Parties' further intend that Rhode Island gas customers experience no diminishment in the quality of service that they receive or the level of oversight and control by Rhode Island regulatory authorities as a result of these mergers.

### **B. Procedural History**

On January 27, 2000, ProvEnergy, ProvGas and Southern Union provided the Division with information regarding the structure and impacts of the merger transaction. Included in the filing were the statements of Peter H. Kelley, President and Chief Operating Officer of Southern Union; Ronald J. Endres, Executive Vice President and Chief Financial Officer of Southern Union; and James DeMetro, Executive Vice President of ProvEnergy.

On January 27, 2000, Valley Gas, Bristol and Warren and Southern Union filed with the Division a petition for approval of the proposed merger with Southern Union. Included in the filing was the testimony of Peter H. Kelley, President and Chief Operating Officer of Southern Union; Ronald J. Endres, Executive Vice President and Chief Financial Officer of Southern Union; Alfred P. Degen, Chairman, President and Chief Executive Officer of Valley Gas and Bristol and Warren; and Orlando M. Magnani, Principal, Navigant Consulting, Inc.

On March 23, 2000, the Division conducted a pre-hearing conference in Docket Nos. D-00-2 and D-00-3, in order to establish a procedural schedule for the Division's

review of the filings. At that time, the Division granted the motion of TEC-RI to intervene in both proceedings. Pursuant to the procedural schedule, testimony of Richard W. LeLash was filed on behalf of the Advocacy Section of the Division and the Attorney General's office on May 3, 2000 in Docket No. D-00-3, and the testimony of Bruce R. Oliver was filed on May 4, 2000 in Docket No. D-00-2, also on behalf of the Advocacy Section and the Attorney General's office. Subsequent to the filing of this testimony, the Settling Parties commenced discussions on the proposed mergers.

### **C. Parties' Statement**

This Agreement is based on discovery and negotiations among the Settling Parties and resolves all outstanding issues in Docket Nos. D-00-2 and D-00-3. The Settling Parties agree that the provisions of the Agreement, and the terms and conditions reflected therein, will ensure that the mergers are, as a whole, consistent with the public interest and will provide direct benefits to customers. Accordingly, the Settling Parties jointly request the Division's approval of the Agreement.

## **II. TERMS OF SETTLEMENT**

### **A. Impact on Rates**

#### **1. Acquisition Premium**

The Settling Parties agree that the Companies will not seek direct or indirect recovery of any acquisition premium in rates either through an

amortization or rate base adjustment in the future rate cases of ProvGas, Valley Gas and Bristol and Warren, or their successors or assigns.

2. No Cost Recovery of “Golden Parachutes”

The Companies agree that they shall not recover any costs from customers associated with so-called “golden parachute” or merger-related bonus payments to any of the parent company officers that are triggered as a result of the mergers. Nor shall the Company include in rates the costs of any “golden parachute” or merger-related bonus payments for such parent company officers arising from other future mergers.

3. Plan and Timetable for Consolidation

In recognition of the fact that the Companies have not compiled or submitted detailed information on the consolidation of operations and resulting cost savings as of the date of this Agreement, the Settling Parties agree that the Companies will develop and serve on all Settling Parties a plan pertaining to the consolidation of the operations and tariffs of ProvGas, Valley Gas and Bristol and Warren (the “Plan”), no later than September 1, 2001. The Plan will evaluate consolidating various operational and support activities of the Companies including, but not limited to, those relating to: (a) information systems, such as customer call-center activities, customer billing functions and financial management and accounting systems; (b) gas supply; (c) employee benefits administration; and (d) rate tariffs. The Plan will include estimated savings that are projected to result from such consolidation and a timeline for

implementing such changes, as well as estimates of the present value of such savings.

No later than July 1, 2001, the Companies shall provide an outline of the Plan to the Settling Parties and provide the Settling Parties with the opportunity to propose additions or modifications to the Companies for consideration in the final Plan. The Settling Parties shall indicate their desire to discuss such proposed additions or modifications with the Companies no later than August 15, 2001. No Settling Party shall waive the right to accept, oppose or take any other position with regard to the final Plan as a result of being provided with the opportunity to “preview” the Plan and to provide input to the Companies.

Any base-rate case filing by the Companies made subsequent to the production of this Plan, and any rate filing made pursuant to Section II.A.4 of this Agreement, will incorporate the provisions of the Plan. The results of any such consolidation are presumed to produce net savings. The Plan will evaluate “One State, One Rate” with the goal of moving toward such a rate design.

#### 4. Treatment of Merger-Related Savings

The Settling Parties agree that merger-related savings pertaining to consolidation and coordination among the merging companies will be shared between the customers of ProvGas, Valley Gas and Bristol and Warren, or their successors or assigns, and Southern Union shareholders. The Settling Parties further agree that reasonable merger related transaction and integration costs



(excluding any acquisition premium or “golden parachute” and merger-related bonus payments as described in Sections II.A.1 and II.A.2) would be recovered only from demonstrated merger-related savings and the resulting net benefit will be shared by customers and shareholders.<sup>15</sup> The distribution of savings between customers and shareholders will be subject to determination by the Rhode Island Public Utilities Commission (the “Commission”) in a subsequent proceeding. This sharing determination will also consider the regulatory treatment of post-merger extraordinary gains and losses on current or past utility assets of ProvGas, Valley Gas and Bristol and Warren and their impact on overall sharing mechanisms. To this end, no later than December 1, 2001, the Companies will file with the Commission a rate plan (the “Rate Plan”) as well as the detailed consolidation plan developed pursuant to Section II.A.3 of this Agreement. The Rate Plan will be accompanied by supporting documentation as required by Commission rules. The Rate Plan will include a merger-related savings sharing mechanism and will be subject to review by all Settling Parties and the approval of the Commission. Accordingly, Valley Gas and Bristol and Warren agree not to file any base-rate increase proposals with the Commission prior to the filing of the Rate Plan. In addition, the Settling Parties reserve all rights to accept, oppose or take any other position with regard to any base-rate increase or Gas Cost Charge filing proposed by ProvGas prior to the submission of the Rate Plan.

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<sup>15</sup> Following the merger closing, the Companies will provide the Settling Parties with the journal entries made to account for any “golden parachute” and merger-related bonus payments as defined in Section II.A. 2 of this Agreement.

## 5. Future Performance-Based Ratemaking Proposal

The Companies have a right to propose a performance-based ratemaking plan (“PBR Plan”) in the future that would allow ProvGas, Valley Gas and Bristol and Warren customers to share in benefits resulting from operational improvements, whether merger-related or non-merger-related, on an ongoing basis. Such a PBR Plan would be structured to ensure service quality is maintained and would be subject to review and approval by the Commission. None of the Settling Parties waive any rights with regard to such PBR plan, if and/or when proposed, including opposition to PBR as proposed by the Companies.

### **B. Post-Merger Service Quality**

#### 1. Establishment of Post-Merger Service Quality Measurement Program

The Settling Parties agree that the quality of service experienced by customers must not be diminished as a result of the mergers. The Settling Parties further agree that service-quality measures will be implemented after the mergers as part of a comprehensive service-quality measurement and monitoring program.

The Settling Parties agree to undertake a collaborative process to accomplish the following objectives: (1) to establish appropriate service measures and enforcement mechanisms; (2) to establish an initial measurement period for each measure for the purpose of setting performance benchmarks; and (3) to determine a schedule for reporting such data to the

Settling Parties. The Settling Parties will conclude the collaborative process within the 90-day period and a proposal will be submitted to the Division within ninety (90) days of the date of a Division order accepting this agreement. If the Settling Parties reach agreement on such service-quality measures and enforcement mechanisms, the Settling Parties will jointly submit a proposal to the Division for an order of approval. If unresolved by the collaborative process, the Companies will make a proposal to the Division, which may be accepted or opposed by the Settling Parties, and will be subject to determination by order of the Division following a litigated process. In establishing this approval process, the Settling Parties hereby agree that the Division has jurisdiction to review and approve such service measures and enforcement mechanisms. Appeal from a Division order establishing service measures and enforcement mechanisms will be made in accordance with the Administrative Procedures Act R.I.G.L. § 42-35-1 *et seq.* Appeal of any subsequent Division order assessing enforcement mechanisms will also be made in accordance with the Administrative Procedures Act R.I.G.L. § 42-35-1 *et seq.*

Within 30 days of the date of a Division order approving the service-quality measures and enforcement mechanisms (proposed jointly by the Settling Parties or as the result of a litigated process involving the Companies' proposal), the Companies will commence a service-quality measurement period using the approved measures. Within 30 days of the close of this measurement period, the Companies will propose a service-quality measurement and

monitoring program that includes performance benchmarks for each measure based on the data gathered over the measurement period or such other benchmarks as the Division may determine, as well as a schedule for periodic reporting of the data compiled for the purposes of monitoring post-merger service quality. The Settling Parties reserve the right to challenge or propose any alternative benchmarks in a litigated proceeding.

## **2. Interim Reporting Requirements**

Within 30 days of the date of an order by the Division approving this agreement, ProvGas, Valley Gas and Bristol and Warren will provide the Settling Parties with 12 months of historical data reflecting the statistics that are currently compiled by each company. Thereafter, for the period prior to the proposal of the service-quality measurement and monitoring program as provided above, ProvGas, Valley Gas and Bristol and Warren will provide the Settling Parties with quarterly reports on the currently available service-quality statistics.

## **C. Regulatory Oversight and Control**

### **1. Joint and Common Cost Allocation**

The Settling Parties agree that a portion of Southern Union's joint and common costs may be allocated to ProvGas, Valley Gas and Bristol and Warren, or their successors or assigns, and may be requested for recovery in the cost of service in future base-rate proceedings. The Settling Parties agree that, in any base-rate proceeding initiated by the Companies, the Companies will have the burden of proving the reasonableness of any allocated or assigned



cost to ProvGas, Valley Gas and Bristol and Warren from any Southern Union affiliate, division or subsidiary, including all corporate cost allocations. The Settling Parties further agree that the Commission has the authority to assess the reasonableness of such costs and the allocation thereof as part of its determination of the revenue requirement in that proceeding.

## 2. Access to Books and Records

The Settling Parties agree that Southern Union will make available to the Commission and the Division, and their designated representatives, at reasonable times and places, pursuant to Commission rules, all books and records and employees and officers of Southern Union and any affiliate, division or subsidiary of Southern Union to provide access to information pertaining to Southern Union's operations as they relate to matters relevant to setting rates and providing oversight over the regulated operations of ProvGas, Valley Gas and/or Bristol and Warren.

## 3. Cost of Capital

The Settling Parties agree that it is the intent of this Settlement that acquisition premiums and ownership by a parent company not distort future cost of capital determinations for either ProvGas, Valley Gas and/or Bristol and Warren, or their successor or assigns. Therefore, prospectively, the Companies will propose the following alternatives for establishing an appropriate capital structure and associated capital cost rates for use in establishing rates for gas distribution service:

- Southern Union's actual, consolidated capital structure, its embedded debt and preferred equity cost rates, and a reasonable cost of common equity consistent with this capital structure and financial market and economic conditions at that time; and
- A capital structure that reflects the capital structure for a comparable group of local gas distribution companies similar in risk to ProvGas, Valley and/or Bristol and Warren or their successors or assigns, on a stand alone basis, along with cost rates for sources of capital that are consistent with this capital structure and financial market and economic conditions at that time.

In addition, the Companies may propose other appropriate capital structures and associated capital cost rates. The Commission, in determining prospective costs of capital, will retain the right to use one of the alternatives proposed by the Companies, an alternative proposed by any Settling Party, or some other alternative which the Commission determines to be most reflective of the capitalization and cost of capital components for a typical, stand alone, gas distribution utility.

#### 4. Rhode Island Presence and Operations

The Settling Parties agree that a strong local presence is required in order to ensure responsiveness to customers and to regulators overseeing the regulated gas operations in Rhode Island and that, to ensure this responsiveness, operations will continue to be managed from Rhode Island-based corporate headquarters. The Companies agree to the level of distribution-system investment necessary to maintain safe and reliable service to the customers of ProvGas, Valley Gas and Bristol and Warren, or their successors or assigns. The Companies further agree to maintain charitable contributions consistent with commitments set forth in the merger agreements.

#### 5. Merger Approval

The Settling Parties agree that, pursuant to the Division's approval of the mergers and consistent with the provisions of R.I. Gen. Laws § 39-3-24, Southern Union may exercise and enjoy all of the rights, powers, easements, privileges, and franchises following the merger theretofore exercised and enjoyed by ProvGas, Valley Gas and Bristol and Warren with respect to the property, assets, plant and business merged with Southern Union. Southern Union acknowledges that it is assuming the franchise and service requirements and responsibilities required of ProvGas, Valley Gas and Bristol and Warren.

6. Expansion of Eligibility for Transportation Services

The Settling Parties agree that, as part of the consolidation plan (set forth in Section II.A.3) and the Rate Plan (set forth in Section II.A.4) Valley Gas and Bristol and Warren will make a proposal to the Division to expand commercial and industrial customer eligibility for transportation services to be roughly comparable to that presently offered by ProvGas.

7. Failure to Comply with Agreement

If any Settling Party believes that the Companies have failed to comply with any material provision of this Agreement that Settling Party may apply to the Commission for a finding that the Companies have so failed to comply and the Commission may assess appropriate penalties.

**III. EFFECT OF SETTLEMENT AGREEMENT**

This Agreement is the result of a negotiated settlement among the Settling Parties. The discussions that have produced this Agreement have been conducted with the understanding that all offers of settlement and discussions

relating hereto are and shall be privileged, shall be without prejudice to the position of any party or participant presenting such offer or participating in any such discussion, and are not to be used in any manner in connection with these or other proceedings involving any one or more of the parties to this Agreement or otherwise. The consent by a party to the terms of this Agreement shall not be construed as an agreement as to any matter of fact or law for any other purpose. In the event the Division (i) rejects this Agreement, (ii) fails to accept this Agreement as filed, or (iii) accepts this Agreement subject to conditions unacceptable to any party hereto, then this Agreement shall be deemed withdrawn and shall be null and void in all respects.



**IN WITNESS WHEREOF**, the Settling Parties hereto attest that this

Agreement is reasonable and have caused this document to be executed by their respective representatives, each being fully authorized to do so. Dated this 31st day of May, 2000.

Respectfully submitted,

In Re: Petition of Valley Gas Company )  
Bristol and Warren Gas Company, )  
and Southern Union Company )

Docket No. D-00-2

**ADVOCACY SECTION OF  
THE DIVISION OF PUBLIC  
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**THE ENERGY COUNCIL OF RHODE ISLAND**  
By its Attorney,

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In Re: Petition of Providence Energy )  
Corporation, Providence Gas Company, )  
and Southern Union Company )

Docket No. D-00-3

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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888**

IN RE: Joint Petition for Purchase and Sale of :  
Assets By The Narragansett Electric : Docket No. D-06-13  
Company and the Southern Union :  
Company :

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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888**

IN RE: Joint Petition for Purchase and Sale of :  
Assets By The Narragansett Electric : Docket No. D-06-13  
Company and the Southern Union :  
Company :

**REPORT AND ORDER**

**1. Introduction**

On March 16, 2006, National Grid USA, through the Narragansett Electric Company<sup>1</sup> ("Narragansett"), and the Southern Union Company ("Southern Union") (together, the "Petitioners") filed a joint petition with the Rhode Island Division of Public Utilities and Carriers ("Division") seeking approval of the Division for the purchase by Narragansett of the assets associated with the regulated gas distribution business owned and operated by Southern Union Company in Rhode Island as the New England Gas Company. In anticipation of an August 25, 2006 closing date, and based upon a legally established 30-day deadline for appeal and time needed to prepare for and complete the closing, the Petitioners requested a ruling by the Division by June 30, 2006. The Petitioners filed the instant petition pursuant to the filing mandates contained in Rhode Island General Laws, Sections 39-3-24 and 39-3-25.

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<sup>1</sup> Narragansett is a subsidiary of National Grid USA. On February 15, 2006, National Grid USA executed a Purchase and Sale Agreement with Southern Union under which National Grid USA agreed to purchase the New England Gas Assets of Southern Union in Rhode Island. Under Section 8.1 of the Agreement, the purchase may be implemented directly by National Grid USA or through one of National Grid USA's subsidiaries. The joint petition reflects that National Grid USA has designated Narragansett as the appropriate subsidiary for the purpose of acquiring Southern Union's 'regulated and non-regulated gas distribution business' assets in Rhode Island.



In furtherance of starting the process of adjudicating the petition request, the Division established and published a filing deadline of April 10, 2006 for all motions to intervene in the docket. After receiving timely motions to intervene from a number of interested entities, and after conducting a hearing on the motions on April 25, 2006, the Division issued a decision on May 4, 2006 through which the current parties of record were authorized to participate in this docket.<sup>2</sup> The intervening parties include the Rhode Island Department of Attorney General (“Attorney General”), the Rhode Island Department of Environmental Management (“RIDEM”), the George Wiley Center (“Wiley Center”) and the Town of Tiverton (“Tiverton”). The Division’s Advocacy Section, an indispensable party, also entered an appearance in this docket.

Three of the intervening parties, the Attorney General, RIDEM and Tiverton, expressed a specific interest in the instant docket based on their concern over an issue of extensive soil contamination located in the Town of Tiverton. The record reflects that the contamination may have resulted from past dumping by the Fall River Gas Company (“FRGC”), a local distribution company doing business in Massachusetts that was acquired by Southern Union in a merger in 2000. Although Southern Union vehemently denies liability for the contamination in Tiverton, these Intervenors argue that it would be inconsistent with the public interest to permit Southern Union to sell its Rhode Island assets without an assurance that Southern Union will pay remediation costs if it is found liable for

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<sup>2</sup> See Order No. 18591. The Division also notes that it subsequently denied a “*Motion To Stay And Request For An Emergency Hearing Thereon*,” that was filed by the Town of East Providence after its motion to intervene was denied by the Division in Order No. 18591 (See Order No. 18626, issued on June 1, 2006).

the contamination in Tiverton. In its decision approving intervention status for these parties, the Division framed the scope of their interventions by holding that the Division “*cannot direct Southern Union to agree to a remediation plan before an appropriate Court makes a finding of liability. However, the Division finds that it is both in the public interest and reasonable for the...[parties] to be seeking assurances that the proposed asset sale does not negatively impact Southern Union’s ability to pay for remedial actions in the event it is found liable for any of the contamination in Tiverton.*”<sup>3</sup> The Division subsequently expanded the scope of these interventions, through a discovery-related decision, by allowing the parties to explore “*the related question of whether Southern Union is attempting to assign its potential liability in the Tiverton contamination matter to a smaller subsidiary or affiliated company, with less financial resources.*”<sup>4</sup>

After addressing the intervention issues, the Division next met with the parties at a pre-hearing conference on May 11, 2006 for the purpose of establishing a procedural schedule. An initial procedural schedule was adopted by agreement of the parties at that conference. The adopted procedural schedule targeted July 25, 2006 as the date for a final decision in this docket rather than the June 30, 2006 date initially proposed by the Petitioners.<sup>5</sup>

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<sup>3</sup> Order No. 18591, p. 16.

<sup>4</sup> Order No. 18641, pp. 3-4.

<sup>5</sup> The schedule was subsequently amended on May 26, 2006 to afford the Attorney General additional time to conduct discovery (See Order No. 18620), on June 16, 2006 to afford the Wiley Center additional time to submit pre-filed direct testimony (See Order No. 18641), and on June 19, 2006 to afford the Attorney General additional time to submit pre-filed direct testimony (granted by the Hearing Officer during a telephone conference with all parties conducted on June 19, 2006).

The Division conducted two duly noticed public hearings on Narragansett's and Southern Union's joint petition, on June 29 and 30, 2006. The hearings were held at the Division's hearing room located at 89 Jefferson Boulevard in Warwick. The following counsel entered appearances:

For Narragansett:	Laura S. Olton, Esq., and Thomas G. Robinson, Esq.
For Southern Union:	Gerald J. Petros, Esq., Robert Keegan, Esq., and Cheryl Kimball, Esq.
For the Attorney General:	Paul J. Roberti, Esq. Assistant Attorney General
For the Division's Advocacy Section:	Leo J. Wold, Esq. Special Asst. Attorney General
For RIDEM:	Brian A. Wagner, Esq.
For Tiverton:	Jeanne Scott, Esq.
For the Wiley Center:	B. Jean Rosiello, Esq.

## **2. The Petitioners' Direct Case**

In their petition, Narragansett and Southern Union assert that Narragansett's acquisition of the New England Gas Company assets ("New England Gas Assets") satisfies the requirements under R.I.G.L. §39-3-25, supra, because the acquisition "is consistent with the public interest and...will not diminish the facilities of the Companies used for furnishing service to the public..."<sup>6</sup> The joint petition also states that if the Division approves Narragansett's acquisition of the New England Gas Assets: "all of the rights, privileges,

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<sup>6</sup> Joint Petitioners Exhibit 1, p. 5

easements, powers and franchises held or enjoyed by New England Gas will become vested in Narragansett...and...Narragansett will become the sole and exclusive gas distribution company serving the cities and towns in Rhode Island...”<sup>7</sup> The Petitioners also claim that the acquisition of the New England Gas Assets by Narragansett will:

- (a) result in efficiencies and cost savings from increasing the customer base and consolidating operating and administrative functions in Rhode Island and the northeastern United States, combining electric and gas distribution operations in Rhode Island, and joining the expertise in the Rhode Island Gas distribution business with that developed in the other natural gas operations of National Grid in the Northeast and the United Kingdom;*
- (b) reduce administrative costs of regulation incurred by both the Division and the Public Utilities Commission by reducing the number of distribution companies subject to regulatory oversight;*
- (c) facilitate the implementation of common Division and Commission policies for gas and electric delivery services throughout the State of Rhode Island; and*
- (d) improve the ability of the gas and electric distribution utilities to provide reliable service to the public.*

The joint petition also contains three ancillary requests. First, the Petitioners request that the Division provide two separate declarations that the mandatory “two-thirds shareholder vote” provision contained in R.I.G.L. §39-3-

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<sup>7</sup> *Id.*, p. 4.



24(3) is not required for either petitioner in this case. The pertinent provision provides as follows:

*Any public utility may merge with any other public utility or sell...all or any part of its property, assets, plant, and business to any other public utility, provided that the merger or sale...of all or substantially all of its property, assets, plant, and business shall be authorized by a vote of at least two-thirds (2/3) in interest of its shareholders at a meeting duly called for that purpose.*

Regarding this request, Southern Union relates that the assets it is conveying to Narragansett constitute less than 10 percent of the total asset base of Southern Union. In view of its overall size, Southern Union contends that “the sale of the New England Gas Assets does not approach the statutory standard of a sale or lease of ‘all or substantially all’ of Southern Union’s assets. Southern Union requests the declaration to “assist in ensuring that the transaction will be closed within the timeframe established in the Agreement.”<sup>8</sup>

Similarly, Narragansett requests a declaration that it need not conduct any shareholder vote associated with the instant transaction. Narragansett contends: “[b]y its terms, Section 39-3-24(3) of the General Laws requires a shareholder vote only from the selling company when there is no merger involved.”<sup>9</sup>

The second request is a request that the Division issue its final decision in this docket by June 30, 2006. In support of this request, the petition reflects that the purchase and sale agreement that was executed by the Petitioners contains a planned closing date of August 25, 2006. The Petitioners observed that a decision

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<sup>8</sup> Joint Petition, p. 8.

<sup>9</sup> *Id.*, pp. 8-9.

by June 30, 2006 *“provides for a thirty day appeal period necessary to achieve a “Final Order” as defined in Section 1.1 of the Agreement, and allows sufficient time for the Petitioners to take the steps necessary to prepare for and complete the transaction on a timely basis.”*<sup>10</sup> Notwithstanding this request, the Hearing Officer decided during the pre-hearing conference to adopt a final ruling target date of July 25, 2006, supra. The Hearing Officer concluded that the June 30, 2006 request was unreasonable in view of the number of parties and the complexity of issues involved in this docket.

The third request is for the Division to accept for filing under R.I.G.L. §39-3-10 the tariffs that Narragansett has submitted with the filing, to become effective on the closing of the transaction. Regarding this request, Narragansett states that the tariff filing is necessary to reflect the change in ownership and the name change. Narragansett relates that it will continue to operate under the terms of the New England Gas Company’s existing rate settlement. Narragansett states that the prices and terms in the tariffs are unchanged and will continue in effect until they are superceded by the approval by the Commission of new rates for gas delivery customers.<sup>11</sup>

In support of their joint petition, the Petitioners proffered two witnesses in this docket. The witnesses were identified as Mr. Ronald T. Gerwatowski, Narragansett’s Vice President of Distribution Regulatory Services<sup>12</sup>; and Mr. Richard N. Marshall, Vice President and Treasurer, Southern Union Company.

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<sup>10</sup> Id., p. 9.

<sup>11</sup> Id., pp. 7- 8 and 11.

<sup>12</sup> As indicated in a previous footnote, Narragansett is a subsidiary of National Grid USA.

Mr. Gerwatowski began his pre-filed direct testimony with a description of the Petitioners. He testified that National Grid USA is a holding company incorporated in Delaware, which is indirectly owned by National Grid plc, incorporated in the United Kingdom. Mr. Gerwatowski related that National Grid USA owns the common equity of several electric utility companies, including Narragansett, Massachusetts Electric Company, Nantucket Electric Company, New England Power Company, and Granite State Electric Company in New England and Niagara Mohawk Power Corporation (through Niagara Mohawk Holdings) in New York.<sup>13</sup>

Mr. Gerwatowski related that Narragansett provides electric delivery services to all of Rhode Island with the exception of Block Island and the Pascoag Utility District. He stated that although Narragansett has not operated gas facilities in Rhode Island for a long time, National Grid is the leading gas distribution operator in the United Kingdom, serving over 10 million customers. Mr. Gerwatowski also noted that National Grid serves 565,000 gas customers in New York. Mr. Gerwatowski also related that National Grid has recently announced an agreement to merge with KeySpan Corporation, which operates gas and electric facilities on Long Island and gas distribution systems in New York City, Massachusetts and New Hampshire.<sup>14</sup>

Mr. Gerwatowski next testified that Southern Union is a Delaware corporation, with its headquarters in Houston, Texas. He related that Southern Union acquired Providence Gas Company, Valley Gas Company, and Bristol and

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<sup>13</sup> Joint Petitioners Exhibit 1, Gerwatowski pre-filed direct testimony, p. 4.

<sup>14</sup> *Id.*, p. 5.

Warren Gas Company in a series of transactions that were approved by the Division in Docket Nos. D-00-02 and D-00-03. Mr. Gerwatowski explained that as part of those transactions, the Providence Gas Company, Valley Gas Company, and Bristol and Warren Gas Company were merged into Southern Union and became a part of an operating division called New England Gas Company.<sup>15</sup> He related that the New England Gas Company distributes natural gas to 245,000 customers in Rhode Island through over 3000 miles of gas mains.<sup>16</sup>

Mr. Gerwatowski next described the steps that Narragansett is taking to implement the acquisition of the New England Gas Assets. He explained that following the approval by the Division and the completion of the Hart Scott Rodino Antitrust review by the Department of Justice or the Federal Trade Commission, together with several smaller and more ministerial permits,<sup>17</sup> National Grid USA and Narragansett will move forward with the closing. Mr. Gerwatowski testified that after the transaction, the New England Gas Assets would be operated as a division of Narragansett, within a single corporation, doing business as 'National Grid' in Rhode Island.<sup>18</sup> Mr. Gerwatowski also testified that National Grid USA is paying \$575 million for the New England Gas Assets and the other Rhode Island unregulated subsidiaries. He related that the payment includes \$498 million of cash and the assumption of approximately \$77 million of existing debt.<sup>19</sup>

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<sup>15</sup> Id., pp. 5-6.

<sup>16</sup> Id., p. 6.

<sup>17</sup> These permits are listed in Schedules 4.3 and 5.3 of the Purchase and Sale Agreement.

<sup>18</sup> Id., pp. 6-7.

<sup>19</sup> Id., p. 7.



Mr. Gerwadowski also testified that Narragansett and New England Gas Company have established an integration team whose main objective is to “achieve a seamless transaction for customers, ensure the continued safety of the system, and facilitate consolidation of operations.”<sup>20</sup> As a secondary objective, Mr. Gerwadowski related that the transition team would begin a review process, after the closing, to identify areas of synergies and savings and to identify ways to improve service to customers.<sup>21</sup> Mr. Gerwadowski related that potential savings could come from lower administrative and general costs, operating expenses, improved procurement, and more effective use of combined facilities and offices.<sup>22</sup> As examples, Mr. Gerwadowski testified that savings would occur in metering, billing and customer service. He related: “we may also be able to reduce operating costs by consolidating facilities and buildings, improving procurements with more purchasing power, and lowering financing costs through access to broader capital markets.”<sup>23</sup>

Mr. Gerwadowski stated that Narragansett proposes to file a new gas rate plan with the Rhode Island Public Utilities Commission (“Commission”) within six months after the closing. He related that “we will develop and include in the filing appropriate cost allocation metrics between the gas and electric operations of Narragansett following the closing.” Mr. Gerwadowski noted that National Grid has “these allocations in place for [its]...combined operations in New York,” which he described as a “good starting point for the development of an accounting and

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<sup>20</sup> Id.

<sup>21</sup> Id.

<sup>22</sup> Id., p. 8.

<sup>23</sup> Id., pp. 8-9.

ratemaking methodology here in Rhode Island to separately determine the cost of service for gas and electric operations...”<sup>24</sup>

Mr. Gerwatowski testified that the New England Gas Company’s currently approved rates would continue in effect after the closing. He indicated that the joint petition contains an exhibit that includes “a set of the gas tariffs and rate schedules.”<sup>25</sup> He emphasized that the “only change to these tariffs and rate schedules is to change the utility’s name.” Mr. Gerwatowski added that Narragansett would also be assuming the obligations under the pre-existing gas rate plan of the New England Gas Company, dated June 14, 2002. He related that while the ‘Rate Freeze Period’ under the existing gas rate plan expired on July 1, 2005, the plan otherwise remains in effect until suspended by further Commission action.<sup>26</sup>

Mr. Gerwatowski next related that even after Narragansett develops and files a new rate plan for gas delivery customers in approximately six months, Narragansett’s electric savings will continue through the earnings sharing mechanism in Narragansett’s electric rate plan, which he noted is in the second year of a five-year distribution rate freeze. He testified that Narragansett expects that the customers’ share of the savings from the acquisition will be reflected in both gas delivery rates and in improved infrastructure and service to customers. Mr. Gerwatowski also noted that “these savings will be realized while protecting New England Gas Company employees.” He explained that all existing labor

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<sup>24</sup> Id., p. 9.

<sup>25</sup> Joint Petitioners Exhibit 3.

<sup>26</sup> Id., p. 10.

contracts will be honored, and all New England Gas Company active employees will be offered a position with National Grid.<sup>27</sup>

In his final comments, Mr. Gerwatowski opined that the “merger will also lower the administrative costs of the Division and Commission.” He stated that National Grid would also be able to implement state energy policies efficiently and effectively through a single company that provides electric and gas delivery services to nearly all customers and communities in Rhode Island.<sup>28</sup> He also opined that the combination of personnel and equipment would improve Narragansett’s ability to respond to storms and other emergencies.<sup>29</sup>

Mr. Richard Marshall was proffered by Southern Union to describe the sale of the Rhode Island assets of New England Gas Company to National Grid for \$575 million less assumed debt of \$77 million, and to outline the timeline anticipated for the closing of the transaction.<sup>30</sup>

Mr. Marshall testified that at year-end December 31, 2005, Southern Union provided natural gas local distribution service to approximately a million customers in Missouri, Pennsylvania, Rhode Island and Massachusetts. He related that the Company serves approximately 245,000 customers in Rhode Island and approximately 50,000 customers in Massachusetts through its New England Gas Company division. In addition to its local distribution assets, Mr.

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<sup>27</sup> Id., pp. 10-11.

<sup>28</sup> Id., p. 11.

<sup>29</sup> Id.

<sup>30</sup> Joint Petitioners Exhibit 1, Marshall pre-filed direct testimony, p. 1.

Marshall also briefly described Southern Union's transmission assets, which are owned through several direct subsidiaries.<sup>31</sup>

Mr. Marshall next testified that there have been two changes to Southern Union's organization in 2006. He related that on March 1, 2006 Southern Union purchased 100 percent of the general and limited partnership interests in Sid Richardson Energy Services Ltd., a privately held natural gas gathering and processing company, and Richardson Energy Marketing, Ltd and 100 percent of the general partnership interests in Leapartners, LP (together "SRES") for \$1.6 billion.<sup>32</sup> Mr. Marshall testified that this transaction was the latest in a long-term business strategy to change Southern Union's core business from a local retail user utility to a wholesale leader in the natural gas transportation and services industry. Mr. Marshall related that with the addition of the SRES business, Southern Union now has more than 22,000 miles of gathering and transportation pipelines stretching from the Gulf of Mexico to the Southwest, Midwest and Canada.<sup>33</sup>

Mr. Marshall testified that the other organizational change took place on January 26, 2006, the date Southern Union entered into a definitive agreement to sell the assets of its PG Energy division to UGI Corporation for \$580 million. He related that the sale is currently being reviewed by the Pennsylvania Public Utilities Commission and is expected to close on or before August 25, 2006.<sup>34</sup>

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<sup>31</sup> Id., pp. 2-3.

<sup>32</sup> Id., p. 3.

<sup>33</sup> Id., pp. 3-4.

<sup>34</sup> Id., p. 4.



Mr. Marshall next explained that the sale of the New England Gas Assets is, as noted earlier, part of a continuing transformation over the past several years of Southern Union's core business from a local retail user utility to a wholesale leader in the natural gas transportation and services industry. He related that the proceeds from this sale would be used to retire a portion of the bridge facility financing for the acquisition of SRES.<sup>35</sup>

Mr. Marshall then moved to a description of the basic elements of the transaction. He related that the Agreement provides for the sale of the New England Gas Assets for \$575 million less assumed debt of \$77 million. He stated that the Boards of Directors for both companies have approved the sale, which he related is anticipated to close on August 25, 2006. Mr. Marshall also reiterated that under the Agreement, National Grid will honor all labor agreements currently in effect with the New England Gas Company in Rhode Island and will offer employment with National Grid to all active New England Gas Company employees in Rhode Island upon completion of the sale. He added that further plans about how to combine the operations and functions of both companies would be developed over the next several months. He also echoed Mr. Gerwatoski's statement that the Agreement is contingent upon the approval of the Division and antitrust clearance by the Federal Trade Commission under the Hart Scott Rodino Antitrust Improvements Act of 1976.<sup>36</sup>

Mr. Marshall opined that the proposed transaction would be beneficial for Rhode Island customers for several reasons. Specifically, Mr. Marshall noted that

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<sup>35</sup> Id., p. 5.

<sup>36</sup> Id., pp. 5-6.

Rhode Island customers are familiar with National Grid; that National Grid currently provides natural gas services to millions of customers in the United Kingdom and New York; and that National Grid is likely to produce cost savings by virtue of its ability to coordinate and consolidate certain corporate functions as well as the opportunity to integrate the operations of its other Northeast companies over the long term.<sup>37</sup>

Mr. Marshall additionally noted that the sale of the New England Gas Company Assets to National Grid would have no immediate impact on the base rates charged to the New England Gas Company's customers in Rhode Island or have an adverse affect on the quality of service currently experienced by these customers.<sup>38</sup>

In his final comments, Mr. Marshall emphasized the timing of the transaction, reiterating the Petitioners' plans to close the transaction by August 25, 2006. He also repeated the request made in the joint petition for a Division declaration that that the mandatory "two-thirds shareholder vote" provision contained in R.I.G.L. §39-3-24(3) is not required for Southern Union in this case.<sup>39</sup>

### **3. The Advocacy Section's Direct Case**

The Advocacy Section proffered two witnesses in this docket. The witnesses were identified as: Mr. Bruce R. Oliver, President, Revilo Hill Associates, Inc., 7103 Laketree Drive, Fairfax Station, Virginia; and Mr. David J. Effron, CPA, 386

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<sup>37</sup> Id., p. 6.

<sup>38</sup> Id., p. 7.

<sup>39</sup> Id., pp. 8-9.

Main Street, Ridgefield, Connecticut. Mr. Oliver is an economist specializing in the areas of utility rates, energy, and regulatory policy matters. Mr. Effron is a consultant specializing in utility regulation.

Mr. Oliver indicated that he was engaged by the Advocacy Section to analyze National Grid's proposal to purchase the Rhode Island assets of the New England Gas Company. Mr. Oliver stated that his testimony addresses the regulatory standards upon which such mergers should be evaluated and the considerations necessary to assess whether the proposed transaction is consistent with the public interest.<sup>40</sup>

In his initial comments, Mr. Oliver stated that on the basis of his review and analysis of the joint petition, supporting testimony, exhibits, work papers, and data request responses from the Petitioners, he recommends that the Division adopt the following findings and conclusions:

1. *As provided under Section 39-3-25 of the Rhode Island General Laws, the Petitioners must demonstrate: (a) That the proposed merger will not diminish facilities for furnishing service to the public, and (b) That the terms of the merger are consistent with the public interest.*

2. *Any assessment of the merits of the proposed merger must consider whether the ability to provide safe and adequate service at the lowest reasonable cost will be jeopardized. In this context, the Division's determinations in this proceeding should address: (a) The degree to which the proposed transaction can be expected to impact ratepayer costs, (b) The effects of the transaction on the safety and reliability of the services provided, (c) The impact of the transaction on competition, and (d) The potential influences of the*

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<sup>40</sup> Advocacy Section Exhibit 1, pp. 1-2.

*transaction on regulatory control and oversight of utility operations.”*

3. *National Grid has the size, financial strength, and demonstrated experience and expertise in the operation of both gas systems and combined gas and electric systems to assume responsibility for New England Gas Company’s Rhode Island business.*

4. *Although the costs and benefits associated with the proposed transaction are not well developed at this point, a number of considerations suggest that the proposed transaction has the potential to ultimately yield net benefits for Rhode Island consumers. However, given the potentially significant front end costs that are expected to be incurred to integrate and consolidate the New England Gas Company’s Rhode Island business operations with Narragansett’s existing electric operations, timing considerations associated with recognition of the costs and benefits of achieving combined operations are likely to be key determinants of near term ratepayer impact. Thus, a requirement for the new Rate Plan that Narragansett intends to file (subsequent to Division approval of the proposed transaction) should be that such Rate Plan will not adversely impact rates for Rhode Island gas or electric utility customers.*

5. *The time period allowed for Narragansett’s preparation and filing of a new Rate Plan should be extended from six months from the date of a decision by the Division to approve this transaction to [a] period of not-to-exceed one-year (12-months) from the date of the Division’s approval of this transaction.*

6. *Narragansett should be required to include in its Rate Plan an assessment of the service quality standards, if any, that are necessary to ensure a continued maintenance [of] high quality service for Rhode Island gas and electric consumers throughout the effective period of the proposed Rate Plan.*

7. *Coupled with appropriate requirements for timely filing of a Rate Plan and regulatory policies that ensure the (1) maintenance of service quality and (2) appropriate matching of the costs and benefits*



*associated with the integration and consolidation of Narragansett and New England Gas operations, the proposed transaction appears to expose ratepayers to little risk while possibly providing an opportunity to receive benefits from achieved efficiencies in operations.<sup>41</sup>*

Mr. Oliver indicated that he didn't believe that a finding that "ratepayers would experience no net harm" would be sufficient to justify a conclusion that the transaction is "consistent with the public interest". Instead he opined that "fairness in the distribution of benefits from the transaction between shareholders and ratepayers represents an important element of the considerations that determine whether the transaction meets the public interest standard in Rhode Island law." Mr. Oliver further opined that "fairness in the allocation of net benefits from the transaction between gas and electric ratepayers must also be a consideration."<sup>42</sup>

Mr. Oliver also testified that he was not concerned with Narragansett's decision to acquire the New England Gas Company's non-regulated business activities. He noted that the referenced non-regulated business activities include only a small appliance business, which he concluded, "should have no significant impact on the overall costs or benefits of the transaction to either shareholders or ratepayers."<sup>43</sup>

Mr. Oliver also noted that it is not uncommon for a single company to operate both gas and electric distribution utility operations within a state. He identified a number of utilities in the country that combine gas and electric utility

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<sup>41</sup> *Id.*, pp. 5-8.

<sup>42</sup> *Id.*, pp. 11-12.

<sup>43</sup> *Id.*, pp. 12-13.

distribution operations under a single ownership structure. He also acknowledged that National Grid itself has experience with the operation of a combined gas and electric utility in New York.<sup>44</sup>

Mr. Oliver next addressed the benefits that the Petitioners claim will accrue to Rhode Island if the proposed transaction is approved. On this point, Mr. Oliver related that “the value to the State of Rhode Island and its consumers of the benefits asserted by the joint petitioners is vague, or at least difficult to quantify with much certainty.”<sup>45</sup> He testified that although there appears to be some long-term potential for savings neither the timing nor the magnitude of such savings could be readily identified. Mr. Oliver contended that “in the absence of a full consolidation plan and a rate plan for Narragansett’s gas and electric operations in Rhode Island, it is premature to attempt to quantify the net benefits, if any, that Rhode Island consumers will experience as a result of the proposed transaction.”<sup>46</sup>

Mr. Oliver testified that the benefits associated with increasing the customer base are not clear-cut in this instance. He observed that Narragansett and New England Gas Company are presently parts of larger organizations; and while some overall increase in numbers of customers may be achieved for Narragansett, Mr. Oliver concluded that the “value of any net gain is not easily measured.” Similarly, Mr. Oliver concluded that any assessment of the net benefits from consolidating operating and administrative functions must weigh

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<sup>44</sup> Id., pp. 13-14.

<sup>45</sup> Id., pp. 14-16.

<sup>46</sup> Id., p. 16.

the benefits each utility presently receives as part of a larger organization. He opined that consideration must also be given to the practicality and costs of consolidating operating functions. He suggested that not all operating functions for gas and electric distribution utilities can be easily or efficiently consolidated.<sup>47</sup>

On the other hand, Mr. Oliver identified three operating areas that he felt offered particularly strong potential for significant cost savings, namely, (1) customer information systems and billing, (2) meter reading, and (3) customer service/call center functions. He related, however, that savings in each of these areas would only be achieved over time and through the incurrence of a noticeable level of transition expense, which Mr. Oliver believes Narragansett has underestimated in its synergy savings projections.<sup>48</sup>

Mr. Oliver next addressed Narragansett's anticipated reduction in the administrative costs of regulation from the proposed merger of electric and gas operations in Rhode Island. He asserted that if "this transaction has any impact on the administrative costs of regulation incurred by the Division and the...Commission, such impact is not likely to be dramatic."<sup>49</sup> Mr. Oliver observed that much of the Division and Commission activities would continue to be separable into gas and electric matters. He related that separate gas and electric service rates will continue to be required, as will separate terms and conditions of service that reflect the inherent differences in gas system and electric system operations and cost structures. He added that engineering and

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<sup>47</sup> Id., pp. 17-18.

<sup>48</sup> Id., pp. 18-21.

<sup>49</sup> Id., p. 21.

safety concerns will also continue to require separate gas and electric expertise; and that annual gas cost accounting, gas cost recoveries, and distribution adjustment clause activities will not be readily consolidated with electric activities.<sup>50</sup>

Mr. Oliver additionally questioned whether the Narragansett's acquisition of the New England Gas Company would facilitate the implementation of common Division and Commission policies. Mr. Oliver related that an effort was made by the Advocacy Section during discovery to investigate the nature of the statewide policies that the consolidation of electric and gas operations under Narragansett would facilitate. According to the witness, Narragansett offered two examples: (1) customer termination and billing regulations<sup>51</sup>, and (2) low income program administration. However, Mr. Oliver related that the likelihood and benefit of common policies remains unclear. He concluded: "to the extent that the need for and appropriateness of common gas system and electric system policies can be identified, some savings in this area may be achievable. Still, the dollar value of savings attributable to the establishment of such common policies is expected to be relatively small."<sup>52</sup>

Mr. Oliver next discussed the issue of whether the proposed transaction would improve the reliability of gas and electric services in Rhode Island. On this point, Mr. Oliver contended that because "no evidence of perceptible improvement

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<sup>50</sup> Id., pp. 21-22.

<sup>51</sup> Mr. Oliver noted that Narragansett indicated in one of its discovery responses that it would not terminate electric service due to arrearages on natural gas bills. Mr. Oliver responded that "given the comparatively high costs of gas service over the past winter, I anticipate that this response addresses a concern of many payment troubled gas customers." Id., p. 24.

<sup>52</sup> Id., pp. 22-23.



in service reliability has been provided” “the Petitioners’ assertions...should be given little weight.”<sup>53</sup> Nevertheless, Mr. Oliver related: “on the other hand, no evidence of improved service reliability should be necessary for approval of the proposed transaction...the focus of considerations in this proceeding should be on maintenance of high service reliability expectations.”<sup>54</sup>

Regarding the matter of electric rates, Mr. Oliver testified that “there is no explicit requirement for such transactions to produce immediate rate reductions.” He noted that “utility mergers and acquisitions, however, are commonly linked to a rate plan that is intended to ensure that service quality and reliability are maintained and benefits produced through the consolidation of activities are shared with ratepayers.”<sup>55</sup> Mr. Oliver then related that although the Advocacy Section appreciates the willingness of Narragansett to file a rate plan within six months after approval by the Division, he has a concern that six months “may not be long enough for Narragansett to develop a full and meaningful consolidation plan for its gas and electric operations in Rhode Island.” Mr. Oliver maintained that the “quality of the record in support of a new rate plan could be enhanced if greater time is taken by Narragansett to consider the elements of a proposed rate plan before it is filed.” Mr. Oliver thereupon related that the Advocacy Section “would not be opposed to extending the period for

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<sup>53</sup> Id., p. 24.

<sup>54</sup> Id., pp. 24-25.

<sup>55</sup> Id., p. 26.

Narragansett's filing of a new rate plan to as long as one year (12-months) from the date of a decision by the Division..."<sup>56</sup>

Mr. Oliver next testified that he found no evidence that Rhode Island consumers would be harmed by Narragansett's acquisition of the New England Gas Company's Rhode Island business. He related that National Grid has demonstrated experience in the operation of gas utilities as well as in the operation of combined gas and electric utility operations. He also observed that National Grid has sufficient overall size and financial strength to ensure continued operation of both utility services in Rhode Island. He did caution, however, "that depending on the parameters of the rate plan ultimately adopted for Narragansett's gas and electric operations, there is some potential that Rhode Island could be adversely affected in the near-term if the electric operations is not carefully synchronized with the timing of expected benefits to be derived through the consolidation." He opined that if "an appropriate synchronization of costs and benefits is not achieved, it is possible that the upfront costs of consolidation of Narragansett's gas and electric operations could exceed the benefits realized in the first few years of consolidated operations."<sup>57</sup>

Mr. Oliver also testified that service quality should not suffer if the Division approves the proposed transaction. He related that because Narragansett proposes to operate under the terms of the existing New England Gas Company rate settlement until a new rate plan is adopted, current levels of service quality would remain in place. He added that when Narragansett files a new rate plan

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<sup>56</sup> Id., pp. 26-27.

<sup>57</sup> Id., pp. 28-29.

the Division will “assess the extent of service quality protections that will be needed, if any...”<sup>58</sup>

Mr. Oliver also concluded that the proposed transaction would not have any impact on the New England Gas Company’s existing environmental response activities. He related that the New England Gas Company’s existing rate settlement includes specific provisions that address the recovery of costs associated with environmental response activities, which Narragansett will adopt. He also observed that the Purchase and Sale Agreement explicitly provides for Southern Union to retain responsibility for “certain environmental liabilities,” which the Advocacy Section presently believes protects the interests of Rhode Island ratepayers.<sup>59</sup>

In his concluding comments, Mr. Oliver opined that the proposed transaction can ultimately yield net benefits for Rhode Island ratepayers if a rate plan and regulatory policies are adopted that “(a) ensure the maintenance of service quality, and (b) reasonably synchronize the costs of consolidation with the expected timing of benefits to be derived from those expenditures...” He emphasized however, “that the benefits, if any, that the ratepayers will experience will be strongly influenced by the parameters of the Rate Plan ultimately approved by the Commission.” Mr. Oliver also referred to the testimony of Mr. Effron, wherein he discusses “the rate treatment of accumulated deferred income tax rate base credits.” Mr. Oliver warned that “if those credits, or the equivalent amount

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<sup>58</sup> Id., p. 29.

<sup>59</sup> Id., p. 30.

of ratepayer benefit, are not included in the filed Rate Plan, significant adverse ratepayer impacts could result.”<sup>60</sup>

The Advocacy Section’s second witness, Mr. David Effron, stated that the purpose of his testimony “is to address consequences of the proposed transaction that could potentially have an adverse effect on rates paid by customers if not addressed and resolved.”<sup>61</sup> Mr. Effron indicated that his testimony focuses on certain accounting implications, revenue requirement matters, and other rate issues associated with the proposed transaction that “should be considered by the Division in its determination of whether the proposed acquisition...is consistent with the public interest.”<sup>62</sup>

Mr. Effron first observed that the proposed transaction would result in the recording of “a substantial acquisition premium.” He related that if the acquisition premium were to be incorporated into the ratemaking formula, “it would increase the revenue requirement associated with utility cost of service in Rhode Island significantly.” Mr. Effron therefore asserted that the Division should impose as a condition of the merger that “Narragansett should agree not to seek any recovery of the acquisition premium in the electric or gas distribution cost of service.”<sup>63</sup>

Mr. Effron explained that if “the purchase price is greater than the fair value of the assets less the fair value of the liabilities (the net book value) of NEG, the difference will be recorded as an acquisition premium, or goodwill.” Mr.

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<sup>60</sup> Id., p. 31.

<sup>61</sup> Advocacy Section Exhibit 2, p. 4.

<sup>62</sup> Id.

<sup>63</sup> Id., p. 5.



Effron related that it is “contemplated that such an acquisition premium will be recorded.”<sup>64</sup> Mr. Effron testified that the acquisition premium would thereafter remain on the books of Narragansett, subject to future evaluation of the premium for impairment. Regarding the magnitude of the acquisition premium, Mr. Effron stated that the exact amount is unknown at this time, but Narragansett estimates that the acquisition price will exceed the fair value of the net assets by approximately \$250 million.<sup>65</sup>

Mr. Effron expressed concern that although Narragansett has stated in a data response that “it is not anticipated that the acquisition premium would be included in the determination of the revenue requirement,” the response appears to reserve the “option of including the acquisition premium in the determination of revenue requirement if negotiations do not result in a satisfactory rate plan or a satisfactory rate plan is not ultimately approved by the Commission.” Mr. Effron warned that if the goodwill recorded in association with the merger were recognized for ratemaking purposes it would result in a “substantial increase to revenue requirements.” Mr. Effron predicted that if the goodwill were included in rate base, the rate base would increase from \$243 million to \$493 million.<sup>66</sup>

Mr. Effron further related that the booking of goodwill also affects the capital structure. He testified that based on the present earnings sharing formula, New England Gas Company’s capital structure contains 43.6% common equity. He explained that if the goodwill is assigned to that capital structure for

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<sup>64</sup> Id., pp. 6-7.

<sup>65</sup> Id., p. 7.

<sup>66</sup> Id., p. 8.

ratemaking purposes, the result would be a capital structure with a common equity ratio of 72.2%; he also emphasized that the New England Gas Company's earnings sharing formula allows for a 11.25% return on common equity.<sup>67</sup>

Mr. Effron also testified that exclusive of the effect of recording the goodwill, the revenue requirement related to the return on rate base, including the income taxes on the equity component of the return, is \$28.4 million. He related that the inclusion of goodwill in rate base, and the related effect of the goodwill on the capital structure, increases the revenue requirement related to the return on rate base to \$76.8 million. Mr. Effron consequently concluded that "recognition of the goodwill for ratemaking purposes would increase NEG's annual revenue requirement by some \$48 million."<sup>68</sup>

In defense of his position, Mr. Effron asserted that, "in theory", it is not appropriate to recognize goodwill booked as a result of a merger or acquisition for ratemaking purposes. He related that if the price being paid is in excess of net book value it is the responsibility of the shareholders, and not the ratepayers, to cover the difference. He contended that the acquisition premium "is not related to the cost of providing service to...customers."<sup>69</sup>

Mr. Effron also rejected the idea recognizing goodwill for ratemaking purposes based on his opinion that to do so would be inconsistent with the "public interest." He related: "one key element in such a finding must be that the proposed transaction will have no adverse impact on existing rates." He testified

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<sup>67</sup> Id., pp. 8-9.

<sup>68</sup> Id., p. 9.

<sup>69</sup> Id., pp. 9-10.

that to achieve this end, “any acquisition-related costs must be offset by savings attributable to the acquisition.” Mr. Effron concluded that “even under the most optimistic forecasts, I do not believe that the annual savings allocable to NEG will be anything remotely approaching the revenue requirement effect of the goodwill.”<sup>70</sup>

Mr. Effron also raised a number of ratemaking-related issues that he wanted Narragansett to consider before it files its future rate plan with the Commission. Specifically, Mr. Effron asserted that the Commission should not approve the rate plan “unless it improves on the present NEG rate plan, and gas distribution rates should be frozen until the ...Commission...renders a decision on the new rate plan.” He also contended that all transaction costs should be excluded from the cost of service; that integration costs should be recoverable only to the extent that Narragansett can demonstrate that savings attributable to the acquisition exceed such integration costs; and that recovery of a regulatory asset to offset the additional pension and PBOP (“post-retirement benefits other than pensions”) liability should only be allowed to the extent that Narragansett can verify that such recovery does not result in greater pension and PBOP expenses in the cost of service than those expenses would be in the absence of the acquisition. Mr. Effron also related that if a mechanism were not established to offset the effect of the elimination of the balance of “Accumulated Deferred Income Taxes” (“ADIT”) or hold ratepayers harmless from the revenue requirement

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<sup>70</sup> Id., pp. 10-11.

effect of the loss of this rate base deduction, the proposed transaction would result in an adverse effect on rates paid by customers.<sup>71</sup>

On the matter of ADIT, Mr. Effron explained that the proposed transaction affects the balance of ADIT deducted from plant-in-service for the purpose of determining the New England Gas Company rate base used to establish rates and in the earnings sharing calculation. Mr. Effron related that the effect of eliminating the balance of ADIT at this time will increase the New England Gas Company revenue requirement by \$4 million in the first year of the merger and impose additional costs in the years immediately following the proposed transaction. Mr. Effron observed that the “initial increase to the revenue requirement resulting from the elimination of the ADIT exceeds the synergy savings that have so far been identified.”<sup>72</sup>

Mr. Effron also rejected the inclusion of “integration costs” into Narragansett’s revenue requirement. He related that Southern Union estimates that it will incur approximately \$1 million in costs to complete the proposed transaction. Mr. Effron noted that through April 30, 2006, National Grid had incurred approximately \$1.4 million in costs and expects to incur additional costs of approximately \$1 million to complete the transaction. Mr. Effron contended that the transaction costs are expenditures being incurred on behalf of shareholders to consummate the merger, not costs being incurred to achieve savings; accordingly he concluded that “transaction costs should be treated as

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<sup>71</sup> *Id.*, pp. 5-6 and 15-17.

<sup>72</sup> *Id.*, pp. 18-19.



shareholder costs that are not recoverable from ratepayers.”<sup>73</sup> However, Mr. Effron conceded that “to the extent that integration costs result in the achievement of savings, such costs should be potentially recoverable.”<sup>74</sup>

Mr. Effron concluded his testimony by commenting on the significance that the Petitioners attach to the planned August 25, 2006 closing date. Mr. Effron testified that under the terms of the Purchase and Sale Agreement, the Petitioners may extend the August 25, 2006 closing date by 120 days. Mr. Effron testified that the significance of the August 25, 2006 date is rooted exclusively in a tax advantage for Southern Union. He explained that if the proposed transaction closes by August 28, 2006 (the first business day after August 25), Southern Union would be eligible for favorable tax treatment, known as ‘like-kind exchange’ on the property being sold. He related that this favorable tax treatment would entail deferral of federal income taxes payable on any gain on the sale of the New England Gas Company assets.<sup>7576</sup>

#### **4. The Wiley Center’s Direct Case**

The Wiley Center proffered one witness in this docket. The witness was identified as: Mr. John Howat, Senior Policy Analyst, National Consumer Law Center, 77 Summer Street, 10<sup>th</sup> Floor, Boston, Massachusetts. In his testimony, Mr. Howat discusses the potential impacts on low-income ratepayers from the proposed acquisition by Narragansett of the New England Gas Company’s

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<sup>73</sup> Id., pp. 13-15.

<sup>74</sup> Id. p. 15.

<sup>75</sup> Id., pp. 20-21.

<sup>76</sup> The value of this “like-kind-exchange” tax benefit is projected at \$13 million, infra.

regulated distribution business. He also makes some recommendations designed to mitigate those potential impacts.

Mr. Howat related that it is impossible to determine the impact on low-income consumers that will result from the proposed acquisition because rate impacts, and the structure and function of the new entity will not be determined until a later date.<sup>77</sup> However, Mr. Howat related that “merger and acquisition outcomes involving consolidation, dilution, or relocation of customer service functions such as call centers can directly and disproportionately impact low-income consumers.”<sup>78</sup>

Mr. Howat additionally observed that consolidating billing systems that do not separate the arrearages for electric and natural gas services “could have a particularly adverse impact on payment troubled electric customers.”<sup>79</sup>

Mr. Howat also observed that “there currently is no guarantee that customers will receive any rate or bill benefit as a result of the proposed acquisition.” Relying on Mr. Effron’s testimony, Mr. Howat expressed concern that if the goodwill associated with Narragansett’s payment of an acquisition premium were recognized for ratemaking purposes, low-income ratepayers would be disproportionately harmed by an adverse rate impact.<sup>80</sup>

To safeguard against these potential harms, Mr. Howat offered three recommendations. First, he related that there is a need for low income electric and natural gas payment assistance that goes beyond that which is currently

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<sup>77</sup> Howat pre-filed direct testimony, p. 4.

<sup>78</sup> Id., p. 5.

<sup>79</sup> Id.

<sup>80</sup> Id., p. 6.

offered through Narragansett's low-income discount and New England Gas Company's partial LIHEAP match. He opined that approval of the Petitioner's proposal should be conditioned on a mandate for Narragansett to develop as part of its rate plan filing a targeted discount program that is designed to provide LIHEAP participants with the benefits to lower household natural gas and electricity burdens to the same level paid by median income households. He added that the low-income program should also include an effective arrearage management proposal, similar to that which National Grid operates in Massachusetts.<sup>81</sup>

As a second recommendation, Mr. Howat urged the Division to condition the approval of the proposed transaction "on a requirement that a deficit in payment for electric service not be used to terminate gas service and vice versa." He related that absent such a condition, service disconnection impacts on electric customers could serve to undermine the health, safety and wellbeing of low-income customers.<sup>82</sup>

Thirdly, Mr. Howat suggested that the Division condition its approval on an "assurance of the availability...of dedicated supervisory call center staff to respond to emergency needs of low-income customers."<sup>83</sup>

In support of his recommendations Mr. Howat provided several examples of merger proceeding precedents for low-income benefits. These cases reflect stipulated agreements wherein the utilities agreed to provide discounts, payment

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<sup>81</sup> Id., pp. 6-7.

<sup>82</sup> Id., p. 7.

<sup>83</sup> Id.

assistance, matching contributions, customer education and outreach, and/or dedicated supervisory customer service personnel.<sup>84</sup>

### **5. The Attorney General's Direct Case**

The Attorney General proffered one witness in this docket. The witness was identified as Philip L. Sussler, Esq., an attorney specializing in electric utility and energy industries and environmental law. Mr. Sussler began his testimony with a general discussion related to assessing and allocating liability for environmental pollution.<sup>85</sup> After proving a brief history on the subject, Mr. Sussler identified the controlling laws as the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA")<sup>86</sup> at the federal level, and the Industrial Property Remediation and Reuse Act (the "Rhode Island Act") in Rhode Island.<sup>8788</sup>

Mr. Sussler next provided a summary of the Tiverton contamination matter, which he researched from available public records. He related that the matter began with sub-surface (sewer project) excavations in the Bay Street Area of Tiverton in 2002. Mr. Sussler related that during these excavations the soil "was observed to have a 'blue color' indicative of coal gasification waste material (i.e., cyanide)."<sup>89</sup> He added that "extensive petroleum-based contamination was discovered and a petroleum sheen was observed in groundwater seeping into the excavation."<sup>90</sup> Mr. Sussler testified that soil borings later discovered "semivolatile organic compounds (SVOCs), particularly polycyclic aromatic hydrocarbons

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<sup>84</sup> *Id.*, pp. 7-8.

<sup>85</sup> Attorney General Exhibit 1 (Sussler pre-filed direct testimony), pp. 2-3.

<sup>86</sup> 42 U.S.C. Sections 9601 *et seq.*

<sup>87</sup> R.I.G.L. Chapter 23-19.14.

<sup>88</sup> Attorney General Exhibit 1 (Sussler pre-filed direct testimony), pp. 3-5.

<sup>89</sup> *Id.*, p. 6.

<sup>90</sup> *Id.*, pp. 6-7.



(PAHs), and cyanide at levels exceeding both the...[RIDEM] Residential and Industrial/Commercial Direct Exposure Criteria (RDEC and I/CDEC).” He related that the area impacted by the contamination includes approximately 100 residential parcels and several commercial properties in the northeastern section of Tiverton, along and proximate to Bay Street and several streets intersecting with Bay Street.<sup>91</sup> Mr. Sussler observed that an engineering report issued in 2004 indicated that “anecdotal evidence has been found to link this contamination to historic dumping of manufactured gas plant waste material by the former Fall River Gas Company.”<sup>92</sup>

Mr. Sussler testified that he is not endorsing any particular cost estimate, but “under reasonable estimates and assumptions” the cost of remediation in this matter could “range into the many \$10s of million of dollars.”<sup>93</sup> Mr. Sussler also opined that Southern Union, as the successor in interest to FRGC through a full merger of FRGC into Southern Union, is liable for the contamination under CERCLA.<sup>94</sup> Mr. Sussler also explained that under the “joint and several nature of the liability under CERCLA, assuming...[FRGC] is the source of some of the contamination at the Bay Street Area...[Southern Union] can be held liable for the full amount of liability, even though some of the contamination may have been caused by other parties.”<sup>95</sup>

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<sup>91</sup> Id., p. 7.

<sup>92</sup> Id.

<sup>93</sup> Id., p. 8.

<sup>94</sup> Id., p. 9.

<sup>95</sup> Id., pp. 9-10.

Mr. Sussler testified that despite CERCLA, “the resurgence of the application of traditional corporate law doctrines to successor liability for environmental contamination provides very important planning and structuring tools to corporations to limit or seek to limit environmental liability.”<sup>96</sup> Mr. Sussler testified that this trend started after the U.S. Supreme Court’s 1998 decision in United States v. Best Foods, Inc.<sup>97</sup> Mr. Sussler related that the importance and significance of these planning tools is also commensurate with the degree of exposure to environmental liability faced by a particular corporation. Mr. Sussler related that if the exposure is large, there is a strong incentive for a corporation to employ these tools. He explained:

*“a pattern for accomplishing this is for the parent entity, which initially bears liability under CERCLA, through a series of transactions to transfer a major portion of its assets to subsidiary or spun-off corporations. Each such transaction is an asset sale, so that the transfer does not shift the liabilities held by the parent to the subsidiary or spun-off entity. Also each such sale is carefully structured so that it does not trigger...[the] exceptions to the cut-off of successor liability associated with an asset sale. Ultimately, after a series of such transactions, the majority of assets are shifted to subsidiaries or spun off with defenses to environmental liability. The well known restructuring of W.R. Grace Company follows this pattern.”<sup>98</sup>*

Mr. Sussler testified that “the circumstances and incentives exist for [Southern Union] to follow a similar path.” He related that Southern Union, as evidenced in its various financial reports, “has embarked on a business strategy of extensive acquisition and selling of properties and businesses.” Mr. Sussler

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<sup>96</sup> Id., p. 10.

<sup>97</sup> 524 U.S. 51 (1998).

<sup>98</sup> Attorney General Exhibit 1 (Sussler pre-filed direct testimony), p. 10.

remarked that “this plan apparently includes selling off many of its natural gas distribution businesses and refocusing on, and increasing, its business in pipeline and gathering and storage activities.” He added that with the repeal of the Public Utility Holding Company Act of 1935 (“PUHCA”) and the passage of the Energy Policy Act of 2005, Southern Union no longer has the long-standing regulatory restriction on reorganizing its business into subsidiaries and holding companies. Mr. Sussler opined that by segregating the issue of liability from this proceeding, and thus leaving the matter for litigation that will invariably take many years, Southern Union will have the time necessary to execute a strategy of multiple transfers of assets to subsidiaries and spun-off limited liability entities so as to reduce and compartmentalize its environmental liabilities.<sup>99</sup>

Mr. Sussler therefore concluded that the proposed sale of the Rhode Island assets of Southern Union and Southern Union’s plan to create a Massachusetts subsidiary to own its Massachusetts assets reduces the State of Rhode Island’s ability to enforce the environmental liability rules applicable to the Bay Street Environmental Area. He reasoned that Southern Union’s creation of a Massachusetts subsidiary “can be a vehicle for freeing the Massachusetts assets from the liability, when purchased by a subsequent purchaser through an asset purchase...” Mr. Sussler also reasoned that the Southern Union “sale of the Rhode Island assets, followed by the sale of the Massachusetts assets may form the beginning of a strategy...for ultimately compartmentalizing liability and impairing the State’s recourse to establish liability and ultimately recover the

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<sup>99</sup> *Id.*, pp. 10-11.

costs of remediation.”<sup>100</sup> Mr. Sussler further reasoned that by virtue of the sale of Southern Union’s assets to Narragansett, Narragansett may be able to shield itself from liability for environmental harms under CERCLA, in all instances where Narragansett is not a current owner or operator of the contaminated site. Mr. Sussler noted that while this may reduce costs incurred by Narragansett’s Rhode Island regulated operations, “it could also shift such costs and risks of environmental clean-up because of the refusal of private parties, who are otherwise responsible, to do so.”<sup>101</sup>

Mr. Sussler additionally testified that the State’s ability to enforce the clean up of the Bay Street Environmental Area against Southern Union is further diminished by the loss of natural gas rate recovery mechanisms in Rhode Island and Massachusetts. He related that with the sale of the Rhode Island and Massachusetts assets, and the retention of liability by Southern Union, the recovery of the costs of clean up through rates will no longer be available. Mr. Sussler remarked that this might be the reason why Southern Union has adopted a strategy of an “aggressive defensive litigation against taking responsibility for the clean-up coupled with an enhanced sale price for the assets, where the purchaser may be freed from this environmental liability.”<sup>102</sup> Mr. Sussler added that the State’s ability to enforce a clean-up will hinge on Southern Union’s “amenability to service of process and to the jurisdiction of the Rhode Island

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<sup>100</sup> Id., pp. 11-12.

<sup>101</sup> Id., p. 12.

<sup>102</sup> Id.

courts, given the possibility of the ending of its jurisdictional contacts in Rhode Island following the completion of the sale.”<sup>103</sup>

Based on the foregoing analysis, Mr. Sussler recommended that the Division not approve the proposed transaction unless Southern Union agrees to execute an agreement that incorporates various conditions, “which address and attempt to mitigate the reduced ability of the State of Rhode Island to enforce its authorities against... [Southern Union] with respect to the Bay Street Environmental Matters, which would otherwise result from an unconditioned approval of the proposed transaction.”<sup>104</sup> Mr. Sussler thereupon offered as an exhibit to his pre-filed testimony a comprehensive “*Responsibility, Recourse and Financial Assurance Agreement*”, which he urged the Division to adopt in this matter.<sup>105</sup>

## **6. Tiverton’s Direct Case**

The Town of Tiverton proffered one witness in this docket. The witness was identified as Mr. David Sousa, the Town’s former Administrator during the years 2003 and 2004.

Mr. Sousa testified that during his tenure as the Tiverton Town Administrator he became aware of a contamination problem in the Cory’s Lane area of the Town. He described the contamination as involving “manufactured gas by-products.”<sup>106</sup> Mr. Sousa related that he subsequently had discussions with representatives of the New England Gas Company about the contamination

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<sup>103</sup> *Id.*, p. 13.

<sup>104</sup> *Id.*, p. 14.

<sup>105</sup> *Id.*, pp. 14-18 and attached “Exhibit 1” and “Exhibit A.”

<sup>106</sup> Sousa pre-filed direct testimony, p. 2.



issue sometime in 2003. Mr. Souza testified that during that meeting, “New England Gas verbally committed to me that New England Gas would remediate the contamination at Cory’s Lane.”<sup>107</sup>

Mr. Sousa related, however, that the New England Gas Company never cleaned the Cory’s Lane area. He was also surprised to learn that Southern Union received a portion of a \$15 million remediation claim from the management of the FRGC on January 9, 2004. He related that none of that money was ever spent cleaning up the contamination at Cory’s Lane.<sup>108</sup>

#### **7. Narragansett’s Rebuttal Case**

Narragansett submitted pre-filed rebuttal testimony in response to the Advocacy Section’s direct case. Narragansett proffered two rebuttal witnesses, namely, Mr. Ronald T. Gerwatowski, Vice President of Distribution Regulatory Services in New England, National Grid USA, who previously testified as a direct case witness for the Petitioners in this docket, supra; and Mr. Michael D. Laflamme, Manager of Regulatory Support for National Grid USA Service Company, Inc., a company that provides engineering, financial, administrative and other technical support to subsidiary companies of National Grid USA, including Narragansett.

Mr. Gerwatowski first responded to Mr. Oliver’s testimony. He disagreed with that Mr. Oliver’s characterization that the transaction has the “potential” to bring net benefits to customers.” Mr. Gerwatowski related that Narragansett believes “the benefits are more than just a possibility.” He testified that the

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<sup>107</sup> Id.

<sup>108</sup> Id., pp. 2-3.

premise for going forward with the transaction is to achieve savings that can be shared with customers in the form of a shared savings rate plan agreement similar in structure to what has been approved by the Commission in the past for Narragansett. He contended that such an agreement aligns the interests of the Company and its customers by establishing appropriate incentives to maximize savings. Mr. Gerwatowski testified: “our analysis has shown real savings and efficiencies to be gained through this transaction which will be permanently reflected in our cost of doing business over the long term.”<sup>109</sup>

Mr. Gerwatowski agreed with Mr. Oliver’s statement that it is important that the transaction not adversely impact rates. However, he emphasized that Narragansett’s “synergies saving” analysis estimated gross annual savings at \$4.9 million per year for Rhode Islanders (\$1.6 million for gas customers and \$3.3 million for electric customers). He added that Narragansett would also be willing to ensure that costs and savings are synchronized in rates.<sup>110</sup>

Mr. Gerwatowski agreed with Mr. Oliver’s recommendations to extend the time for the filing of a new rate plan from six months to a period up to twelve months following the approval, and to include service quality standards in the new rate plan. He related that Narragansett would adopt these recommendations.<sup>111</sup>

In response to concerns raised by Mr. Oliver, Mr. Gerwatowski reported that since answering Advocacy Section Data Request 2-5(b), the Company has

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<sup>109</sup> Gerwatowski pre-filed rebuttal testimony, pp. 1-2.

<sup>110</sup> *Id.*, pp. 2-3.

<sup>111</sup> *Id.*, p. 4.

learned that it is possible, with some technical modifications, to read both gas and electric AMR meters from one vehicle. He concluded: “we expect that savings should occur from consolidating the meter reading system.”<sup>112</sup> Additionally, in response to concerns about consolidating billing systems, Mr. Gerwatowski related that Narragansett “has not yet made a decision as to whether it will actually consolidate electric and gas bills in Rhode Island.”<sup>113</sup>

To clarify some possible confusion, Mr. Gerwatowski distinguished between union and non-union employees relative to Narragansett’s pledge to offer continued employment to all existing New England Gas Company employees for at least one year. He indicated that for employees not covered by a collective bargaining agreement, “all these employees ...will be offered a job with National Grid. Any employee who accepts an offer of employment, but is later terminated for reasons other than cause within one year, will be entitled to severance benefits, as specified in the Purchase and Sale Agreement.”<sup>114</sup>

Mr. Gerwatowski next addressed some of the concerns raised by Mr. Effron. Starting with the acquisition premium, Mr. Gerwatowski responded: “we do not believe this should be an issue.” Mr. Gerwatowski explained as follows:

*When National Grid made its offer to purchase the New England Gas assets and operations in Rhode Island, it was the Company’s expectation that it would file a rate plan with the Commission that would be similar in structure to the rate plan currently in effect for Narragansett’s electric operations. That plan provides the Company with a reasonable opportunity to recover some of the acquisition premium indirectly, through a mechanism*

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<sup>112</sup> *Id.*, p. 5.

<sup>113</sup> *Id.*

<sup>114</sup> *Id.*, p. 6.

*that we commonly refer to as a shared savings plan. The shared savings plan is not an explicit recovery in the cost of service of acquisition premium. Under the plan, the Company and customers share in the benefits of any savings that can be achieved by the Company over a specified period. This is not an entitlement to recover acquisition premium directly in rates and the Company does not claim that it is entitled to such direct recovery in Rhode Island. Instead, the plan depends on the ability of the Company to perform. Thus, it is an incentive mechanism, under which both the Company and customers benefit. We interpret Mr. Effron's testimony as expressing the Division's view that the Company should not be allowed direct recovery of the acquisition premium by recognizing goodwill for ratemaking purposes, but the Division does not object to the Company filing or negotiating a shared savings mechanism to be approved by the Commission. If this understanding is correct, then we are in agreement with the Division. The Company will not propose to recognize goodwill for ratemaking purposes, but rather will be seeking approval of a shared savings plan that allows the Company and customers to share in the cost savings benefits of the transaction, and in fact provides proper incentives to the Company to maximize such cost savings."*<sup>115</sup>

Similarly, Mr. Gerwatowski related that the issue relating to deferred taxes also should not be an issue. He testified that while the impact of deferred tax reserves will give rise to an increase in the gas operations' revenue requirement, Narragansett commits that any rate plan filing to be made with the Commission would contain customer benefits in the form of cost savings and/or settlement credits that would more than offset this revenue requirement impact.<sup>116</sup>

In his concluding remarks, Mr. Gerwatowski related that Narragansett's new rate plan would consist of many parts. He testified that compared to the New England Gas Company's current costs, some of Narragansett's costs will be

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<sup>115</sup> *Id.*, pp. 7-8.

<sup>116</sup> *Id.* pp. 8-9.

lower and some higher. He contended, however, “when measured on a total company basis, the cost of providing service to customers will be lower than New England Gas Company’s costs standing alone, absent the merger. Measured using overall revenue requirements, there will be no adverse impact on rates from the transaction.”<sup>117</sup> Mr. Gerwatowski added that the rate plan, measured as a whole, will be designed to produce benefits for customers through the allocation of synergy savings, which would not have been achievable had the transaction not occurred. He related that these benefits could be passed along to customers through many different means, such as through, “lower rates, enhanced infrastructure programs, forms of settlement credits that assure stable delivery rates, or a combination of approaches.”<sup>118</sup>

Mr. Gerwatowski closed his rebuttal testimony by emphasizing that there are qualitative factors that should also be considered by the Division. As examples, he noted that Narragansett provides “high quality delivery service to its customers”, has “demonstrated over the years a strong commitment to act responsibly in the communities in which we serve,” and has “a strong track record in interacting with government entities who have supervisory responsibility over the Company in a very cooperative manner, including a high degree of integrity.”<sup>119</sup>

Mr. Laflamme, Narragansett’s second rebuttal witness, responded to Mr. Effron’s recommendations concerning pension and PBOP expense post

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<sup>117</sup> Id., p. 9.

<sup>118</sup> Id., pp. 9-10.

<sup>119</sup> Id., pp. 10-11.



acquisition. He related that Narragansett is “in agreement...that the pension and PBOP losses should not be recovered from customers immediately, but rather offset by a regulatory asset.” Mr. Laflamme related that Narragansett is also “in agreement that the regulatory asset should be amortized in a fashion that otherwise reasonably matches the pension and PBOP expense...” He thereupon called Mr. Effron’s concern “simply a question of timing as all gains or losses produced in the pension and PBOP plans must eventually be recognized.” However, Mr. Laflamme stated that Narragansett “will not have the numbers to work out the amortization schedule until we file the rate plan.” He related that at that time, “we should be able to develop an amortization schedule that reasonably matches the estimated timing that would have been experienced for these losses absent the merger and the fair valuation that it creates.”<sup>120</sup>

Mr. Laflamme related that the issue does not have to be decided now. He testified that “the issue will best be evaluated by the Division and other parties in the context of the rate plan when we actually have the facts before us.”<sup>121</sup> He also urged the Division to not condition the approval of the proposed transaction on ratemaking issues.<sup>122</sup>

## **8. Public Comment**

The Division heard public comment from sixteen individuals in this docket, including the Honorable Arthur Handy, State Representative, District 18; and Mr.

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<sup>120</sup> LaFlamme pre-filed rebuttal testimony, pp. 3-4.

<sup>121</sup> Id., p. 7.

<sup>122</sup> Id., pp. 7-8.

Henry Shelton, the Director of the George Wiley Center. The tenor of the comments is summarized below:

- There was opposition voiced against the possible consolidation of currently separate electric and gas bills into one integrated bill.
- A representative of the Wellington Condominium Association (“WCA”) in Newport related that its complex is located on a former coal gasification site that was owned and operated by Southern Union’s predecessor, Providence Energy. WCA is concerned about how the proposed transaction “might impact the ability of either National Grid or Southern Union to fund the investigation and long-term remediation and reimburse the property owners for the costs incurred to date for emergency measures they have taken.”<sup>123</sup>
- Many individuals recommended that the Division “make concessions” for those ratepayers who cannot pay their utility bills before approving the proposed transaction. Several individuals urged the Division to first establish a rate for low-income ratepayers that is specifically linked to the ratepayer’s level of income. Other recommendations included: service restoration upon a payment of ten percent toward the unpaid balance; no winter shutoffs; the implementation of a “PIPP program” (percentage of income payment plan) with an arrearage forgiveness component; no winter shutoffs for households with “preschool children”; the adoption of special rates for the elderly and young families; a one-year moratorium against all shutoffs; and the adoption of an

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<sup>123</sup> 6/29/06, Tr. 10.

annual \$500 forgiveness allowance, like the program currently in effect in Massachusetts.

- Representative Handy described the proposed transaction “as an opportunity” for adopting a policy for “letting people get turned back on for a lower amount, ten percent of the back bills is a very reasonable step to take” and to introduce “a smaller version of PIP[P]...to demonstrate its effectiveness.”<sup>124</sup>

- Some individuals expressed concern that a corporation from the United Kingdom was acquiring utility assets in Rhode Island. One individual heard that National Grid was requiring the “poor” to use “prepay” meters in England, and hoped that this approach would not be used in Rhode Island.

- One individual questioned the reasonableness of approving a combining of gas and electric utility services into an even bigger monopoly.

- Mr. Shelton urged the Division “to hold off on any type of final decision until ...[National Grid] tells us much more than we’ve heard already of what is coming in the future. What is going to be their policy for shutoffs? It’s too vague.”

## **9. Findings**

### **A. Applicable Law**

Before reaching findings on the many issues raised and discussed in this docket, a close examination of the pertinent law is instructive. The relevant provisions of Rhode Island General Laws, Sections 39-3-24, 39-3-25 and 39-3-26 are reproduced below:

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<sup>124</sup> 6/29/06, Tr. 23-25.

- **39-3-24. Transactions between utilities for which approval required.** - With the consent and approval of the division, but not otherwise:

(2) Any public utility may purchase or lease all or any part of the property, assets, plant, and business of any other public utility or merge with any other public utility, and in connection therewith may exercise and enjoy all of the rights, powers, easements, privileges, and franchises theretofore exercised and enjoyed by the other public utility with respect to the property, assets, plant, and business so purchased, leased, or merged.

(3) Any public utility may merge with any other public utility or sell or lease all or any part of its property, assets, plant, and business to any other public utility, provided that the merger or a sale or lease of substantially all of its property, assets, plant, and business shall be authorized by a vote of at least two-thirds (2/3) in interest of its stockholders at a meeting duly called for the purpose...

- **39-3-25. Proceedings for approval of transactions between utilities.** - The proceedings for obtaining the consent and approval of the division for such authority shall be as follows: There shall be filed with the division a petition, joint or otherwise, as the case may be, signed and verified by the president and secretary of the respective companies, clearly setting forth the object and purpose desired, stating whether or not it is for the purchase, sale, lease, or making of contracts or for any other purpose in §39-3-24 provided, and also the terms and conditions of the same. The division shall upon the filing of the petition, if it deem a hearing necessary, fix a time and place for the hearing thereof. If, after the hearing, or, in case no hearing is required, the division is satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase, sale, or lease and the terms thereof are consistent with the public interest, it shall make such order in the premises as it may deem proper and the circumstances may require.

- **39-3-26. Charters amended to authorize approved transactions.** - The charters of all corporations subject to regulation by the division are hereby amended to the extent necessary to authorize the carrying out of

*any agreement, merger, purchase, sale, or lease approved  
by the division as provided in §§39-3-24 and 39-3-25.*

B. Petitioners' Request For Declarations Regarding "two-thirds shareholder  
vote" Provision Contained in R.I.G.L. §39-3-24(3).

The Division agrees that the assets Southern Union is conveying to Narragansett (less than 10 percent of its total asset base) does not approach the statutory standard of a sale of "all or substantially all" of Southern Union's assets. Therefore, the Division finds that Southern Union is not subject to the two-thirds shareholder vote requirement contained in §39-3-24(3) and that the provision does not apply in this case.

The Division also finds that Narragansett is similarly not subject to the two-thirds shareholder vote requirement contained in §39-3-24(3). The Division agrees that the provision conceptually applies only to the shareholders of the "selling" utility company.

C. Request for Final Decision by June 30, 2006.

In their joint petition, the Petitioners requested that the Division issue its final decision in this docket by June 30, 2006. The record reflects that the primary reason for the request is a \$13 million tax advantage, known as a "like-kind exchange," that Southern Union would be eligible for if the proposed transaction closes by August 28, 2006 (the first business day after August 25). Notwithstanding the planned August 25, 2006 closing date, Southern Union requested the Division's decision be issued by June 30, 2006 in order to allow a statutorily prescribed 30-day appeal period to pass and also to allow "sufficient



time for the Petitioners to take the steps necessary to prepare for and complete the transaction on a timely basis”.

As evidenced by the adopted procedural schedule in this docket, the Division effectively denied this request from the outset. Instead, the Division adopted a compromise target decision date of July 25, 2006, which the Division concluded provided a reasonable discovery period, adequate time for the preparation of pre-filed witness testimony, and two public hearings, while at the same time affording Southern Union a chance to take advantage of the favorable tax treatment. Even though the Attorney General maintains that the Division unreasonably expedited this docket, the Division finds no evidence that any party was denied a full opportunity to meaningfully participate in this docket.

#### D. Tariffs

Attached to the joint petition, Narragansett has submitted a set of tariffs, which it has offered in accordance with the tariff filing requirements contained in R.I.G.L. §39-3-10. Narragansett states that the tariff filing is necessary to reflect the change in ownership and the name change, and has requested that the tariffs become effective on the closing date of the transaction. Narragansett relates that it will continue to operate under the terms of the New England Gas Company’s existing rate settlement, and that the rates and terms in the tariffs are unchanged and will continue in effect until they are superceded by the approval by the Commission of new rates for gas delivery customers.

The Division has reviewed these tariffs and finds that the proposed tariffs are rate-neutral and only reflect a simple name change. As Commission approval

is not required to effectuate these changes, the Division will accept the replacement tariffs. The Division notes that none of the parties objected to the adoption of the tariffs.

E. Whether the Facilities for Furnishing Service  
to the Public will be Diminished?

The only non-Petitioner party addressing the fundamental question of whether “the facilities for furnishing service to the public will be diminished” as a consequence of the proposed transaction was the Advocacy Section. Mr. Oliver, qualified as an expert in utility rates, energy, and regulatory policy matters, testified that he discerned no evidence that Rhode Island consumers would be harmed by Narragansett’s acquisition of the New England Gas Company’s Rhode Island business. Mr. Oliver opined that National Grid has demonstrated experience in the operation of gas utilities as well as in the operation of combined gas and electric utility operations. He also concluded that National Grid has sufficient overall size and financial strength to ensure continued operation of both utility services in Rhode Island.

Mr. Oliver further concluded that service quality would not suffer if the Division approved the proposed transaction. Mr. Oliver based this conclusion on Narragansett’s proposal to operate under the terms of the existing New England Gas Company rate settlement until the Commission approves a new rate plan. Mr. Oliver expressed comfort in knowing that the Division would be able to assess and address service quality protection issues, if deemed necessary, when Narragansett files its rate plan with the Commission.

As the record reflects no contrary conclusions with respect to this issue, the Division is compelled to find that the proposed transaction, if approved, will not diminish the facilities for furnishing service to the public.

F. Whether the Sale is Consistent with the Public Interest?

The question of whether the proposed transaction is “consistent with the public interest” was intensely debated and challenged in this docket. As there is no instructive caselaw in Rhode Island on how this R.I.G.L. §39-3-25 criterion should be interpreted, the intervening parties have argued in favor of a broad interpretation, requesting that the Division consider such factors as speculative future environmental remediation costs, linked to contamination sites in Tiverton, Newport and elsewhere; and also concessions for low-income ratepayers, including rate discounts, an arrearage forgiveness program, and more liberal “shutoff” and payment plan policies. Some members of the public argued that combining the two utility services into one company is not in the public interest. The Advocacy Section discussed the issue in the context of the acquisition premium, and whether the ability to provide safe and adequate service at the lowest reasonable cost will be jeopardized.

Another nuance attached to the “public interest” debate involves the question of whether the phrase “consistent with the public interest” in the context of R.I.G.L. §39-3-25 means that the proposed transaction must result in a “net benefit” to ratepayers and/or members of the general public in order to be properly approved by the Division. While the law in Rhode Island has yet to be developed regarding this question, the Division finds that the plain meaning of

the words must be controlling.<sup>125</sup> Toward that end, the word “consistent” is defined as “being in agreement: compatible”, and the term “public interest” is defined as “the well-being of the general public”.<sup>126</sup> These definitions would suggest that the Division could only approve the proposed transaction upon a finding that the sale of the New England Gas Company’s business assets would not unfavorably impact the general public. It therefore appears that a “net benefit” is not a prerequisite for approval.

The Division has considered the approval criteria in R.I.G.L. §39-3-25 and finds that approval is limited to two factors/criteria, one that specifically addresses the present and future needs of ratepayers, and one that ensures no harm to the general public as a whole (including ratepayers). The first criterion requires an evaluation of whether “the facilities for furnishing service to the public will not thereby be diminished” if the transaction is approved, supra. This provision unambiguously mandates that the Division must conclude, before approving a R.I.G.L. §39-3-24 petition, that there will be no degradation of utility services after the transaction is consummated. The Division has addressed this question/criterion elsewhere in this report and order.

The second approval criterion, “consistent with the public interest” requires a finding that the proposed transaction will not unfavorably impact the general public (including ratepayers). The Division will not expand the parameters of this criterion, as urged by some of the parties, to include a prerequisite demonstration that the transaction produces a “net benefit” to ratepayers and the general public.

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<sup>125</sup> See Bristol County Water Company v. PUC, 363 A.2d 444 (R.I. 1976).

<sup>126</sup> Riverside Webster’s II New College Dictionary, Copyright 1995.

The Division finds that such an expansion would constitute an improper attempt to augment the Division's jurisdiction through a strained interpretation of an unambiguous statute.<sup>127</sup>

Notwithstanding this finding, the Division does agree with the Advocacy Section's position that net savings resulting from the transaction, estimated currently at \$4.9 million per year for Rhode Island ratepayers, ought to be fairly distributed between shareholders and ratepayers; and between electric customers and gas customers. The Division also notes and acknowledges Narragansett's commitment to share these savings with ratepayers.<sup>128</sup> However, this discussion must take place in the Commission docket established to consider the reasonableness of Narragansett's future rate plan filing.

i. Low-Income Ratepayers' "Public Interest" Concerns and Recommendations

It is abundantly clear from the Wiley Center's direct case, and the public sentiment expressed during the hearing on June 29, 2006, that the increasing cost of energy is taking its toll on Rhode Island's low-income ratepayers. The record reflects that monthly shutoffs for gas customers remains high and that monthly shutoffs for electric customers have increased from previous years, that more Rhode Islanders and Rhode Island children have fallen below the poverty level, and that the State's median household income has lagged.<sup>129</sup>

Mr. Howat concluded that it is presently impossible to know for sure how the proposed acquisition may impact low-income consumers. He opined that only

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<sup>127</sup> See City of East Providence v. PUC, 566 A.2d 1305 (R.I. 1989)

<sup>128</sup> Narragansett's Post-hearing Memorandum, p. 3.

<sup>129</sup> See Wiley Center Exhibit 2.



after the rate impacts, and the structure and function of the new entity are known, will low-income ratepayers be in a position to assess the impact of the proposed transaction. As an example, Mr. Howat observed that consolidating billing systems that do not separate the arrearages for electric and gas services could have “a particularly adverse impact on payment troubled electric customers.”<sup>130</sup>

To protect low-income consumers from potential harm, Mr. Howat urged the Division to condition the approval of the instant petition on expanded rate discount programs, a requirement that a deficit in payment for one utility service not be used to terminate both utility services, and that Narragansett provide dedicated personnel to respond to the needs of low-income customers.

In its post-hearing memorandum, the Wiley Center, building on Mr. Howat’s testimony and conclusions, argued that the “public interest” requires a merger that is “beneficial” to low-income customers. Thereupon, the Wiley Center urged the Division to adopt the following specific conditions for approval:

- *Require the merged entity not to use any deficit in payment of a bill for gas service to terminate electric service and vice versa.*
- *Require the merged entity: to restore terminated gas service upon payment of the unpaid gas bill, and to restore terminated electric service upon payment of a percentage of the unpaid electric bill, and to limit the percentage payment required to 10%.*
- *Prohibit the merged entity from requiring payment of a percentage of a combined unpaid gas and electric bill as a condition of restoration of either service.*
- *To the extent that the low-income policies of the gas company differ from those of the electric company, require*

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<sup>130</sup> Wiley Center Exhibit 1, p. 5.

*the merged entity to adopt the policies most favorable to low-income people.*

- *Require the merged entity to adhere to a moratorium on all terminations during winter months.*
- *Require the merged entity not to terminate any household in which there is a child under age six.*
- *Require the merged entity to adopt a percentage of payment plan with a three-year forgiveness provision.*
- *Require the merged entity immediately to develop a rate plan with a targeted discount designed to lower gas/electric burdens of low-income customers to the level paid by median income customers.*
- *Require payment of 20% of anticipated merger benefits into a merger public benefit fund targeted to help low-income households.*
- *Require a dedicated supervisory call center to respond to the emergency needs of low-income customers.*<sup>131</sup>

Those individuals offering public comment echoed Mr. Howat's recommendations and also urged the Division to condition the proposed transaction on the adoption of an arrearage forgiveness program, a reduced deposit amount of ten percent (from the current minimum of 25 percent) for service restorations, and more favorable shutoff rules.

Narragansett strongly objected to any rate-related conditions being attached to the approval of the proposed transaction. Narragansett argues that rate issues can only be addressed by the Commission, and only after Narragansett prepares and files its rate plan. Narragansett asserted that it would be inappropriate for the Division to adopt as conditions and mandate the concessions being advocated by the Wiley Center and the public. Narragansett contends that issues such as rate discounts, an arrearage management program, bill consolidation, and dedicated supervisory call center staff are all matters that

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<sup>131</sup> Wiley Center Post-Hearing Memorandum, pp. 1-2.

would be properly before the Commission in a future rate plan proceeding.<sup>132</sup> Narragansett also emphasizes that it has not decided whether it will want to consolidate bills in Rhode Island in the future.<sup>133</sup>

The Division recognizes the value of the sincere expressions of financial hardship and desperation from the State's low-income ratepayers in this docket. The personal adversity stories and passionate pleas for help cannot be ignored. However, notwithstanding the Wiley Center's jurisdiction-related assertions, the Division's jurisdictional authority is limited and its legal ability to influence rates and shutoff (service termination) policies is subordinate to the jurisdictional authority of the Commission. The Division is further mindful of the recent enactment of "*The Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006*" (the "Act"), which has already addressed many of the low-income ratepayers' concerns that were voiced in this proceeding.

The Act requires each gas and electric distribution company to submit to the Commission, by January 2, 2007, a plan for affordable energy for low-income households, "including very low income households." Under the Act, the plan to be submitted to the Commission shall provide for the implementation of an "affordable energy fund" and shall include provisions for "discounted distribution rates and customer charges, payments on arrearages and unpaid balances by low-income households..." The Act mandates an expeditious review of each plan by the Commission and implementation of each plan by November 1, 2007.<sup>134</sup>

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<sup>132</sup> 6/29/06, Tr. 78-86.

<sup>133</sup> *Id.*, Tr. 81-83; and Narragansett's Post-Hearing Memorandum, p. 7.

<sup>134</sup> Contained in §39-1-27.10 and Chapter 42-141 of the Act.

The Act also requires the Commission to amend its current “*Rules and Regulations Governing the Termination of Residential Electric, Gas, and Water Service*”, for effect on July 1, 2007, as may be necessary to implement the Act’s more relaxed service restoration, and new arrearage forgiveness provisions for very low income households.<sup>135</sup>

As Mr. Howat perceptively concluded, it is presently impossible to know for sure how the proposed acquisition may ultimately impact low-income consumers. But the final answer to that question rests with the Commission, not the Division, as it solely has jurisdiction to consider Narragansett’s future rate plan filing. For the Division to attach rate-related and service termination-related conditions to an approval of the proposed transaction would not only be contrary to the Division’s jurisdictional powers under R.I.G.L. §39-3-25, but also tantamount to an attempted usurpation of a long-established Commission ratemaking function. The Division is similarly not in a position to undermine the General Assembly’s efforts to address the concerns of the State’s low-income utility consumers. For example, providing funding for an arrearage forgiveness program is a legislative function. Although some members of the public, and the Wiley Center have demanded such a program as a condition precedent to the proposed transaction, the Division is legally powerless to order such a program. Moreover, some of the concessions sought in this docket exceed what the General Assembly has determined to be reasonable under the Act. The most obvious example is the request for service restoration upon a down payment of ten percent of a

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<sup>135</sup> Contained in §39-2-1 of the Act.

customer's unpaid balance. This very "ten percent" down payment issue has been previously considered by the General Assembly through previously submitted proposed legislation, but never accepted. In contrast, the Act provides for a "twenty-five percent" down payment. The Division also notes that the Commission's existing "*Rules and Regulations Governing the Termination of Residential Electric, Gas, and Water Service*" also require "protected customers" to pay a minimum twenty-five percent down payment.

Although the Division cannot approve the foregoing recommendations, the Division will, however, go on record that it will oppose any future rate plan provision by Narragansett, before the Commission, that includes a billing system consolidation proposal that does not separate the arrearages for electric and gas services and/or any rate plan provision that proposes the termination of both gas and electric services when an arrearage in only one utility service exists.

In closing, the Division finds that it is not in the public interest to deny or impede the State's proper ratemaking authority, the Public Utilities Commission, from exercising its statutory duty to supervise and regulate gas and electric rates. It is abundantly clear from both statutory law and the case law that has developed therefrom that the Commission is the State agency solely responsible for setting gas and electric rates and for promulgating rules and regulations governing the termination of utility service for outstanding indebtedness.<sup>136</sup> Therefore, while the public comments expressed in this docket and the Wiley Center's concerns and recommendations are compelling, it would be

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<sup>136</sup> See R.I.G.L. §§39-1-3, 39-1.1-3, 39-3-11; Town of New Shoreham v. Rhode Island Public Utilities Commission, 464 A.2d 730 (R.I. 1983), Narragansett Electric v. Burke, 381 A.2d 1358



inappropriate for the Division to attempt to circumvent the Commission's ratemaking authority under the guise of imposing arguably illegal rate-related conditions on the proposed transaction.

The Division also must reject the recommendation that the instant decision be delayed until such time as Narragansett has finalized the provisions of its rate plan. The record reflects that up to 12 months will be required to prepare and file a meaningful rate plan. Moreover, the contents of the rate plan would have to be fully vetted before the Commission in a rate proceeding that will invariably involve several parties (including the Wiley Center), which will take many additional months to adjudicate. Pre-filing the rate plan with the Division in the context of the instant docket would be pointless, as the final word on the provisions of that rate plan rests exclusively with the Commission.

ii. The Acquisition Premium, and Whether the Ability to Provide Safe, Adequate, Reliable, Efficient, and Least Cost Public Utility Service will be Jeopardized?

The Advocacy Section asserted that any assessment of the merits of the proposed merger must consider whether the ability to provide safe, adequate, reliable, and efficient service at the lowest reasonable cost will be jeopardized. In order to make this determination, the Advocacy Section advises the Division to consider (1) the degree to which the proposed transaction can be expected to impact ratepayer costs, (2) the effects of the transaction on the safety and reliability of the services provided, (3) the impact of the transaction on

competition, and (4) the potential influences of the transaction on regulatory control and oversight of utility operations.<sup>137</sup>

Regarding the last two items above, the Advocacy Section offered no evidence to suggest that the proposed transaction would negatively impact competition, or the Division's and Commission's regulatory control and oversight of Narragansett's combined utility operations.

Although Mr. Oliver stated that the value of the benefits from the proposed acquisition are difficult to quantify with certainty, he identified three operating areas that he believed offered strong potential for cost savings. Specifically, Mr. Oliver opined that the merger would likely result in savings in the areas of (1) customer information systems and billing, (2) meter reading, and (3) customer service/call center functions.

Mr. Oliver additionally opined that some small savings might be achievable in the context of implementing common gas system and electric system statewide policies, such as in the areas of customer termination and billing regulations and low-income program administration.

On the issue of service reliability, Mr. Oliver could not confirm that service reliability would be improved through the merger; however, he contended that the focus should instead be on whether "high service reliability" would be preserved after the merger has been consummated. He offered no evidence to suggest that a degradation of service reliability would result from the proposed transaction.

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<sup>137</sup> Advocacy Section Exhibit 1, pp. 1-2.

With respect to Narragansett's rate plan, Mr. Oliver was successful in convincing Narragansett to spend additional time in developing a full and meaningful consolidation plan. Narragansett adopted the Advocacy Section's recommendation on this matter and has agreed to file a rate plan with the Commission within 12 months rather than in six months as initially proposed.<sup>138</sup> But Mr. Oliver stressed that the rate plan to be filed must synchronize the costs of consolidation with the expected timing of benefits to be derived from those expenditures. He stated that the Division would be assessing this synchronization issue when the rate plan eventually goes before the Commission.

During cross-examination by the Attorney General, Mr. Oliver suggested the proposed transaction was in the public interest simply on the basis that a larger utility would be acquiring the assets of the New England Gas Company. He maintained that in general, "the larger utility can most often finance at lower cost which reduces cost to customers." He additionally emphasized that the larger utility will have greater purchasing power, which also benefits ratepayers.<sup>139</sup>

Mr. Effron's initial concerns on whether the proposed transaction could have an adverse effect on rates, as raised in his pre-filed direct testimony, were subsequently eased when cross-examined by the Attorney General during the hearing. On the issue of the acquisition premium (including transaction costs), Mr. Effron related:

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<sup>138</sup> 6/29/06, Tr. 93.

<sup>139</sup> 6/29/06, Tr. 234-240

*"I think the company has made it pretty clear that there isn't any intent to recover it in rates and if the rate plan that emerges ultimately is anything similar to the...rate plans...[in] effect for New England Gas Company or presently in effect for Narragansett, there will not be any recovery of the acquisition premium. So in that regard I think the relative size of the acquisition premium compared to the rate base is pretty irrelevant to ratepayers. That was something that was negotiated between the buyer and the seller and as long as it doesn't impact the rates, and again, I don't believe it will impact the rates, then I don't believe it's of any relevance to the customers."*<sup>140</sup>

Mr. Effron similarly expressed relief with regard to his earlier concerns over the possible negative impacts from accumulated deferred income tax and pension issues. Mr. Effron indicated that he was satisfied with the explanations offered in Messrs. Gerwatowski and Laflamme's rebuttal testimony. Specifically, on the issue of pension expense, he testified:

*"I think the company has agreed that one way or the other the PBOP and pension expense included in the company's revenue requirement will not be different from what it would have been in the absence of the proposed transaction to the extent that it's possible given the assumptions that go into the calculation of those expenses to maintain that neutrality. Mr. Laflamme has stated that that was the company's intent and that was the goal and I think that's appropriate."*

In its post-hearing memorandum, the Advocacy Section stated that it was satisfied with Narragansett's commitments to (1) freeze gas delivery rates until there is a Commission decision on a new rate plan, (2) not recognize good will for

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<sup>140</sup> *Id.*, Tr. 246-247. In addition to Narragansett's pre-filed rebuttal testimony, Mr. Effron was also referring to testimony from Mr. Gerwatowski made during cross-examination by Mr. Wold, the Advocacy Section's attorney. During questioning, Mr. Gerwatowski related: *"It's never been our intention to file a cost of service and ask for recognition of goodwill for ratemaking purposes which would be effectively recovering directly the acquisition premium in rates. It has always been our intention to follow the precedent that we established now with our electric plan and on the gas side they did it as well using the shared savings mechanism."* 6/29/06, Tr. 92.

ratemaking purposes, (3) exclude transaction costs from any future cost of service, (4) not seek a recovery of integration costs unless the Company can demonstrate that savings attributable to the integration exceed such costs, and (5) not place ratepayers in a worse position with respect to accumulated deferred income taxes and PBOP expenses (Narragansett later reiterated these commitments in its post-hearing memorandum). In view of these commitments, the Advocacy Section concluded that ratepayers would not be harmed from the proposed transaction.<sup>141</sup>

The Division has carefully studied the Advocacy Section's very thorough examination of the proposed transaction, including the responses elicited from the Petitioners during discovery<sup>142</sup>, and based on the Advocacy Section's conclusions, and Narragansett's rate plan commitments, the Division finds that the proposed transaction will not jeopardize the future ability to provide safe, adequate, reliable, efficient, and least cost public utility service.

iii. Combining Separate Gas and Electric Utility Functions into One Public Utility Company.

Some members of the public questioned whether it would be in the public interest to integrate currently separate natural gas and electric distribution companies and functions into one combined company operation.

The Division has considered this question and finds that the consolidation, in and of itself, is not inherently inimical to the public interest. In deciding this issue, the Division principally relied on the expert witness testimony of Mr. Oliver,

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<sup>141</sup> Advocacy Section Post-Hearing Memorandum, pp. 3-4.

<sup>142</sup> Advocacy Section Exhibit 3, which includes nine separate sets of discovery.



who testified that it is not uncommon for a single company to operate both gas and electric distribution utility operations within a state. Indeed, Mr. Oliver provided thirteen examples of combined operations around the country. He also observed that National Grid's combined operation in New York has operated successfully for years.

iv. Environmental Remediation Costs and the "Public Interest"

In a May 4, 2006 order, which provided findings relative to the many intervention motions that were filed in this docket, the Division held that it "cannot direct Southern Union to agree to a remediation plan before an appropriate Court makes a finding of liability."<sup>143</sup> The Division did decide however, that it "is both in the public interest and reasonable for these...[Intervenors] to be seeking assurances that the proposed asset sale does not negatively impact Southern Union's ability to pay for remedial actions in the event it is found liable for any of the contamination in Tiverton." The Division subsequently expanded the scope of these interventions, through a discovery-related decision, by allowing the parties to explore "the related question of whether Southern Union is attempting to assign its potential liability in the Tiverton contamination matter to a smaller subsidiary or affiliated company, with less financial resources."<sup>144</sup> Predicated on the foregoing decisions, there was an astonishing amount of concomitant discovery, testimony, and legal argument dedicated to this narrow issue in this docket. In fact, the Tiverton contamination issue evolved into the dominant issue in this proceeding.

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<sup>143</sup> Order No. 18591, p. 16.

<sup>144</sup> Order No. 18641, pp. 3-4.

The Attorney General and Tiverton maintain that the public interest criterion in R.I.G.L. §39-3-25 demands that the Division impose a condition on the proposed transaction that would require Southern Union to fund an escrow account that could be used to pay for potential Tiverton contamination-related remediation costs in the event that Southern Union is subsequently determined by a court to be financially responsible for the contamination in Tiverton. The Attorney General and Tiverton, relying on a stipulated “estimated remedial cost range” of between \$30 million and \$55 million, recommend that the Division adopt and compel the highest range of funding for the escrow account, \$55 million, as a pre-condition to the approval of the proposed transaction.<sup>145</sup>

In support of this recommendation, the Attorney General observes that Southern Union is “currently engaged in a massive conversion of its business—restructuring its corporate enterprise to sell off its natural gas distribution assets and focus on wholesale energy markets, including the gathering, processing and transportation of natural gas.”<sup>146</sup> The Attorney General further observes that all of the natural distribution businesses and assets sold or proposed for sale have been, or are, owned directly by Southern Union, the parent corporation; and that all of the new businesses acquired by Southern Union are held “through first, second or third tier limited liability entities.”<sup>147</sup> Based on these observations, the Attorney General concludes that Southern Union intends to divest its distribution assets in order to “become a pure holding company, with multiple layers of

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<sup>145</sup> See Joint Exhibit 1; Tiverton Post-Hearing Memorandum, p. 4; and Attorney General Post-Hearing Memorandum, p. 19.

<sup>146</sup> Attorney General Post-Hearing Memorandum, p. 2.

<sup>147</sup> Id.

operating subsidiaries.”<sup>148</sup> The Attorney General thereafter posits that Southern Union’s “holding company structure will render the interests that the company owns immune from pre and post judgment collection procedures,” which the Attorney General contends will result in the State of Rhode Island not being able to “satisfy any judgment that it may happen to obtain against Southern [Union] in any future remediation action.”<sup>149</sup>

The Attorney General relies on the U.S. Supreme Court’s decision in United States v. Best Foods, Inc., 524 U.S. 51 (1998) as support for its concern that Southern Union may be able to insulate itself from having to pay a future judgment by selling its assets rather than its stock. The Attorney General maintains that this business strategy “becomes a planning tool that corporations can utilize to structure their liabilities and assets to reduce and mitigate liabilities.”<sup>150</sup> The Attorney General argues that the “Division must look beyond Southern [Union’s] currently stated plans and make some reasonable judgments about the intermediate and longer-term operating environment which Southern [Union] faces and the feasible options it has which, if exercised, may, in fact, undermine the State’s ability to establish, enforce and collect upon such liability.”<sup>151</sup>

The Advocacy Section did not address the Tiverton environmental remediation funding issue directly in testimony except to state that:

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<sup>148</sup> Id., p. 7.

<sup>149</sup> Id., pp. 7-13.

<sup>150</sup> Id., p. 14-15, referring to Sussler testimony at 6/30/06, Tr. 87.

<sup>151</sup> Id., p. 15.

*“...at this point, the Advocacy Section finds nothing in Southern Union’s retention of such liabilities that would be necessarily adverse to the interests of ratepayers, but the Advocacy Section is open to consideration of credible arguments that may be presented on this matter by other parties. Also, other parties to the docket may address issues affecting the public interest that go beyond the scope of ratepayers’ interest.”<sup>152</sup>*

In its post-hearing memorandum, the Advocacy Section touched on the issue of the recommended escrow requirement, and indicated that it “defers to the legal expertise of the ...Attorney General and the...RIDEM in the area of the enforcement of environmental laws.” The Advocacy Section did opine though, that the Attorney General’s and Tiverton’s recommendation for a \$55 million escrow “appears to be somewhat excessive,” in view of the stipulated range of \$30 million to \$55 million, and because “Southern Union appears to have several sources of funds external to the company to pay the liability: Cost Recovery Per Directives of the MDTE<sup>153</sup>, Insurance Recovery, and Reimbursements of Responsible Parties.”<sup>154</sup> As an alternative proposal, the Advocacy Section recommended that the Division instead adopt and compel an escrow in the sum of \$13 million to coincide with the \$13 million “like-kind exchange” tax advantage that Southern Union would be eligible for if the proposed transaction closes by August 25, 2006.<sup>155</sup>

Both Petitioners rejected the idea of an escrow fund condition attached to the approval of the proposed transaction. Narragansett observes that Southern

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<sup>152</sup> Advocacy Section Exhibit 1, p. 30.

<sup>153</sup> MDTE is an acronym for Massachusetts Department of Telecommunications and Energy.

<sup>154</sup> Advocacy Section Post-Hearing Memorandum, p. 2, referring to a response from Southern Union to Advocacy Section data request 4-3 (contained in Advocacy Section Exhibit 3).

<sup>155</sup> Advocacy Section Post-Hearing Memorandum, pp. 1-2, referring to a response from Southern Union to Advocacy Section data requests 5-4 and 9-2 (contained in Advocacy Section Exhibit 3).

Union has provided evidence from its filing with the U.S. Securities & Exchange Commission that it has assets worth over \$7 billion. Narragansett also points out that Mr. Marshall, Southern Union's Treasurer, testified that Southern Union currently not only had over \$20 million in cash on the books, but that it had a revolving credit facility for \$400 million, with a balance of approximately \$200 million.<sup>156</sup> Narragansett contends that Southern Union has sufficiently proven that it is "financially capable of meeting a \$55 million clean up obligation even after their Rhode Island assets are sold."<sup>157</sup>

Southern Union argues that there is no legal or factual basis to support the creation of an escrow fund. Southern Union argues that the record demonstrates that the sale of its Rhode Island assets to National Grid/Narragansett will not impact its ability to pay a Tiverton judgment. Southern Union related that the record reflects undisputed evidence that Southern Union has \$7.5 billion in assets and \$4.0 billion in debt, and that the 'net spread' of \$3.5 billion will remain unaffected by this transaction.<sup>158</sup> Southern Union argues that the record further shows that it could pay a potential Tiverton judgment in several ways, including: (1) out of the 'revolving loan' facility, (2) by obtaining additional borrowings, or (3) through the issuance of additional equity or long-term debt instruments.<sup>159</sup> Southern Union observes that the upper range of the potential Tiverton judgment, \$55 million, "is less than 1% of Southern Union's assets, and

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<sup>156</sup> Narragansett Post-Hearing Memorandum, pp. 9-10, referring to testimony from Mr. Marshall at 6/30/06, Tr. 193-197.

<sup>157</sup> Id., p. 10.

<sup>158</sup> Southern Union Post-Hearing Memorandum, p. 5, referring to testimony from Mr. Marshall at 6/30/06, Tr. 194-195.

<sup>159</sup> Id., referring to testimony from Mr. Marshall at 6/30/06, Tr. 195-197.



less than 2% of Southern Union's outstanding debt.<sup>160</sup> In short, Southern Union contends it has met its burden to demonstrate the ability to pay on a future judgment of liability and that the proposed asset sale will not have a negative impact on its ability to pay any such reasonably foreseeable future judgment.

To further allay any concerns that Southern Union might engage in unlawful corporate actions to avoid its potential obligation to fund a remediation in Tiverton, Southern Union underscores that it has placed the following stipulation on the record:

- (i) *Upon its merger with FRGC in 2000, Southern Union acquired and succeeded to whatever potential legal liabilities FRGC had at that date relating to environmental contamination that may have existed in the 'Bay Street Area' of Tiverton, Rhode Island (the 'FRGC Tiverton Liabilities');*
- (ii) *Neither the approval of the Joint Petition in this proceeding, nor the potential transfer of Southern Union's Massachusetts assets to a wholly owned subsidiary ('Massachusetts Transfer') shall alter: (i) Southern Union's liability for the FRGC Tiverton Liabilities; or (ii) Southern Union's legal obligation to satisfy a final (following all appeals) enforceable judgment entered against it arising out of the FRGC Tiverton Liabilities;*
- (iii) *Southern Union shall not assert in any judicial, administrative or other legal proceeding that by reason of the form or structure to its present or planned Massachusetts corporate organization it is not liable for the FRGC Tiverton Liabilities...*<sup>161</sup>

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<sup>160</sup> *Id.*

<sup>161</sup> *Id.*, p. 8.

Related to this stipulation, the Division notes that Mr. Marshall categorically denied on the record that Southern Union had “any plans to restructure its corporate holdings to shield assets from the potential Tiverton liability.”<sup>162</sup>

Southern Union argues that an escrow fund would deny it the ability to use its funds for legitimate business purposes and would constitute a penalty unsupported by record evidence. Southern Union characterizes the proposed escrow fund as “a form of stealth attachment, without any due process of the kind required in court, including the substantial burden on the movant to show a likelihood of success on the merits and demonstrated proof of the need for security.”<sup>163</sup> Southern Union adds that an escrow fund would also inappropriately cause it “to set-aside millions of dollars for an indeterminate period”, which Southern Union argues will cause “injury to...its shareholders, and...carrying costs without any ability to recoup them.”<sup>164</sup>

The Division has devoted a significant amount of time to evaluating the record and arguments associated with the Tiverton contamination issue and its arguable “public interest” nexus to the proposed transaction. Before stating its findings, the Division believes that a brief recitation of the travel of the Tiverton contamination matter is useful. The Division will rely on the chronology of events identified in Mr. Sussler’s testimony, which the Division has decided to admit on the record, infra, and from argument received during the April 25, 2006 hearing

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<sup>162</sup> 6/30/06, Tr. 198.

<sup>163</sup> Id., pp. 8-9.

<sup>164</sup> Id., p. 9.

conducted in this docket. It is the Division's belief that none of these facts are in dispute.

Soil removed during excavations conducted in the Bay Street area of Tiverton in 2002, which was later analyzed by an engineering company in 2004, revealed petroleum-based contamination. RIDEM investigated the matter in late 2002 and early 2003, and later issued a "Letter of Responsibility" to Southern Union, as owner of the former FRGC, as well as the Town of Tiverton, on March 17, 2003. RIDEM subsequently issued a "Notice of Intent to Enforce" to Southern Union on November 23, 2005. Through its regulatory actions, RIDEM has requested that Southern Union undertake a site investigation and take certain remedial actions, including providing an estimate of the cost of remediation. While Southern Union has performed various investigations of the Bay Street area in response to RIDEM's directives, Southern Union contests its liability for the contamination and the scope of the investigations and remedy proposed by RIDEM. Southern Union to date has not made an estimate of the cost of remediation.

When considering the intervention motions that were filed in this case, the Division realized the potential for this proceeding becoming a proxy "liability" case, essentially a shortcut for some parties to bypass the proper judicial channels that must be followed in environmental remediation and CERCLA cases. A first sign was Attorney McConnell's request, made on behalf of a group of 129 Bay Street area residents that moved to intervene in this docket, that the Division "impose as a condition of the sale that a... real remediation program be

implemented, and that the residents, who have been living under this cloud for three years, get the relief that they so rightly deserve...I think you do have jurisdiction under the public interest aspect of the statute that authorizes it.”<sup>165</sup> Concerned about where this proxy “liability” issue could lead, the Division polled the intervention movants on whether any of them were looking to establish an “escrow” through this proceeding, to be funded by Southern Union, to ensure that funds would be available in the future if Southern Union were found liable for the contamination in Tiverton. Perhaps fearing that it would jeopardize the approval of their intervention petitions, the prospective intervenors universally stepped away from the notion of imposing an escrow fund condition on Southern Union in this case.<sup>166</sup>

Now, despite the Division’s unambiguous decision denying the parties any room to turn this proceeding into a proxy “liability” case, the Attorney General and Tiverton have closed their respective cases with recommendations that the Division do precisely that - force Southern Union to fund a \$55 million escrow (in view of the Company’s perceived liability), and to reopen the proceeding so that they may pursue additional discovery for the purpose of expanding the case into an investigation of Southern Union’s “liability” connection to the Tiverton contamination matter.<sup>167</sup> For the reasons set forth below, the Division finds the foregoing recommendations unreasonable.

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<sup>165</sup> 4/25/06, Tr. 37-39.

<sup>166</sup> *Id.*, Tr. 49-53.

<sup>167</sup> 6/29/30, Tr. 57-58; 6/30/06, Tr. 241-247, 250.

Beginning with the request to reopen and expand the scope of the docket, the Attorney General argues that the public interest criterion in R.I.G.L. §39-3-25 now requires the Division to reopen and broaden the scope of this case to “include the question of how likely it is that Southern Union is, in fact, going to be held liable for the Tiverton, Bay Street contamination...”<sup>168</sup> The Division has made it perfectly clear from the outset, and through the discovery phase of this case (as evidenced in its discovery-related decisions), that this docket would not become a proxy liability case. Simply put, the Division neither has the expertise nor the authority to address such issues. Other venues and/or proceedings exist for this purpose. Accordingly, the Attorney General’s motion for a “stay” (to reopen) and for an expansion of the scope of this proceeding shall be denied.

It is the opinion and finding of the Division, that the recommended escrow fund, \$55 million by the Attorney General and Tiverton, \$13 million by the Advocacy Section, constitutes another improper effort to bypass the Courts and Southern Union’s due process rights. Even though the Attorney General has apparently already concluded that Southern Union is solely responsible for the contamination in the Bay Street area, and must consequently immediately pay for the attendant damages and injuries, the Division will not proceed down this path and ignore that Southern Union has a legal right to deny culpability and defend itself in the RIDEM investigation matter and ultimately, if necessary, in proper trial and appellate courts.

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<sup>168</sup> 6/30/06, Tr. 241.



The Division further predicates its finding on the anemic evidentiary record and legal line of reasoning proffered by the escrow fund proponents in this docket. Only one witness, Mr. Philip Sussler, a purported expert witness on the subject, was the entire foundation on which the escrow proponents have based their demands. Unfortunately, Mr. Sussler provided nothing concrete in terms of evidence to suggest that Southern Union was in the process of restructuring its business interests in order to avoid environmental remediation expenses in Tiverton.

In its place, Mr. Sussler's offered a thesis, in which he hypothesizes the possibility of Southern Union pursuing a course of action wholly designed to deny the Tiverton plaintiffs of remediation-related compensation. Mr. Sussler suggests that CERCLA protections have been undermined by "the resurgence of the application of traditional corporate law doctrines" and that polluters now have a bona fide chance of insulating themselves from liability. Both Mr. Sussler and the Attorney General cite the Best Foods case, supra, as the seminal case on this point. They also mention the "W.R Grace Company" case as an example of a worse case scenario. Noticeably, Mr. Sussler and the Attorney General rely exclusively on these two cases as the abstract basis for their claim that the Courts have weakened CERCLA protections. However, the Division notes that the Best Foods case narrowly dealt with the issue of the standards for imposing derivative liability on a parent corporation for liabilities incurred by a subsidiary. In the Division's fact pattern, Southern Union is not a subsidiary, it is, and will continue to be the parent company with respect to the Tiverton contamination

remediation issue. In the W. R. Grace Company case, there were thousands of asbestos injury claims and significant environmental liability claims involved, whose aggregate damages amount exceeded the net assets of the W.R. Grace Company. The Division further notes that Mr. Sussler could not definitively opine that the Best Foods decision provides a de facto defense for Southern Union. Rather he testified that under Best Foods, "...a corporation that purchases only the assets of another corporation and not its stock **may** be able to avoid liability under CERCLA..." Of significant importance, however, it appears from Mr. Sussler's testimony that the ability to attempt to avoid liability hinges upon whether the transaction(s) between the companies is fraudulent (i.e., the transfer is for inadequate consideration). Accordingly, the Attorney General would have the Division accept as a likely scenario that Southern Union, a \$7.5 billion company, is going to risk criminal prosecution and related fines, and incalculable fraudulent transfer-related litigation expense in furtherance of a scheme to evade a potential \$30-50 million environmental expense in Rhode Island, a liability that Southern Union not only disputes, but a liability that Southern Union knows may likely be shared by contributory parties, including the town of Tiverton.

Mr. Sussler's warning that Southern Union's business restructuring "**could**" "reduce the ability of the State of Rhode Island to enforce and/or collect recovery for legal liabilities" was further undermined by the following admissions/concessions, which were elicited during cross-examination by Southern Union:

- Mr. Sussler accepted that any potential liability for the Tiverton site that the Fall River Gas Company had now resides with Southern Union<sup>169</sup>;
- Mr. Sussler accepted that Southern Union cannot “avoid” its potential liability under CERCLA in relation to Tiverton by transferring assets either through a sale or the formation of a subsidiary. His only qualification was the issue of whether other creditors would be competing for the assets too.<sup>170</sup>
- Mr. Sussler also accepted that Southern Union’s contemplated “Massachusetts Transfer” or any other future transfer of assets through the creation of a subsidiary does not hinder a creditor’s ability to satisfy a judgment because the creditor can obtain satisfaction by attaching the parent’s stock in its subsidiaries.<sup>171</sup>
- Mr. Sussler also accepted that there are no facts and no evidence to indicate that Southern Union has, plans to, or will transfer or “cabin” its assets to protect them from the reach of any creditor who may obtain a judgment in connection with Tiverton.<sup>172</sup>
- Mr. Sussler also accepted that there are laws in every state prohibiting fraudulent conveyances to protect creditors from a

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<sup>169</sup> 6/30/06, Tr. 122.

<sup>170</sup> Id., Tr. 120-137.

<sup>171</sup> Id.

<sup>172</sup> Id., Tr. 144.

corporate reorganization designed to obstruct the collection of a legitimate judgment.<sup>173</sup>

- Mr. Sussler also accepted that laws allowing for “long-arm” jurisdiction and service of process on entities doing business outside Rhode Island protect a creditor’s ability to reach Southern Union, even if it has no assets in Rhode Island.<sup>174</sup>
- Mr. Sussler also accepted that the *W.R. Grace* case<sup>175</sup> is distinguishable from the Southern Union case based on the fact that the damages in the *W.R. Grace* case exceeded the net worth of that company, compared to the instant case where the maximum liability figure of \$55 million represents less than 1% of Southern Union’s assets and less than 2% of its debt.<sup>176</sup>

As a final observation on the issue of whether Southern Union can evade a future judgment, the Division notes the argument from Attorney McConnell, on behalf of his 129 clients (made during the hearing conducted on the intervention motions) as reflected below:

Hearing Officer:           Mr. McConnell, if you get a judgment in Federal Court, do you believe that you will not be able to collect the funds from Southern Union?

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<sup>173</sup> *Id.*, Tr. 144-147.

<sup>174</sup> *Id.*, Tr. 152-154.

<sup>175</sup> Mr. Sussler and the Attorney General have cited the *W.R. Grace* bankruptcy case as an example of an intentional corporate restructuring designed to evade environmental remediation liability.

<sup>176</sup> *Id.*, Tr. 148-150, 194-197.

Attorney McConnell: Again, Mr. Hearing Officer, that was never a concern. We have had an accountant look at what was on the website in terms of the P&S. We think there is going to be close to a 500 million dollar profit from this sale. We think there is going to be substantial tax deferrals. We also believe that there is insurance that covers this. So, we are not concerned that we can't collect when we do get a judgment.<sup>177</sup>

The Division additionally questions the Attorney General's rationale in recommending such a large escrow. During testimony elicited from Mr. Marshall at the June 30, 2006 hearing, Mr. Marshall declared that Southern Union would not agree to consummate the proposed purchase and sale agreement if the Division attached an escrow as a condition of approval. The following dialog between Mr. Marshall and Attorney Petros reflects the inflexibility of Southern Union's position on the subject:

Mr. Petros: You heard a few moments ago Mr. Sussler made a recommendation that \$55 million dollars be put in an escrow as a condition of closing of this transaction. Did you hear that?

Mr. Marshall: Yes, I did.

Mr. Petros: If that—if that condition is imposed on this transaction, will this transaction close?

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<sup>177</sup> 4/25/06, Tr. 52.



Mr. Marshall: No, it will not.<sup>178</sup>

Following this exchange, the Attorney General then attempted to negotiate for a lesser escrow amount with Mr. Marshall. Noting the \$13 million expected by Southern Union from the “like-kind exchange” tax benefit, Mr. Roberti asked Mr. Marshall if Southern Union would be willing to fund an escrow with this level of funding instead.<sup>179</sup> However, when the Attorney General was directed by the hearing officer to discontinue this line of questioning, Mr. Roberti retorted: “So be it. We’ll stick with the 55...”<sup>180</sup> It appears to the Division, that the Attorney General’s now immovable position on the propriety of a \$55 million escrow, may be more about dissatisfaction with Southern Union’s lack of interest in negotiating some escrow sum, and less about the “public interest” connection to the maximum end of the range of projected remediation costs.

The Division similarly questions why the Attorney General is interested in establishing an escrow fund only for the Tiverton contamination site. The Attorney General was sympathetic during its opening statement on the matter of the contamination found at the Wellington Condominium Association in Newport. Additionally, RIDEM Exhibit No 1 identifies a total of thirty contamination sites in Rhode Island that RIDEM asserts are connected to Southern Union. In fact, the Attorney General questioned Mr. Sussler at length about these other sites. In reply, Mr. Sussler suggested that separate escrow funds should be established for

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<sup>178</sup> 6/30/06, Tr. 198.

<sup>179</sup> Id., Tr. 212-220.

<sup>180</sup> Id., Tr. 220.

all of them.<sup>181</sup> Yet, the Attorney General only supports an escrow for Tiverton. While the Division finds this position inconsistent, the Division must question the practical effect of a single escrow for a single contamination site when there appears to be many more contamination sites connected to Southern Union in Rhode Island. The Division finds it contradictory that the Attorney General is patiently willing to rely on RIDEM and/or the Courts to resolve the other contamination site remediation matters but unwilling to use the same legal process(es) for the Tiverton contamination site.

The Division also thought it illuminating that RIDEM, the State's chief environmental protection agency, never joined with the other parties' recommendation for an escrow fund condition in this case. Interestingly, RIDEM expressed no opposition to the approval of the proposed transaction during the proceedings, or at the close of the record in this docket.

The Division is aware that RIDEM issued a "Letter of Responsibility" to Southern Union (and Tiverton) in March of 2003, and a "Notice of Intent to Enforce" to Southern Union in November of 2005. In this proceeding, RIDEM has stated that it is not its responsibility to perform a risk assessment in Tiverton. RIDEM asserts that the risk assessment task goes to Southern Union.<sup>182</sup> However, in this docket, RIDEM is essentially complaining to the Division that Southern Union is not cooperating in the RIDEM investigation.<sup>183</sup> The Division questions why this apparent impasse between RIDEM and Southern Union is an

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<sup>181</sup> Id., Tr. 182-185.

<sup>182</sup> 6/30/06, Tr. 9.

<sup>183</sup> Id., Tr. 29.

issue in this docket. In response to questions from the hearing officer, RIDEM explained that the next step for it to take with regard to the deadlock with Southern Union is to issue a “notice of violation,” which RIDEM described as an “administrative complaint.”<sup>184</sup> RIDEM also states that it also has the authority to haul Southern Union into Court over the issue.<sup>185</sup>

The Division would encourage Southern Union to re-establish the site investigation and area definition activities that RIDEM has requested. However, in the absence of such cooperation, the Division finds that RIDEM has the statutory authority to compel Southern Union to perform these risk assessment tasks. The Division does not find this matter to be a “public interest” consideration in this docket. Moreover, the Division finds that if the Attorney General believes that the evidence against Southern Union’s liability and risk of flight from this liability is so overwhelming, the Attorney General ought to be persuading RIDEM to complete its official regulatory duties, and perhaps explore pursuing a civil action in Superior Court, in connection with a RIDEM enforcement action, to compel a surety bond or other form of security to protect the interests of the public.

G. Southern Union’s Motion to Exclude and/or  
Strike Mr. Sussler’s Testimony

Southern Union challenged Mr. Sussler’s competence as an expert witness in this docket, and consequently moved to exclude and/or strike his testimony. As evidenced by the forgoing issue discussions, the Division has decided to admit

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<sup>184</sup> Id., Tr. 45.

<sup>185</sup> Id.

Mr. Sussler's pre-filed direct testimony. The Division would generally rely on R.I.G.L. §42-35-10 and Rule 25(a) of the Division's *Rules of Practice and Procedure* as the basis for this decision.<sup>186</sup> Accordingly, Southern Union's motion to exclude and/or strike the testimony of Philip L. Sussler shall be denied.

#### **10. Conclusion**

The Division was faced with a series of extremely difficult decisions to make in this docket. The contamination in Tiverton is a serious matter, as is the contamination at the Wellington Condominium Association in Newport, and the various other sites identified in this docket. The Wiley Center's plea for assistance for low-income ratepayers and the public speakers' expressions of desperation is also a very significant matter.

However, based on the Division's careful evaluation of the facts and applicable law, the Division has concluded that this agency is not the proper forum for addressing these issues. The Division finds that the environmental remediation matters being pressed by the Attorney General and Tiverton properly belong before RIDEM and the Courts. Further, The General Assembly and the Commission must act upon and decide the issues of concern raised by and on behalf of low-income ratepayers.

Moreover, the Division finds that the proposed asset sale will not negatively impact Southern Union's ability to pay for remedial actions in the event it is found liable for any of the contamination in Tiverton. The Division notes that none of the parties in this case have disputed Southern Union's financial capacity

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<sup>186</sup> See also Sterling Shoe Company v. Norberg, 411 F. Supp 128 (D.R.I. 1976).

to generate \$55 million for the Tiverton remediation, if needed. The Division also finds insufficient evidence that Southern Union is in the process of scheming to restructure its business interests in order to evade potential environmental remediation expenses. The stipulation offered by Southern Union in this regard, and the concessions made by Mr. Sussler in response to Southern Union's cross-examination were both very persuasive, supra. The Division also finds, based on its stipulation, that Southern Union is legally estopped from making the assertion that because of changes in the corporate structure it can avoid liability or potential financial responsibility for environmental contamination in Tiverton in any forum of competent jurisdiction that is reviewing or has determined that Southern Union is fully or partially liable for such contamination. The Division's decision to not impose an escrow condition on Southern Union in this case hinges upon these findings, a respect for due process under the law and the judicial system that must address and decide such matters, and also a genuine belief that an escrow condition in this matter would jeopardize the proposed purchase and sale agreement, an outcome that the Division strongly believes would not be in the best interest of the State's electric and gas utility ratepayers. Regarding this last point, the Division finds it persuasive that none of the parties objected to the proposed purchase and sale agreement on the ground that it would be detrimental to ratepayers. While the Wiley Center expressed rate-related concerns that the Division has decided are outside the scope of this proceeding, the Division finds that the record reflects favorably on proposed unification of gas and electric service operations in Rhode Island.



In the final analysis, the Division finds that the proposed transaction is in the public and ratepayer interest. The Division has concluded that the sale of Southern Union's Rhode Island assets to National Grid USA will not adversely impact electric and gas distribution services in Rhode Island. Indeed, the record reflects the likelihood that tangible benefits and savings will result from the sale. The Division notes that current rates will remain in place, along with current staffing, until Narragansett files a new rate plan, which the Commission, with assistance from the Wiley Center, the Division and the public, will comprehensively evaluate and resolve.

Now, therefore, it is

(18676) ORDERED:

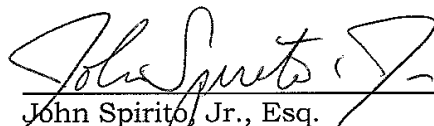
1. That the March 16, 2006 joint petition filing by National Grid USA, through the Narragansett Electric Company, and the Southern Union Company seeking approval of the Division for the purchase by Narragansett of the assets associated with the regulated gas distribution business owned and operated by Southern Union Company in Rhode Island as the New England Gas Company, is hereby approved.
2. That the Narragansett Electric Company's tariff filing, as attached to the joint petition, offered in accordance with the tariff filing requirements contained in R.I.G.L. §39-3-10, is hereby approved. The Division approves the tariffs knowing that Narragansett will continue to operate under the terms of the New England Gas Company's existing rate settlement, and that the rates and terms in the tariffs are unchanged and will continue in effect

until they are superceded by the approval by the Commission of new rates for gas delivery customers.

3. As indicated herein, the Division agrees that the assets Southern Union is conveying to Narragansett does not approach the statutory standard of a sale of "all or substantially all" of Southern Union's assets necessary to trigger the two-thirds shareholder vote requirement contained in §39-3-24(3); and that Narragansett is similarly not subject to the two-thirds shareholder vote requirement contained in §39-3-24(3). Consequently, the Division hereby declares that the provision does not apply for either Petitioner in this case.
4. That the Attorney General's motion to stay and expand the scope of this docket, as discussed herein,<sup>187</sup> is hereby denied.
5. That Southern Union's motion to exclude and/or strike the testimony of Philip L. Sussler is hereby denied.

Dated and Effective at Warwick, Rhode Island on July 25, 2006.

Division of Public Utilities and Carriers

  
John Spirito, Jr., Esq.  
Hearing Officer

APPROVED: \*

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Thomas F. Ahern  
Administrator

\* See attached "COMMENTS FROM THE ADMINISTRATOR"

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<sup>187</sup> This motion was also referred to by the Attorney General as a "motion for reconsideration".

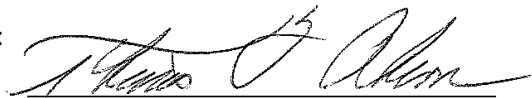
COMMENTS FROM THE ADMINISTRATOR:

Pursuant to the authority contained in Rhode Island General Laws, Section 39-1-15, I have decided to approve the Hearing Officer's recommended decision in this docket. Hearing Officer Spirito conducted a very professional and well-managed case and has proffered for my consideration findings that are well reasoned and clearly based upon a painstaking examination of the record evidence and a careful review of the relevant law.

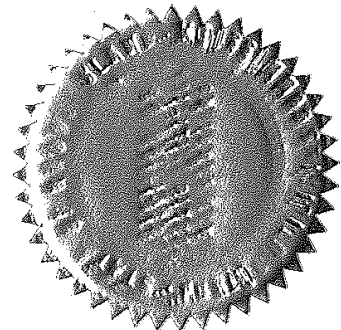
I did consider modifying the decision to establish an "escrow" condition on the proposed asset sale, a condition aggressively urged by some of the parties. But, after carefully considering the related evidence and arguments presented in this case, I firmly believe that the hearing officer has reached the proper conclusion on this matter. I agree that the imposition of an escrow would be an improper usurpation of authority and an intrusion into an area best left to the Courts.

Notwithstanding my decision on the proposed escrow, I must say that I am deeply disappointed in Southern Union's apparent lack of interest in cooperating with RIDEM in its regulatory investigation. As the Hearing Officer has stated in his findings, I too would encourage Southern Union to re-establish the site investigation and area definition activities that RIDEM has requested as soon as possible. This stalemate must be resolved, now.

MR. SPIRITO'S RECOMMENDED DECISION IS APPROVED IN ITS ENTIRETY:



Thomas F. Ahern  
Administrator





STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**DIVISION OF PUBLIC UTILITIES AND CARRIERS**

89 Jefferson Boulevard  
Warwick, R.I. 02888  
(401) 941-4500

FAX (401) 941-9248  
TDD (401) 941-4500

**NOTICE OF AVAILABILITY OF JUDICIAL REVIEW**

(PROVIDED PURSUANT TO R.I.G.L. §42-35-12)

Please be advised that if you are aggrieved by this final decision (report and order) of the Rhode Island Division of Public Utilities and Carriers ("Division") you may seek judicial review of the Division's final decision by filing an appeal with the Rhode Island Superior Court. You have thirty (30) days from the mailing date (or hand delivery date) of the Division's final decision to file your appeal. The procedures for filing the appeal are set forth in Rhode Island General Laws, Section 42-35-15.

Proceedings for review may be instituted by filing a complaint in the Superior Court of Providence or Kent Counties. Copies of the complaint must be served upon the Division and all other parties of record in your case. You must serve copies of the complaint within ten (10) days after your complaint is filed with the Superior Court.

Please be advised that the filing of a complaint (appeal) with the Superior Court does not itself stay enforcement of the Division's final decision. You may however, seek a stay from the Division and/or from the Court.

The judicial review shall be conducted by the Superior Court without a jury and shall be confined to the record. The Court, upon request, shall hear oral argument and receive written briefs.

The Narragansett Electric Company  
Docket No. SB-2021-04  
In Re: The Narragansett Electric Company Application for a  
License to Mobilize and Operate a Liquified Natural Gas (LNG)  
Vaporization Facility at Old Mill Lane (Portsmouth, RI)  
Responses to Record Requests  
Issued at the EFSB's Final Hearings

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Record Request 11

**REDACTED**

Request:

Please describe the Company's relationship with the Navy, the nature of the energy related discussions, how often they occur, and any insight the Navy provided to the Company regarding future energy needs.

Response:

The Narragansett Electric Company (the "Company") has had a positive and long-standing relationship with the United States Navy ("Navy") with respect to Naval Station Newport ("Navy Base"). Electricity to the Navy Base is provided by an electric primary metered service, where the Navy owns and maintains all of the electric system behind the meter including a Navy electric substation. The Navy also has numerous natural gas services that are all maintained by the Company, including a non-firm gas account (Building 7) that can be curtailed at times during the winter season (as noted in previous filings, see Exhibit No. TNEC-55, the Navy the curtailment is voluntary). The Navy primarily interacts with the Company via the External Affairs (Jacques Afonso, Navy liaison and account manager) and Energy Efficiency (Jeffrey Dunham, Lead Field Sales Specialist Energy Efficiency) departments. Interactions between the Company and the Navy (primarily their Community Planning Liaison Officer, Public Works Office and Engineering Department) have covered a wide range of topics throughout the years, such as emergency response, billing, system improvements (Company owned) and maintenance projects, energy efficiency and other ad hoc Navy requests.

The following are examples of recent interactions between the Navy and Company on these topics:

- [REDACTED]
- [REDACTED]
- [REDACTED]



The Narragansett Electric Company  
Docket No. SB-2021-04  
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License to Mobilize and Operate a Liquified Natural Gas (LNG)  
Vaporization Facility at Old Mill Lane (Portsmouth, RI)  
Responses to Record Requests  
Issued at the EFSB's Final Hearings

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Record Request 11, Page 2

**REDACTED**

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

Regarding energy efficiency, the Company is actively engaged with the Navy regarding gas curtailment during the winter months and gas energy efficiency measures, interacting with the Navy on a regular (almost weekly) basis. The Navy has been participating in the gas Demand Response program. The Navy earned approximately \$19,000 in 2022 and approximately \$34,000 in 2023 for curtailing gas load.

The Navy has completed, has underway, or will commence the following gas energy efficiency projects:

- Pipe and equipment insulation project which will result in approximately 32,000 therms of savings annually (ongoing);

Record Request 11, Page 3

**REDACTED**

- Pipe and equipment insulation project which will result in approximately 3,000 therms of savings annually (completed in 2023);
- Pipe and equipment insulation project which will result in approximately 19,000 therms of savings annually (completed in 2023); and
- Radiator steam trap replacements which resulted in approximately 20,000 therms of savings annually (completed in 2023).

The following are some gas energy efficiency projects that are in the discussion and analysis phase:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]



DEPARTMENT OF THE NAVY  
NAVAL STATION NEWPORT  
690 PEARY STREET  
NEWPORT, RHODE ISLAND 02841-1522

11011  
Ser N00/147  
3 Jun 24

Jacques Afonso  
National Grid Service  
477 Dexter Street  
Providence, RI 02907

SUBJECT: EXPIRING LEASE LO-0019 FOR NATIONAL GRID ENERGY'S LIQUIFIED  
NATURAL GAS FACILITY

Dear Mr. Afonso;

As you know, Naval Station Newport will be terminating our lease with you when it expires on September 12, 2026. Naval Station has a small waterfront and with the expansions of the Coast Guard and National Ocean and Atmospheric Administration (NOAA), announced recently by Senator Reed, we will need the area your facility currently occupies. NOAA has already begun its \$150M project that includes a pier as well as an on-shore facility. Coast Guard has just started the design of their project but the proposal is for a new pier in the short-term and will eventually also include a new on-shore support facility.

I am aware that you are already coordinating the demolition of the liquified natural gas facility with my Public Works. I look forward to a smooth decommissioning as well as the continued work we do together to provide power for Naval Station Newport. Please contact my Community Planning Liaison Officer Cornelia Mueller at [cornelia.a.mueller.civ@us.navy.mil](mailto:cornelia.a.mueller.civ@us.navy.mil) or 401.330.6355 for any additional issues.

Sincerely,

A handwritten signature in blue ink, appearing to read "H. M. Roenke IV", is positioned above the printed name.

H. M. ROENKE IV  
Captain, United States Navy  
Commanding Officer