

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

----- :
IN RE: NARRAGANSETT ELECTRIC COMPANY :
d/b/a NATIONAL GRID'S PROPOSED RATE :
REDUCTION TO STANDARD OFFER BY : DOCKET NO. 3739
FILING DATED MARCH 31, 2006 :
----- :

RESPONSE AND REBUTTAL

**MOTION TO TAKE JUDICIAL AND
ADMINISTRATIVE NOTICE**

OBJECTION TO MOTION TO DISMISS

**OBJECTION TO MOTION TO STAY
INTERVENTION**

**FILED BY AND ON BEHALF OF
THE RHODE ISLAND PUBLIC UTILITY REGULATORY
REFORM ALLIANCE ("RIPURRA"), A NON-PROFIT RHODE ISLAND
INCORPORATED ASSOCIATION
(COLLECTIVELY "THE RATEPAYER")**

I. OVERVIEW

On July 7, 2006 the Ratepayer filed a Petition with the Rhode Island Public Utilities Commission (the "Commission") moving for a number of rulings and requests for relief (the "Ratepayer Motions") from such quasi judicial tribunal specifically including:

- a) A motion and request to intervene in Commission Docket 3739;
- b) A motion and request for relief from Commission orders set forth on Docket 3706;

- c) A motion and request for reopening and reconsideration of findings and rulings set forth in Dockets 3739 and 3706;
- d) A motion and request to incorporate the data, record and findings of Docket 3706 into Docket 3739;
- e) A motion and request for the Commission to conduct a complete review and investigation of the Rhode Island Division of Public Utilities and Carriers (the "Division") with respect to its conduct and actions relating to National Grid's Rate Reduction Proposal and all related matters tied to Docket 3739.
- f) A motion and request to dismiss and exclude the Division's Memorandum of April 25, 2006 from the record of Docket 3739 in whole;
- g) A motion and request that the Commission require the Division to retain and employ independent experts and data in the course of any further matters presented under Docket 3739;
- h) A motion and request for the Commission to effect an immediate reduction of National Grid's SOS rate from 10.0 cents per kwh to 9.4 cents per kwh; and
- i) A motion and request for the Commission to order and effect SOS rate refunds to the Ratepayer and all ratepayers of National Grid in an amount equal to the difference between that electric cost rate of 10.0 cents per kilowatt hour [the SOS tariff established under Docket 3706] and the initial 9.4 cent per kwh rate reduction proposed by National Grid on March 31, 2006 for that period commencing on January 1, 2006 and ending upon the effective date of the required rate reduction as petitioned.
- j) A motion and request that the Commission order and effect additionally SOS rate refunds and reductions to the Ratepayer and all ratepayers of National Grid in a manner and in amounts justified by the actual SOS rate over recoveries established after holding proper and legal hearings as required and requested in the new petitioned Docket as filed.

Not surprisingly the Petition and Ratepayer Motions drew multiple responses from parties of notice in Docket 3739 as follows:

- i) A filing by Narragansett Electric Company d/b/a National Grid ("Narragansett Electric" or the "Company") in response to the Ratepayer's Petition and Motions filed on July 20, 2006 containing, among other responses and requests for relief, an objection to the Ratepayer's Motion to Intervene in Docket 3739 [hereinafter the "Company's Docket 3739 Response"];
- ii) A second response filing with respect to the Ratepayer's Petition and Motions by Narragansett Electric also dated and filed on July 20, 2006 but forwarded pursuant to a request to initiate a new Commission docket including, among other responses and requests for relief, a broad based motion to dismiss the Ratepayer's Petition and (in the alternative) a motion to stay consideration of the said Petition [hereinafter the "Company's Open Response"];
- iii) A letter response dated and filed on July 24, 2006 forwarded by the Division alleging certain errors of fact and law by the Ratepayer but not sponsoring an objection to the Ratepayer's Motion to Intervene in Docket 3739 [hereinafter the "Division Response"];
- iv) A letter response dated and filed on July 24, 2006 filed by the Office of the Rhode Island Attorney General also alleging certain errors of law and fact by the Ratepayer as well as objecting to any intervention by the Ratepayer with respect to only Docket 3706 [hereinafter the "Attorney General Response"].

By specific leave of the Commission and pursuant to the Rules of Practice and Procedure of the Public Utilities Commission (the "Rules"), the Ratepayer was allowed to respond to the above party rejoinders as identified above. Accordingly the Ratepayer offers the responses, rebuttal and counter motions as set forth below.

The Ratepayer would notice the Commission that in contrast to the questionable approach and drafting stylings of the Company and, to a lesser degree, the Division, it will not draw upon the Commission's valuable time and patience and pepper this rebuttal filing with shrill and lofty allegations which bring into question the motivational basis of any party participant nor will it deliberately impugn the education, experience or sincerity of such party

participants or legal counsel involved in this Petition filing. Save it to say, the Company and Division's unified attack on the basic concept of public participation in the rate making process of Rhode Island flies counter to holdings of our Supreme Court that public utility regulation is steeped in the public interest and that the Division, along with its creative pro-utility philosophies and practices, does not stand as the only authorized advocate of Ratepayers striving to meet the daily costs of electricity, gas or other utility expenses.

Narragansett Electric Co. v. Harsch, 117 RI 395 (1977)

By way of an additional footnote the Ratepayer would relate to this tribunal that it has been fortunate enough to retain the ongoing services of counsel who not only have enjoyed successful and productive careers with both the Division and Commission (predating the Commission's one year conflict rule standards) while participating in over 500 utility rate proceedings as well as in the drafting of regulatory legislation to the benefit of both Rhode Island ratepayers and the utility regulatory structure. With over 20 combined years in the utility regulation field the Ratepayer and its counsel will continue to demonstrate the reserve and maturity that experience bestows upon professional advocates and not lower itself to address the petty insults and negative innuendo set forth by the party participants in this Docket. We would submit that the fact that the Ratepayer and its advocates have somehow failed to abide by the unwritten laws or virtual handbook of an apparent hallowed fraternity, which includes the staff and employees of both the Division and Company among its membership, does not limit its rights to civilly and professionally participate in the rate making process as allowed by Rhode Island law.

"Ignorance, forgetfulness, or contempt of the rights of man are the only causes of public misfortunes and of the corruption of governments."

French National Assembly. Declaration of the Rights of Man (drafted and discussed Aug. 1789, published Sept. 1791).

II. THE RATEPAYER QUALIFIES AND SHOULD BE ACCORDED STATUS AS AN INTERVENER IN THE PROCEEDINGS OF DOCKET 3739

By way of procedure the Ratepayer restates and reaffirms all of its positions, motions and prayers for relief set forth in its Petition dated July 7, 2006

The Company in its response motion to Docket 3739 stands as the only responding party challenging the Ratepayer's right to legally intervene and participate in such proceeding. Specifically the Company has asserted that rule 1.13 of the Commission's Rules of Practice and Procedure, to the complete exclusion of all other state law and standards, definitively prohibits the Ratepayer's participation as an intervening party in Docket 3739. Narragansett Electric works hard in its response to frame the Commission's fairly broad standard of party participation in Rule 1.13 as a very narrow and limited power of the Commission overshadowed by the claimed dominance of the Division as the solely empowered advocate Rhode Island ratepayers. Company 3739 response at pp. 2-5.

Additionally the Company attempts to questionably dismiss the status of the Ratepayer as simply a general group of Company customers with no specified interest or basis for intervention and, in the alternative, possessing no interest which is not being adequately represented by the Division of the Attorney General. Response at pp. 3-4. Lastly the Company supplements in ongoing promotion and sponsorship of the Division by suggesting that the fact that one of the Ratepayer's counsel happens to be a candidate for public office negates the validity of the Ratepayer's Petition in whole. Response at pp. 4.

As previously noted neither the Attorney General nor the Division offer objections to granting the Ratepayer intervener status with respect to Docket 3739 choosing to let the Commission make such determination.

The Ratepayer would respectfully again submit that existing law supports the Ratepayer's right to be granted intervener status in Docket 3739 and participate in open hearings with respect to the issues and filings contained therein. Specifically the Ratepayer would note the following supporting points of fact and law which completely undermine the Company's challenge and attack to RIPURRA's Motion to Intervene:

- 1) Contrary to the assertions and wishes of the Company Commission Rule 1.13 is not despositive nor exclusive in effect with respect to the issue of the Ratepayer's intervener request. As set forth in the Ratepayer's Petition state law allows and in fact encourages participation in utility rate hearings by parties that could be "aggrieved" by the order or ruling in any such case . GLRI Section 39-5-1; In re New England Gas Co., 842 A. 2d 545 (2004). Without question the fact that members of the Ratepayer continue to incur higher than legally allowed electric rates imposed and charged by the Company qualifies them as aggrieved parties within every definition of the word;
- 2) The Company makes much of the fact that the Ratepayer is in fact a newly incorporated entity with no other claim to participant status than that of other Company customers.

The relevancy of the Ratepayer as a newly formed Rhode Island corporation clearly has no bearing on the request for intervention in this matter. Prudent principles of public advocacy would guide any concerned group of citizens to protect themselves with a corporate veil in an effort to ward off personal attacks or "SLAPP" suits from parties that might demonstrate a less than civil and more petty strategy in the course of rate case challenges - as noted above the approach and questionable tone of the Company in this matter towards its own customers has born out the need for corporate protection from members of the Ratepayer.

In addition the Company in clearly indicating it has researched the Ratepayer's status has chosen not to relate the publicly filed purpose and goals of the Ratepayer which are set forth in Section 1.02 of its registered by-laws as:

". . .to provide support and serve as a unified organization for ratepayers and residents of the State Rhode Island to further the improvement and reform of public utilities regulation within the State of Rhode Island and to act and participate in utility rate case proceedings and other related matter to

promote the lowest and most equitable utility rates and charges allowed under law."

[Copy of Ratepayer's by-laws appended hereto as Exhibit A"]

In fact the Ratepayer has a unique and narrow interest in the issues set forth in Docket 3739 which set it apart from most Company ratepayers that is promoting a platform for utility ratemaking reform as well as advocating and promoting low and equitable utility rates as a uniform group with the will and ability to hire legal and other professional advocates to promote its stated goals. The Ratepayer would respectfully suggest that its status is directly akin to that of the Energy Council of RI ("TEC-RI") a non-profit entity composed of commercial and industrial customers of the Company who have repeatedly been granted intervenor status in Commission Dockets involving electric rate making issues as well as a myriad of other utility matters. Energy Council of RI v. PUC, 773 A.2d 853 (2001). Such advocacy group, similar to the proposed actions of the Ratepayer, have participated in numerous historic Commission hearings side by side with representatives of both the Division and Attorney General. In fact the Ratepayer would suggest that its very existence is required and justified by the successful advocacy activities of TEC-RI in the course of electric utility rate hearings to the extent that they have excelled in lobbying for Company rate designs which favor its members but work to the detriment of the members of the Ratepayers (i.e. residential and small business customers). In this light the Ratepayer's interest must be viewed as both necessary and appropriate in the context of Commission Rule 1.13 and more specifically Rule 1.13 (3).

- 3) As noted the Company in its Docket 3739 Response has accepted the role of a public relations firm in expounding on the advocacy and professional skills of both the Division and Attorney General suggesting that such skills are so broad and profound as to not only represent the goals of the Ratepayer in Docket 3739 but virtually every Rhode Island customer in its service base.

The record is clear that the Company's assertions on such point could not be more misplaced. By its own admission the Attorney General has decided not to take an active role in Docket 3739 choosing not to join such case as an intervening party of record (as it has in other utility rate cases) while claiming to support the positions and policies in this matter promoted by the Division [which by such admission would include the Division's broad philosophy of "price stability"]. See Attorney General response pp. 1-2. In essence the Attorney General has elected not to "take the field" to actively represent any RI electric ratepayer in Docket 3739 leaving the Division as the sole "advocate" of record.

While the Ratepayer would acknowledge that the Division has been active in every sense of the word in Docket 3739 it would submit that the Division's positions, actions and policies set forth in such Docket do not represent its

positions or goals in the filing at hand nor that of any prudent Narragansett Electric customer save those that enjoy paying for utility rates that are higher than necessary or legally unjustified. To be clear the Ratepayer:

- a) does not accept nor acquiesce to the Division's unique and all encompassing "price stability" philosophy which stands not as an historic standard of either the Division or Commission but in fact is a very new position developed and promoted by Commissioner Holbrook in Narragansett Electric Docket 3689 as dated December 14, 2005;
- b) differs dramatically with the Division's initial policy memo set forth in Docket 3739 which clearly opposed the Company's March 31, 2006 rate decrease request;
- c) opposes the Division's ongoing attempts to avoid legally required public hearings in Docket 3739 as well as its failure and refusal to employ independent expert witnesses to review the Company's fuel cost data and projections; and
- d) questions the Division's ability to adequately and fairly advocate in the public interest given its clear and open close relationship with the Company.

Against the backdrop of the above facts the Ratepayer would submit that neither the Division or the Attorney general is representing its interests, or that of any Rhode Island electric ratepayer for that matter, in Docket 3739 and thus meets the standards and requirements of Commission Rule 1.13 (2).

By way of standing challenges the Ratepayer would bring to the Commission's attention the fact that the Company itself has legal standing issues with respect to proceedings before the Commission. Specifically the Company consistently has identified its corporate presence and based its respective entries of appearance on an entity identified as

"The Narragansett Electric Company, d/b/a National Grid" while the Company's Counsel purports to work for an entity known as the "Ocean State Division" of National Grid. The Ratepayer would suggest and relate that a complete review of the active corporate filings of

the Office of the Rhode island Secretary of State do not disclose any registered Rhode Island Corporation identified as "National Grid", "The Ocean State Division of National Grid" or any variation on either such name. Accordingly the Ratepayer would submit that the Company's related party status is both erroneous and inaccurate as related to the Commission in this matter and would accordingly move to have the Company file corrective corporate documentation with the Commission as soon as party to eliminate the possibility of any procedural defects in orders established under Docket 3739.

III. THE FILINGS AND ISSUES SET FORTH IN DOCKET 3739 REQUIRE THE COMMISSION TO HOLD MEANINGFUL PUBLIC HEARINGS UNDER LAW

The Company and Division have consistently adopted positions opposed to the holding of public hearings relating to the issues set forth in Docket 3739 contrary to the clear requirements of Section 39-3-11(a) of the General Laws of Rhode Island "GLRI." as well as supporting case law . Specifically the Company suggests that the particular hearing requirements of 39-3-11 are met when either a concerned party submits a written letter to the Commission clerk relating to a rate issue or a party appears at the Commission's monthly "Open Meeting" where final utility decisions and votes are formalized and other Commission administrative and housekeeping matters are resolved. Company Docket 3739 Response at pp. 5. In contrast the Attorney General does not oppose meeting the legal

hearing requirements of Docket 3739 but in fact anticipates the initiation of "evidentiary hearings" in the course of such Docket. Attorney General response at pp. 2.

In what appears to be an exercise in legal misdirection the Company dedicates most of its Open Docket response to developing a somewhat perverted theory of public hearing and notice requirements by asserting on a circular basis that:

- 1) The requirement of public notice of rate changes [including decreasing rates} under Section 39-3-11 of the GLRI only apply to the notice requirements between the Company and Commission as opposed a notice standard relating to the Company and/or the Division and the rate paying public Company Open Response at pp 7-8;
- 2) A violation of Section 39-3-11 fails to exist and thus meaningful public hearings are not required under such provision so long as the Company's Standard Offer Service Rate ("SOS") never changes - accordingly if the Company or Division are successful in never allowing a rate change decision to reach the Commission for review no public hearings are required. Company Open Response at pp. 8;
- 3) Public hearings are not required so long as a rate change proposal is subject to suspension by the Commission. Company Response at pp 8-9.
- 4) No public hearing or participation by the Ratepayer is required under Section 39-3-11 of the GLRI because the Company is now proposing [as of July 28, 2006] a rate decrease which the Company appears to characterize as the ultimate legal goal of the Ratepayer . Company Open Response at pp. 6.

With all due respect and in response to Narragansett Electric's assertion that the Ratepayer has been "creative" in the drafting of its position, RIPURRA would submit that the Company and Division's multiple arguments against holding public hearings in Docket

3739 cannot be accorded any weight in light of the clear and direct requirements of state law as well as the need for open participation in utility regulatory proceedings. Time and time again our Supreme Court has made it clear that the Commission is required to hold open, meaningful, evidentiary hearings in the course of any proposed utility rate change.

Narragansett Electric Co. v. Harsch, 117 RI 395 (1977). Equally clear is the fact that "public hearings" under Section 39-3-11 of the GLRI require full participation by parties in interest, including valid intervening parties, and no less than a full review of a filing utilities petition for rate change must occur which include witness presentation and cross examination, evidentiary challenges, as well as an airing of the data on which any utility rate change is based. Bristol & Warren Gas v. Burke, 439 A. 2d 246 (1981). Our courts have determined that legislative "open meetings" cannot be employed as a platform for party participation when public hearings are required by law. Bates v. Stiteley, 84 RI 458 (1956).

Based on the above the Ratepayer would assert that Section 39-3-11 of the GLRI require the Commission to hold open, meaningful, public evidentiary hearings with respect to Docket 3739.

IV. THE DATA AND FINDINGS OF DOCKET 3706 MUST BE INCORPORATED INTO DOCKET 3739 AS A MATTER OF LAW

THE RATEPAYER MOVES THE COMMISSION TO TAKE ADMINISTRATIVE NOTICE OF THE DATA AND FINDINGS OF DOCKET 3706

Much has been made by the Attorney General and Division as to the appropriateness of reopening Docket 3706 as a necessary requirement of reviewing the filings of Docket 3739. Although the Ratepayer is of knowledge and belief that the Commission has from time

to time reopened historic Dockets following the issuance of an order and has specifically left the findings of Docket 3706 open for further review, it would support procedurally taking administrative notice of the data and findings of said Docket 3706 as an adequate and required means of allowing a full hearing with respect to the issues presented by 3739. By

the Company's own admissions and documents the rate proposals and supplemented data of Docket 3739 dovetail the final rate determinations of Docket 3706 especially with respect to the use of fuel cost projections. On such basis of dramatic relevancy administrative notice is required and allowed under state law.

V. THE COMPANY'S OBJECTIONS AND MOTIONS TO DISMISS THE RATEPAYERS PETITION OR STATUS OF THE RATEPAYER AS A PARTY PARTICIPANT MUST BE REJECTED BY THE COMMISSION UNDER LAW

As noted above and without restating clear and governing points of law , the Ratepayer would submit, based on its revelations of law and fact set forth in Sections II through IV of this response filing that the Company has presented no basis upon which to support its filed motions to dismiss the Ratepayer's Petition or dismiss the Ratepayer as a party participant in the present matter. Additionally the Ratepayer would note that the Company's Open Response fails to present a single recognized basis which would require the Commission to even consider opening a new Docket filing or to create a new Docket.

VI. THE COMMISSION HAS BOTH THE AUTHORITY AND STATUTORY OBLIGATION TO INVESTIGATE THE COMMUNICATIONS AND RELATIONSHIP BETWEEN THE DIVISION AND COMMISSION WITH RESPECT TO DOCKET 3739

For reasons which remain unclear at present that Company has assumed the role of defender and advocate on behalf of the Division with respect to the Ratepayer's request and motion to have the Commission investigate the communications and relationship between the Division and the Company in the course the travel of Docket 3739. The Company turns its own previous argument on its ear suggesting that the Commission cannot investigate the

Division under any circumstances based upon the assertion that the Division is in essence an extension of the Commission.

Without adding color to the scope of the Company's extensive defense of the Division the Ratepayer would point to the clear language of Section 39-1-3 (a) of the GLRI authorizing the Commission ". . . to hold investigations and hearings involving the rates, tariffs, tolls and charges . . . of electric distribution. . . utilities." The Ratepayer would assert that Section 39-1-27.6 of the GLRI actually builds upon the investigative powers of the Commission and adds clarity to the Commission's powers. On such basis of law the Ratepayer would restate and reassert its motion for the above noted Commission investigation.

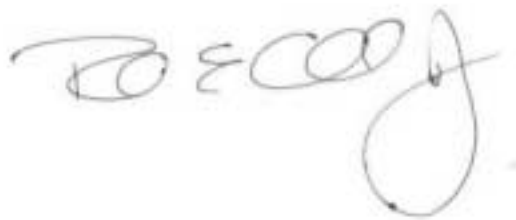
Filed and submitted electronically and in original form supported by (9) copies
this 3rd day of August, 2006.

THE RATEPAYER

By Its Attorneys,



J. William W. Harsch, Esquire
HARSCH LAW ASSOCIATES
170 Westminster Street
Suite 800
Providence, RI 02903
RI Bar ID 3688
(401) 454-4466

A handwritten signature in black ink, appearing to read "Richard E. Crowell, Jr.", written in a cursive style.

Richard E. Crowell, Jr. , Esquire
3016 Post Road
Suite B
Warwick, RI 02886
RI Bar ID 2646
(401) 573-0984

CERTIFICATION

I hereby certify that a copy or copies of the above filing and referenced support materials have been hand delivered or sent via US mail , first class postage prepaid to the following parties:

Luly E. Massaro, Commission Clerk
RI PUBLIC UTILITIES COMMISSION
89 Jefferson Blvd.
Warwick RI 02889
[original and (9) copies]

Thomas F. Ahern, Administrator
RI DIVISION OF PUBLIC UTILITIES AND CARRIERS
89 Jefferson Blvd.
Warwick RI 02889

Laura Olton, Esquire
NARRAGANSETT ELECTRIC COMPANY d/b/a
NATIONAL GRID
280 Melrose Street
Providence, RI 02903

Thomas G. Robinson, Esquire
NARRAGANSETT ELECTRIC COMPANY d/b/a
NATIONAL GRID
280 Melrose Street
Providence, RI 02903

William Lueker, Esquire
DEPARTMENT OF THE RI ATTORNEY GENERAL

150 South Main Street
Providence, RI 02903

Paul Roberti, Esquire
DEPARTMENT OF THE RI ATTORNEY GENERAL
150 South Main Street
Providence, RI 02903

Dated: _____

BYLAWS

of

**THE RHODE ISLAND PUBLIC UTILITY REGULATORY
REFORM ALLIANCE**

EXHIBIT "A"

ARTICLE I

GENERAL

SECTION 1.01. Scope. Subject to limitations provided by law, these bylaws, as amended from time to time, shall contain the provisions for regulation and management of the affairs of THE RHODE ISLAND PUBLIC UTILITY REGULATORY REFORM ALLIANCE (the "Organization").

SECTION 1.02. Purpose. The purpose of the Organization shall be to provide support and serve as a unified organization for ratepayers and residents of the State Rhode Island to further the improvement and reform of public utilities regulation within the State of Rhode Island and to act and participate in utility rate case proceedings and other related matter to promote the lowest and most equitable utility rates and charges allowed under law.

SECTION 1.03 Powers and duties of the Organization -- The Organization shall promote and encourage the development and coordination of effective and efficient public and private policies, programs, and services related to utility rate regulation and reform issues that may from time to time arise within the boundaries of the State of Rhode Island. Directors of the Organization shall not receive any compensation, however, they may be reimbursed for any actual and necessary out-of-pocket expenses and/or expenditures pertaining to Organization business.

The Organization may:

(1) do all acts and things necessary or convenient to carry out the powers expressly granted by law;

(2) conduct necessary studies and surveys;

(3) accept, transfer, and allocate funds made available by any public or private source, subject to relevant limitations and conditions prescribed by the source of funds, and only insofar as such acceptance, transfer, or allocation does not interfere with the non-profit status of the Organization;

(4) employ such assistants, agents, and other employees as may be necessary or desirable for its purposes and to contract for and engage consultants.

SECTION 1.04. Non-Profit Status. The Organization is not organized for profit, and no part of the net earnings of the Organization shall inure to the benefit of, or be distributable to, any directors, officers, members or other private persons, except that the Organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of these bylaws. In the event of any liquidation or dissolution of the Organization, no director or officer shall be entitled to any distribution or division of the Organization's property or the proceeds thereof, and upon such liquidation, the Board of Directors of the Organization, after the payment of all its debts and obligations, shall distribute all of the assets of the Organization in such manner, and to such organizations(s) organized and operated for public utilities reform and regulation as shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law) and the regulations promulgated thereunder, or to the United States of America, any State thereof or any political subdivision of any State for exclusively public purposes, as the Board of Directors of the Organization shall determine.

ARTICLE II

MEMBERSHIP AND ORGANIZATION

The Organization shall have a minimum of (25) members who shall be qualified as legal electors under the laws of the State of Rhode Island as well as ratepayers with respect to at least (1) public utility doing business in Rhode Island.. All power over the property, affairs and business of the Organization shall be held by the Board of Directors pursuant to the provisions of Article III of these bylaws.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.01. General Powers. The property, affairs and business of the Organization shall be managed by a Board of Directors, and the Board shall have, and may exercise, all of the powers of the Organization.

SECTION 3.02. Number and Qualification. The Board shall consist of three (3) directors. The initial directors shall be identified by seat and shall be:

Any change in the number of directors required and permitted on the board pursuant to this Section 3.02 shall be adopted in compliance with the provisions of Article XI of these bylaws.

SECTION 3.03. Election. At each annual meeting, the directors at the time in office shall determine if any vacancies in the Board are anticipated prior to the next annual meeting, and shall nominate candidates for any vacant seat on the Board of Directors. In the event that there is more than one nominee for any position on the

Board, the directors at the time in office shall at that same meeting be entitled to cast one vote for the open seat(s) being filled and the candidate receiving the highest number of votes shall be and serve as director for the open seat, taking that seat at the time of vacancy.

SECTION 3.04. Term of Office and Qualification; Classes. The directors shall serve for two (2) years. After the initial terms, directors may be appointed to succeeding five -year terms by the Board of Directors from a list of qualified candidates provided by the remaining directors. Directors whose terms expire are eligible for reappointment. Any vacancy shall be filled by the Board of Directors for the remaining unexpired term from a list of candidates provided by the remaining Board of Directors according to the provisions of Section 3.03 above.

(a) Appointments to the Board of Directors shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

(b) It is a ground for removal from the Board of Directors if a Director (i) violates a prohibition established by this section, (ii) is unable to discharge the director's duties for a substantial part of the term for which the director was appointed because of illness or disability, or (iii) is absent from more than half of the regularly scheduled meetings of the Board that the director is eligible to attend during each calendar year or is absent from more than two (2) consecutive regularly scheduled Board meetings that the member is eligible to attend, except when the absence is excused by a majority vote of the Board.

SECTION 3.05. Quorum and Manner of Acting. A majority of the entire number of directors at any time in office shall constitute a quorum for the transaction of business. In the absence of a majority, the directors present may adjourn any meeting from time to time until there is a majority present. Notice of any adjourned meeting need not be given. The directors shall act only as a Board and the individual directors shall have no power as such.

SECTION 3.06. Place and Frequency of Meetings. The Board of Directors may hold its meetings monthly at any place within or without the State of Rhode Island and a time as it may from time to time determine and shall be specified or fixed in the respective notices or waivers of notice thereof.

SECTION 3.07. Annual Meetings. The annual meetings of the Board of Directors for the election of the directors for the following year and for the election of the officers of the Organization and for the transaction of such other business relating to the Organization as may come before the meeting shall be held in the month of January on a date chosen by the President at the location specified in the notice of such meeting. If for any reason such annual meeting is omitted, a special meeting may be held in place thereof, and any business transacted or elections held at such special meeting shall have the same effect as if transacted at the annual meeting. Purposes for which an annual meeting is to be held, in addition to those prescribed by law or these bylaws, may be specified by the President or by a majority of the Board of Directors of the Organization.

SECTION 3.08. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the President. The President must call a meeting if requested to do so by two (2) or more directors. Notice of each such meeting shall be given by the Secretary or the person calling the meeting by mailing the same addressed to each director at his or her residence or usual place of business, or orally, by telephoning or personally, at least three (3) days before the day on which the meeting is to be held. Every such notice shall state the time and place of the meeting but need not state the purpose thereof except as otherwise expressly provided in these bylaws.

A statement contained in the minutes of any meeting of the directors over the signature of the Secretary to the effect that due notice of such meeting has been given shall be conclusive evidence that proper notice of such meeting has been given in one of the ways provided herein.

SECTION 3.9. Resignation of Directors. Any director of the Organization may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Organization. The resignation of any director shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.10. Removal of Directors. Subject to the provisions of these bylaws, any director may be removed, either with or without cause, at any time, by vote of the Board of Directors, at any regular meeting or special meeting called and held for said purpose.

SECTION 3.11. Vacancies. Any vacancy in the Board of Directors caused by death, resignation, removal or disqualification, or any other cause other than an increase in the number of directors, shall be filled by election held by the directors at the time in office at the next scheduled meeting and each director so elected shall hold office for the term of the vacancy which he is filling, and until a successor shall have been duly appointed and qualified pursuant to the provisions of Section 3.03 of these bylaws, or until death or resignation. Any vacancy caused by an increase in the number of directors constituting the Board of Directors shall be filled by the election of new directors by the directors at the time in office.

SECTION 3.12. Executive Director. - Employees. The Board of Directors may appoint an executive director, who shall serve at the pleasure of the Board of Directors without a term of employment and the Board of Directors shall set his or her compensation and terms of employment. The executive director, through a vote of a majority of the Board of Directors, may be delegated to act as authorized agent for the approval of all fiscal and personnel documents requiring an authorized signature. The Board of Directors may also cause to be employed such staff and technical and professional consultants as may be required to carry out the powers and duties of the Organization.

ARTICLE IV

COMMITTEES

SECTION 4.01. Committees. The Board of Directors of the Organization may from time to time by vote create such committees of directors, officers, employees or other persons designated by it for the purpose of advising with the Board, the officers and employees of the Organization in all such matters as the Board shall deem advisable and with such functions and duties as the Board shall prescribe by vote subject to any limitations set forth in the Rhode Island Non-Profit Organization Act.

A majority of all the members of any such committee may determine its action and fix the time and place of its meetings, unless the Board of Directors shall otherwise provide. The Board of Directors shall have power to change the members of any committee at any time, to fill vacancies, and to discharge any such committee, either with or without cause, at any time.

ARTICLE V

WAIVER OF NOTICE: UNANIMOUS CONSENT

SECTION 5.01. Waiver of Notice. Notice of the time, place and purpose (unless otherwise specified) of any meeting of the Board of Directors or any committee thereof may be waived in writing by any director either before or after such meeting, and attendance in person at a meeting of the Board of Directors or any committee thereof shall be equivalent to having waived notice thereof.

SECTION 5.02. Unanimous Consent of Directors. Insofar as permitted by law and unless otherwise restricted by the Articles of Inorganization or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if a written consent thereto is signed

by all members of the Board (or any such committee) and such written consent is filed with the records of the Organization.

ARTICLE VI

OFFICERS

SECTION 6.01. Number. The officers of the Organization shall be a President, a Secretary, and a Treasurer. The Board of Directors may also elect one or more Vice Presidents and Assistant Vice Presidents.

SECTION 6.02. Election, Qualifications and Term of Office. The officers shall be elected annually by the Board of Directors of the Organization at the annual meeting. The election of officers shall occur immediately after the acceptance of the appointment of directors. Each officer shall hold office for a one year term and until a successor shall have been duly elected and qualified, or until death, resignation, disqualification or removal in the manner hereinafter provided. Any individual may serve an unlimited number of consecutive one-year terms in the same office.

SECTION 6.03. Removal. Any officer may be removed either with or without cause, by the majority vote of the directors at a special meeting called for said purpose.

SECTION 6.04. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or to the Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6.05. The President. The President shall preside at all meetings of the Board of Directors and shall have such powers and perform such duties as are designated from time to time by the Board of Directors. The President shall make a full annual report to the Board of Directors, if called upon to do so.

SECTION 6.06. The Vice Presidents and Assistant Vice Presidents. The Vice Presidents and Assistant Vice Presidents, if any, shall have such powers and perform such duties as are designated from time to time by the Board of Directors.

SECTION 6.07. The Secretary. The Secretary shall record or cause to be recorded all the proceedings of the meetings of the Board of Directors of the Organization and meetings of all committees to which a secretary shall not have been appointed; shall see that all notices are duly given in accordance with the provisions of these bylaws and as required by law; shall be custodian of the records and of the seal of the Organization; and have such other powers and perform such other duties as the Board of Directors of the Organization may from time to time prescribe.

SECTION 6.08. The Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and credits and property of the Organization, render a statement of the condition of the finances of the Organization at all regular meetings and upon request of the Board of Directors of the Organization, and a full financial report to the Board of Directors if called upon to do so. The Treasurer shall also have charge of the books and records of account of the Organization, which shall be kept at such office of the Organization as the Board of Directors shall from time to time designate; be responsible for the keeping of correct and adequate records of the assets, liabilities, business and transactions of the Organization and at all reasonable times exhibit the books and records of account to any of the directors of the Organization; review the Organization's budget annually; be responsible for monitoring the budget; and, in general, perform all the duties to the office of the Treasurer and such other duties as from time to time may be assigned by the Board of Directors of the Organization or the President.

SECTION 6.09. General Powers. Each officer shall, subject to these bylaws, have, in addition to the duties and powers herein set forth, such duties and powers as are

commonly incident to this office, and such duties and powers as the Board of Directors shall from time to time designate.

SECTION 6.10. Bonding. Any officer, employee, agent or factor shall give such bond with such surety or sureties for the faithful performance of his or her duties as the Board of Directors may from time to time require.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Organization will pursuant to Section 7-6-6 of the Rhode Island Non-Profit Organization Act or any successor indemnification provision, and only to the extent that the status of the Organization as a organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law is not affected thereby, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, committee member, officer, employee or agent of the Organization (or is or was serving at the request of the Organization as a director, officer, partner, trustee, employee or agent of another organization, partnership, joint venture, trust or other enterprise or employee benefit plan), against expenses (including attorneys' fees), judgments, penalties, fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding. The Board of Directors of the Organization may authorize the Organization to purchase and maintain insurance on behalf of any person who is or was a trustee, committee member, officer, employee or agent of the Organization, or is or was serving at the request of the Organization as an officer, partner, trustee, employee or agent of another foreign or domestic organization, partnership, joint venture, trust, other enterprise or employee benefit plan, against any

liability asserted against such person and incurred by such person in any such capacity or arising out of his or her status as such.

ARTICLE VIII

EXECUTION OF DOCUMENTS

SECTION 8.01. Execution of Contracts. Unless otherwise determined by the Board of Directors of the Organization, the President may enter into any contract or execute and deliver any contract or other instrument, the execution of which is not otherwise specifically provided for, in the name and on behalf of the Organization. The Board of Directors, except as otherwise provided in these bylaws, may authorize any other or additional officer or officers, agent or agents, of the Organization to enter into any contract or execute and deliver any contract or other instrument in the name and on behalf of the Organization, and such authority may be general or confined to specific instances. Unless authorized to do so by these bylaws or by the directors, no officer, agent, or employee shall have any power or authority to bind the Organization by any contract or engagement, or to pledge its credit, or to render it liable pecuniarily for any purpose or in any amount.

SECTION 8.02. Execution of Checks and Drafts. All checks, drafts, bills of exchange, or other orders for the payment of money, obligations, notes, or other evidences of indebtedness, bills of lading, warehouse receipts, and insurance certificates of the Organization, shall be signed or endorsed by the Treasurer of the Organization .

ARTICLE IX

SEAL

The seal of the Organization shall be in the form of a circle and shall bear the name of the Organization and the state and year of incorporation

ARTICLE X

FISCAL YEAR

Except as from time to time otherwise provided by the Board of Directors, the annual accounting period of the Organization shall be the calendar year.

ARTICLE XI

AMENDMENTS

All bylaws of the Organization shall be subject to alteration or repeal. New bylaws not inconsistent with the laws of the State of Rhode Island or any provision of the Articles of Incorporation may be made by the Board of Directors of the Organization at any meeting at which a quorum shall be present, provided that notice of the proposed alteration or repeal or of the proposed new bylaws be included in the notice of such meeting and that the proposed amendment shall be adopted upon receiving at least a majority of the votes which directors present at such meeting are entitled to cast, and provided that such proposed amendments shall not concern the number of directors of the Organization. Any amendment of the bylaws governing the number of directors permitted or required to be on the Board of Directors must approved by the affirmative vote of greater than a majority of the total number of directors in office at the time such amendment is proposed and voted upon.