

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held September 19, 2014

Attendees: Chairperson Margaret Curran, Commissioner Paul Roberti, Commissioner Herbert DeSimone, Patricia Lucarelli, Cindy Wilson-Frias, Amy D'Alessandro, Sharon Colby Camara, Alan Nault and Todd Bianco. Luly Massaro was not present.

Chairperson Curran called the open meeting to order at 10:00 A.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.

Minutes of Open Meeting held on August 26, 2014: After review, Commissioner DeSimone moved to approve the minutes. Commissioner Roberti seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Competitive Telecommunications Service Providers Dockets

The following companies filed tariff revision to its existing tariffs (on date). The Division has reviewed the tariff filings and recommended that they be allowed to go into effect without suspension:

- 2618 – AT&T Corp. (tariff filing 8/29/14)
- 3028 – CenturyLink communications, LLC (tariff filing 8/26 & 9/3/14)

After review, Commissioner Roberti moved to adopt the Division's recommendation. Commissioner DeSimone seconded the motion and the motion was unanimously passed. **Vote 3-0.**

4514 – Verizon Rhode Island – Verizon submitted Interconnection Agreement (ICA) entered between Verizon New England, Inc. d/b/a Verizon Rhode Island and Crosstel Tandem, Inc. The ICA reflects the adoption of the ICA executed between Verizon and Birch Communications of the Northeast which was approved by the PUC on April 29, 2014. After review, Chairperson Curran moved to approve the ICA. Commissioner DeSimone seconded the motion and the motion was unanimously passed. **Vote 3-0.**

4393 - National Grid – National Grid filed on August 22, 2014 proposed Standard Offer Service (SOS) rates for the Industrial Group for the period October - December 2014. The filing is submitted pursuant to the SOS Procurement Plan approved by the PUC on June 28, 2013 (PUC Order No. 21094 issued July 2, 2014). The Division filed a memorandum summarizing its review of the filing and finding it to be in compliance with the 2014 SOS Procurement Plan approved by the PUC. Mr. Nault summarized that the filing represents an increase from same period during prior year by 13% - 50%. The overall bill impact is an 8% - 12% increase for this period. Commissioner DeSimone noted that National Grid followed the procurement plan and that the proposed rates are reflective of that process. After review, Chairperson Curran moved to approve the SOS rates for the Industrial Group. Commissioner DeSimone seconded the motion and the motion was unanimously passed. **Vote 3-0.**

4503 - Consumer Protection Requirements for Nonregulated Power Producers – On July 27, 2014, the PUC issued amended rules to solicit comments. The amended rules incorporate the deletion of Part III, Section H.2 recommended by the Division, and formatting changes. Ms. Wilson-Frias summarized the timeline of the amendment and noted that no comments had been received. After review, Commissioner Roberti moved to adopt revised NPP rules. Commissioner DeSimone seconded the motion and the motion was unanimously passed. **Vote 3-0.**

4478 - Narragansett Bay Commission (NBC) – The PUC reviewed the record relating to NBC’s December 23, 2013 rate application and August 15, 2014 Settlement Agreement reached between NBC and the Division. As filed, the agreement would allow NBC to collect additional operating revenues in the amount of \$3,588,749 to support a total cost of service of \$96,041,582. After review and discussion, Commissioner Roberti moved to approve the Settlement Agreement with the following conditions: 1) removal of fish tank expense, 2) reduction of funding to account for health care waiver to allow for a \$1,000 waiver payment to an employee waiving healthcare, and 3) restricting \$100,000 for compensated absences with annual reporting requirement. With the Commission’s modifications to the Settlement Agreement, NBC would be allowed to collect additional revenues of \$3,544,941 to support a total cost of service of \$95,997,774. Commissioner DeSimone seconded the motion and motion was unanimously passed. **Vote 3-0.**

The PUC expressed concern with NBC’s planned solar panel project while recognizing that it is not part of this rate case but it is in NBC’s capital plan. The cost for this project is estimated at \$7.4 million. Unlike the wind project with remaining payback period of 13.79 years, the payback for the solar project is unknown. This is a discretionary project that will increase debt. NBC’s debt has tripled over last 10 years primarily due to the CSO project, Phase III of which is projected to cost \$565 million. The tripling of NBC’s debt, the current state of economy, and the projected cost of Phase III raises the question of prudence to undertake a project such the solar project at this time.

Renewable Energy Resources Eligibility Generation Units Dockets

The following eligibility applications were submitted for review and approval. PUC Consultant submitted a memorandum recommending approval of the applications with conditional requirements that the applicant provide written documentation verifying Commercial Operation Date and Generation Units’ NEPOOL-GIS Asset Identification Number.

- 4509 – Richmond Solar, LLC - Application seeking certification for the Richmond Solar Generation Unit, a 0.499 MW solar energy generation unit located in Richmond, Rhode Island, as an eligible New Renewable Energy Resource.
- 4508 – All American Solar, LLC - Application seeking certification for the All American Solar Generation Unit, a 0.330 MW solar energy generation unit located in North Kingstown, Rhode Island, as an eligible New Renewable Energy Resource.

After review, Commissioner DeSimone moved to approve the applications with the conditional requirements recommended by PUC Consultant. Chairperson Curran seconded the motion and the motion was unanimously passed. **Vote 3-0.**

The open meeting adjourned at 11:30 A.M.