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March 12, 2008

Luly Massaro
Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: BIPCo Rate Case – Docket No. 3900

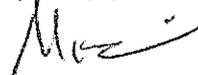
Dear Luly:

As you know, this office represents Block Island Power Company (BIPCo).

Enclosed for filing in this matter are an original and nine copies of BIPCo's updated response to Town-124 of the 3rd set of data requests of the Town of New Shoreham.

If you have any questions, please feel free to call.

Very truly yours,



Michael R. McElroy

MRMc:tmg

07 Rate-Massaro12

cc: Service list

THIRD SET OF DATA REQUESTS OF THE TOWN OF NEW SHOREHAM

UPDATED 3/12/08

TOWN-124 With regard to the RUS grant application provided in response to TOWN-41, please state when the Company expects to receive a determination from RUS whether to award it a grant and in what amount, if any is awarded.

Response: BIPCo called RUS and determined that it would be at least another month before BIPCo would be notified as to how much if anything BIPCo might receive in the form of a grant. Further, RUS would not commit to an amount of any eventual grant.

UPDATE: Subsequent to the filing of this response, BIPCo on March 11th has received notice that BIPCo did not have enough of a score to be considered in a second round of review for the grant. A copy of the rejection email and the scoring report is attached to this updated response.

Prepared by AC

Subj: **High Energy Cost Grant Applicationapp**
Date: 3/11/2008 2:24:27 P.M. Eastern Standard Time
From: Karen.Larsen@wdc.usda.gov
To: bigrocery@aol.com
Sent from the Internet ([Details](#))

<<app no 245.doc>> Hi Mary Jane:

We have completed reviewing and scoring the 2007 High Energy Cost Grant Applications. Your community and project were found to be eligible under the program.

Your score report is attached. We have mailed a score report to you at the address provided in the application.

Based on the raw scores, your project did not score highly enough to be considered in the second round of review. There were many deserving projects with only a few points separating them. Unfortunately there are not enough funds to support them all. At this time we are not announcing the selected projects.

You may find your score reports useful in deciding whether you wish to add to your application for reconsideration under the Notice of Funding Availability closing on March 28, 2008. We are maintaining your application package. All you need to do to request reconsideration is to send us a new signed Standard Form SF-424, "Application for Federal Assistance" along with any additional information you want us to consider to us on or before the deadline at the address below.

Please give me a call at 202-720-8787 if you have questions about your scores or email me at Karen.Larsen@wdc.usda.gov.

Karen Larsen

Office of the Assistant Administrator, Electric Programs

USDA Rural Development
1400 Independence Ave, SW, Stop 1560, Room 5165-S
Washington, DC 20250-1560

**RUS High Energy Cost Grant Program
First Round Application Review Score Report**

245 Block Island Power Company, RI
Block Island Undersea Electric and Fiber Optic Cable, \$5,000,000

Evaluation and Ratings Criteria		Points Available	A	B	C	D	E
<u>Project Design and Feasibility Criteria</u>							
1.	Comprehensiveness and feasibility of project	30					
2.	Demonstrated experience		24	12	10	21	20
3.	Assessment of community needs	10	10	10	10	10	10
4.	Project evaluation measures	15	12	15	15	5	12
5.	Coordination with State rural development initiatives	5	3	5	5	5	5
		5	5	2	0	2	5
<u>USDA Priority Criteria</u>							
6.	Economic Hardship	15					
A.	Economically disadvantaged counties County or Reservation Percentage of State median household income: less than 70 percent 15 points; 70-80 percent 12 points; 80-90 percent 10 points; 90-95 percent 5 points; over 95 percent 0 points. OR		12	15	0	5	12
B.	Other substantial economic hardship -- up to 15 points.						
7.	Rurality	14					
	Population of largest community in target area: 2,500 or less - 14 points 2,501 to 5,000, inclusive - 12 points Between 5,001 and 10,000, inclusive - 8 points Between 10,001 and 15,000, inclusive - 5 points Between 15,001 and 20,000, inclusive - 2 points (1) Over 20,000, 0 points		14	14	14	14	14
8.	Unserved energy needs						
9.	Imminent Hazard Or Critical Energy Project	2	0	0	2	0	2
10.	Cost Sharing	2	2	0	2	2	2
	Total Score	100	84	75	60	66	84

This proposal received a total raw score of **369** and was ranked **26** out of 30 scored proposals based on raw scores