



March 23, 2009

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

RE: Docket No: 3931  
System Reliability Procurement Plan

Dear Ms. Massaro:

Bluewater Wind respectfully submits the following in response to the Commission's request for parties to file comments and recommendations regarding National Grid's proposed System Reliability Plan (SRP). In addition, Cape Wind Associates, another party to this docket, has requested that we note their concurrence with comments and recommendations contained in this letter.

Our position on this issue has not changed, and can be briefly summarized as follows: a) the law plainly states that system reliability procurement shall include energy resource diversity, including specific consideration of renewable sources (RIGL § 39-1-27.7(a)(1)(i)), b) the law did not limit such renewable energy procurement to "small" or distributed generation renewable sources, as these sources are specifically addressed in the following sub-section of the law (RIGL § 39-1-27.7(a)(1)(ii)), c) the Commission adopted this interpretation of the law when it rejected proposed language in the SRP Standards limiting consideration of renewables to small scale sources only, and ordering system reliability procurement standards that state in the most relevant part: "The utility [system reliability procurement plan] shall document current activities and commitments to increase renewable energy production and contracting and how those activities affect costs, benefits, price stability, fuel diversity, and environmental goals" (Order 19344, Section 2.2). We respectfully refer the parties to our previous filings in this docket for additional detail as to our position.

We further comment that National Grid's amended System Reliability Plan of October 24, 2008, as it relates to renewables, appears to consist merely of quotations from existing renewable energy law and regulations, three sentences describing vague intents regarding small scale renewables, and an acknowledgement that "The Company does not currently have an approved plan for procuring its RPS obligation after 2009. It is likely that the procurement and future plans will be in the energy supply filing due on April 1, 2009." Therefore, we are forced to conclude

that National Grid's proposed SRP as it relates to renewables is not a plan at all, let alone a plan that meets the System Reliability Plan standards adopted by the Commission.

Meanwhile, National Grid has also failed to provide a meaningful, comprehensive plan for cost-effectively acquiring large-scale amounts of renewable energy in other venues in which such planning might have otherwise occurred, for example with regard to Standard Offer Service procurement.

The Commission asked for recommendations regarding National Grid's proposed SRP. Given our above comments, Bluewater Wind, with Cape Wind in concurrence, respectfully recommends that the Commission order National Grid to revise its SRP as it relates to large scale renewables, in order to make the plan compliant with the standards previously adopted by the Commission.

Respectfully submitted,



Erich Stephens  
Rhode Island Project Director

cc: Service list