nationalgrid

Thomas R. Teehan
Senior Counsel

July 2, 2009

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02889

RE: Docket 4041 - 2010 Standard Offer Supply Procurement Plan

Dear Ms. Massaro:

On behalf of Narragansett Electric Company d/b/a/ National Grid ("the Company"), I have enclosed ten copies of the Company's responses to Commission Data Requests-Set 3 and Division Data Requests – Sets 1 and 2. Please note that with respect to Division Data Request-Set 1, the Company is seeking Protective Treatment pursuant to Commission Rule1.2(g) and R.I.G.L. §38-2-2(4)(i)(B). Pursuant to Commission Rules, the Company is providing a Confidential version in an envelope Marked "Contains Privileged Information—Do not Release" as well as a public redacted version.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,

Thomas R. Teehan

Enclosure

cc: Leo Wold, Esq.
Steve Scialabba, Division
Docket 4041 Service List

Docket No. 4041 National Grid – SOS and RES Procurement Plans
Service List Updated 7/2/2009

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

National Grid Standard Offer Procurement Plan	)	Docket No. 4041

MOTION OF THE NARRAGANSETT ELECTRIC COMPANY, D/B/A NATIONAL GRID FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION CONTAINED IN ATTACHMENT 1-21 TO RESPONSE TO DIVISION DATA REQUEST 1-21

Now comes The Narragansett Electric Company, d/b/a National Grid ("Company") and hereby requests that the Rhode Island Public Utilities Commission ("Commission") grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.2(g) and R.I.G.L. § 38-2-2(4)(i)(B).

I. BACKGROUND

On July 2, 2009, the Company filed responses to the Division's first set of data requests. The Company's response to Division Data Request 1-21 included an attachment 1-21 containing recent pricing information on RECs. This information is competitively sensitive, proprietary information that the Company wishes to keep confidential. For the reasons stated below, the Company requests that this information be protected from public disclosure. Pursuant to the Commission Rules of Procedure, the

Company has filed both redacted and unredacted copies of its filing deleting the competitively sensitive information in question.

II. LEGAL STANDARD

Rule 1.2(g) of the Commission's Rules of Practice and Procedure provides that access to public records shall be granted in accordance with the Access to Public Records Act ("APRA"), R.I.G.L. §38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is 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 Commission falls within one of the designated exceptions to the public records law, the Commission 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.G.L. §38-2-2(4)(i)(B) provides that the following 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 the determination as to whether this exemption applies requires the application of a two-pronged test set forth in Providence Journal Company v. Convention Center Authority, 774 A.2d 40 (R.I.2001). The first prong of the test assesses whether the information was provided voluntarily to the governmental agency. Providence Journal, 774 A.2d at 47. If the answer to the first question is affirmative, then the question becomes

whether the information is "of a kind that would customarily not be released to the public by the person from whom it was obtained." Id.

In addition, the Court has held that the agencies making determinations as to the disclosure of information under APRA may apply the balancing test established by the Court in Providence Journal v. Kane, 577 A.2d 661 (R.I.1990). Under this balancing test, the Commission 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.

III. BASIS FOR CONFIDENTIALITY

One of the key considerations, consistent with the Commission's rules and precedent, is whether public disclosure of these terms would be commercially harmful to the Company and to its customers. The material in question clearly meets this consideration since this information could in the future use this information in such a way that would impede the Company's ability to obtain the best possible price for RECs.

V. CONCLUSION

In light of the foregoing, the Company respectfully requests that the Commission grant its Motion for Protective Treatment.

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY

By its attorney,

_____

Thomas R. Teehan (RI #4698)
280 Melrose Street
Providence, RI 02907
(401) 784-7667

Dated: July 2, 2009

Commission Data Request 3-1

Request:

Will NGrid's first RFP for the large customer class be affected by its proposal to eliminate the G-62 tariff? If so, why? If not, why not?

Response:

In its general rate case, National Grid is proposing to eliminate the tariff provisions and transfer the customers to Rate G-32, 200 kW demand rate. This will not affect the RFP, since the historical load data files used by bidders will be structured to include all customers in the large customer class.

Prepared by or under the supervision of: Alan P. Smithling

Commission Data Request 3-2

Referencing Mr. Milhous' testimony on page 7, please confirm the date upon which NGrid could purchase 2010 RECs where NGrid's prior plan was premised on the purchase RECs up to two years in advance of the obligation year.

Response:

National Grid's prior procurement plans were developed to purchase RECs during the remaining term of the existing Standard Offer agreements. The prior procurement plans purchased RECs over multiple years to allow for dollar cost averaging of REC costs. National Grid can only purchase 2010 RECs after it receives approval of the 2010 Procurement Plan. Once that approval is received, National Grid can issue an RFP consistent with the Order approving the plan.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-3

Referencing Mr. Milhous' testimony on page 11 and Schedule MBM-2, p. 5 of the RES Procurement Plan, please provide the legal authority for his proposal that costs be shared by all distribution customers for RES obligations related to SOS.

Response:

The intent of this question and answer was to identify a specific concern, which has also been expressed by National Grid during the technical sessions leading to this proceeding.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-4

Referencing Schedule MNM-2, p. 2, Part III.B of the RES Procurement Plan, please indicate the weight that will be given to each of the listed evaluation criteria. Please also explain how the Company plans to apply the criteria related to past practices where a bidder is a new resource or one under construction.

Response:

National Grid has not developed specific weights for each of the listed evaluation criteria, and in practice, a weighting system has never been necessary to evaluate offers for sale of REC's. When offers are evaluated against a procurement target, the bid price and the quantity are the primary considerations. The criteria that follow are more likely to be used to determine whether the offer of a particular supplier is to be considered in the price/volume ranking, or possibly considered less favorably than another offer with comparable pricing. In particular, any past problems National Grid or other companies in ISO-NE encountered with a supplier, or known events with the facility that could adversely impact ability to deliver would be concerns, unless such concerns could be resolved in discussions with the supplier. The last of the criteria is included in the regulations. One logical way to include this consideration is to give preference to a Rhode Island based resource if offers are otherwise comparable.

The criteria related to past practices may not be relevant for a new facility.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-5

Referencing Schedule MNM-2, p. 2, Part III.B of the RES Procurement Plan, please explain the ways NGrid believes a resource under construction could "demonstrate the likelihood that the resource will create certificates during the contract period."

Response:

For REC's procured under existing National Grid procurement methods, i.e., short-term contracts, a facility would have to be near completion of construction or actually in start-up testing, and would have to produce evidence of progress toward achieving full operational status.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-6

Referencing Schedule MNM-2, p. 3, Part IV.B of the RES Procurement Plan, please explain the phrase "fully engaged in the development of renewable energy generating facilities."

Response:

This provision was included in the long-term procurement portion of the plan to indicate that threshold criteria would be used to determine whether a proposal would be fully reviewed and evaluated. Such criteria would include experience in development of a similar type of project, or a project of different technology but similar size and complexity. The specific phrase was taken from the RFP developed through a collaborative process for the Connecticut Clean Energy Fund, and appeared to convey the appropriate intent. The Company will be filing amendments to its Revised RES plan to reflect changes in the recent statutory rules and obligations relative to long-term contracting for renewable energy.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-7

Are renewable generators required to participate in the FCM?

Response:

Renewable generators are not required to participate in the ISONE FCM by the Rhode Island Rules and Regulations Governing the Implementation of a Renewable Energy Standard. Any generator may participate in the ISONE real time energy market without participating in the FCM.

This requirement was included in the RES Plan for two reasons.

1. As discussed in the technical sessions prior to National Grid's March 2, 2009 filing , the ISONE FCM rules (Section III.13 of Market Rule I) contain milestones and requirements that are critical to a long term contract for a new resource under development.

2. To deliver bundled renewable energy, i.e., capacity, energy and RECs, a resource would have to be qualified in the FCM.

Please note that the Company will be filing amendments to its Revised RES plan to reflect changes in the recent statutory rules and obligations relative to long-term contracting for renewable energy.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-8

Referencing Schedule MNM-2, p. 4, Part IV.G of the RES Procurement Plan, please further explain the Cost Evaluation Criteria. Please provide an illustrative example that would provide the basis for a contract and one which would provide a basis for rejection.

Response:

Please note that the Company will be filing amendments to its Revised RES plan to reflect changes in the recent statutory rules and obligations relative to long-term contracting for renewable energy.

With respect to the current version of the Revised RES plan, assuming that a project was considered viable under non-price evaluation criteria such as technical feasibility, permit acquisition and construction schedule, and financing plan, etc., a project that was lowest in cost relative to other proposals, and was also consistent with current and projected costs for bundled renewable energy, i.e., capacity, energy and REC's would be considered as a good candidate for a contract, if all other contract terms, aside from pricing, can be successfully negotiated. On the other hand, a viable project that was lowest in cost among the submitted projects, but was also significantly above current and projected renewable energy costs, would not be considered a candidate for recommendation to the Division and the Commission. In the evaluation, the comparisons would be year-by-year, and on the net present value of energy costs over the total contract length, and in 5-year contract segments to determine whether the pricing is front or back loaded.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Commission Data Request 3-9

Referencing Schedule MNM-2, p. 4, Part IV.L of the RES Procurement Plan, does this provision apply to long term contracts for RECs only?

Response:

No. A power purchase agreement (PPA) would not be required; however, it would be envisioned that a standard contract form would also be established if long term purchase of RECs became an established practice. Please note that the Company will be filing amendments to its Revised RES plan to reflect changes in the recent statutory rules and obligations relative to long-term contracting for renewable energy.

Prepared by or under the supervision of: Madison N. Milhous, Jr.

Division Data Request 1-1

Request:

Please describe in detail all instances of long-term procurement processes or plans for RECs or similar products conducted by National Grid, including but not limited to the jurisdiction, the amount of RECs sought, and copies of the procurement documents.

Response:

There are no instances of long-term procurement of RECs, or plans for such procurement for other National Grid electric distribution companies. Specifically, REC's for Massachusetts Electric Company and Granite State Electric are procured consistent with the current practice for Naragansett Electric Company, i.e., bundled with full requirements load following service, or acquired through separate solicitations, broker markets, or unsolicited proposals. The New York Renewable Portfolio Standard does not have a requirement that the load serving entities purchase RECs, but rather relies on centralized procurement by the New York Energy Research and Development Authority, supported through a retail electric distribution surcharge.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-2

Request:

National Grid estimates standard offer load in 2010 at 7,180,000 MWhs in table MNM-1 developed from the average SOS load in 2007 and 2008. Has National Grid used this method of estimating in other filings or states? Were there any load anomalies during these two years that might skew the average? How does this average compare to 2009 estimates and actual available data?

Response:

This specific method of estimating has not been used in other filings or states. National Grid used this average as an initial estimate, with the knowledge that there would be some customer migration with the end of the current Standard Offer contracts, which would offset load growth. This compares to a 2009 Standard Offer and Last Resort Service load forecast of 6,798,000 MWhs, based on a combination of actual loads reported to the ISO through May 31, 2009 and a forecast of load for the remaining months in 2009.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-3

Request:

The 2010 RES obligation is used as a proxy for the annual load obligations during the period 2010 through 2019. Has this estimating process been used in other filings or states? Using migration estimates from other states' experience, please provide an estimate of the annual RES obligations in the 2011-2019 period.

Response:

No, this estimating process has not been used in other states or filings because only in Rhode Island has the Company provided annual load obligations over a ten year period.

Utilizing the most recent Company forecast for Narragansett retail distribution sales (see response to Division Data Request 1-4), the current distribution between the Standard Offer/Last Resort Service customer load vs. competitive load and the migration data from Massachusetts Electric's default service customers after the end of Standard Offer on February 28, 2005, the following table is an updated estimate of the Company's RES obligations.

Year	RES Target Percentage New	RES Target Percentage Existing or New	Total RES Target Percentage	Standard Offer Load (MWhs)	Standard Offer Existing RES Obligation (RECs)	Standard Offer New RES Obligation (RECS)
2010	2.50%	2.00%	4.50%	6,445,000	128,900	290,000
2011	3.50%	2.00%	5.50%	5,650,000	113,000	310,800
2012	4.50%	2.00%	6.50%	5,567,000	111,300	361,900
2013	5.50%	2.00%	7.50%	5,509,000	110,200	413,200
2014	6.50%	2.00%	8.50%	5,446,000	108,900	462,900
2015	8.00%	2.00%	10.00%	5,405,000	108,100	540,500
2016	9.50%	2.00%	11.50%	5,397,000	107,900	620,700
2017	11.00%	2.00%	13.00%	5,424,000	108,500	705,100
2018	12.50%	2.00%	14.50%	5,448,000	109,000	790,000
2019	14.00%	2.00%	16.00%	5,470,000	109,400	875,200

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-4

Request:

Does National Grid prepare load forecasts for energy sales and requirement? If so, please provide National Grid's most recent long and / or short term load forecast.

Response:

National Grid annually develops a load forecast of retail distribution service load. The following table is the most recent forecast (in 1,000s of MWhs) for the period 2009 through 2019.

Year	Residential	Commercial	Industrial	Total
2009	2,991.5	3,660.5	952.5	7,604.4
2010	3,014.1	3,671.5	1,009.1	7,694.7
2011	3,056.0	3,824.8	1,022.9	7,903.6
2012	3,122.7	3,977.4	1,036.3	8,136.4
2013	3,180.9	4,088.0	1,044.2	8,313.1
2014	3,227.2	4,164.3	1,046.8	8,438.3
2015	3,268.7	4,234.6	1,048.9	8,552.2
2016	3,308.7	4,305.1	1,050.8	8,664.6
2017	3,349.7	4,377.8	1,052.8	8,780.2
2018	3,389.4	4,448.8	1,054.3	8,892.5
2019	3,429.0	4,519.1	1,055.4	9,003.5

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-5

Request:

Please indicate at what level of RES obligation would National Grid not enter into a long-term RES obligation? Would National Grid enter in long-term renewable contracts absent a RES obligation?

Response:

As indicated in the RES Plan, any procurement of RECs through long term contracts would be primarily directed toward the small customer class. The primary consideration in use of long term contracts would be cost effectiveness of the REC's and energy in comparison to the alternatives of short term purchases for RECs, and full requirements load following service, or a combination of contracts with conventional energy resources, and ISONE purchases in a managed portfolio. In addition, at no time would it be desirable for obligations under long term contracts to exceed the total new REC requirement for Standard Offer Service. An upper bound that might be considered is the projected requirements for the small customer class, plus 50% of the projected requirements for the large customer class.

Absent a RES obligation, long term contracts with renewable energy resources would be considered if competitive with all other supply options.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-6

Request:

Pg 6, line 8, states National Grid will initially link its purchase of NEPOOL-GIS Certificates with its purchase of SOS FRS load requirements rather than procuring a specified quantity of NEPOOL-GIS certificates. Please define the term "initially." To what time period does "initially" refer?

Response:

The reference referred to the sequence identified in the response to 1-1, and "initially" is synonymous with "first" in this case. REC's are first sought in solicitations for full requirements load following service. If the incremental prices for energy, including RECs, are not favorable compared to current market data, RECs are then acquired through separate solicitations, broker markets, or unsolicited proposals.

It is noted that in the recently concluded accelerated procurement of full requirements load following service for the Small Customer Group, RECs were not included.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-7

Request:

Please define the term "remaining" that is found on page 6, line 11.

Response:

Use of this modifier is confusing in this case, and National Grid will delete this word in corrections to the testimony.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-8

Request:

Please explain and estimate the "costs and other issues" with buying too many or too few RECs that is discussed on page 6, line 13.

Response:

National Grid tracks energy sales and REC purchases on an ongoing basis, with the goal of matching REC purchases exactly to annual requirements. To the extent that RECs are bundled with full requirements load following service, this balancing is inherent in the power purchases. Further, there is ample time to fulfill remaining requirements in the first half of the following year. In addition, any remaining new resource RECs from one compliance year may be used in the following year. Any remaining existing resource RECs may not be banked for use in a subsequent year and thus would result in incremental costs above that required to meet the RES obligation. The goal is to track the load and manage the procurement to match the obligation.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-9

Request:

Pg 6, line 15, states National Grid will solicit pricing for both SOS and RES obligations from SOS bidders and will then compare to National Grid's estimate of RES market prices. What is the process for developing estimates of market prices? How frequently are the estimates updated? What research and/or price analysis has National Grid performed? Please provide National Grid's most recent price forecast for RES market prices and the basis for it.

Response:

National Grid does not formally maintain a price forecast for RECs. In practice, REC prices received with responses to full requirements load following service requirements are compared to current and recent market prices. These prices may be available from recent solicitations for RECs in Massachusetts and Rhode Island, postings by brokers, or unsolicited offerings. National Grid's experience has been that typically new Rhode Island RECs trade at a slight premium to Massachusetts Class 1 RECs.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-10

Request:

On pg 7, line 10-12, National Grid states "If the purchase of such RECs would provide an economic benefit to the Company's customers, then the Company would agree to purchase the RECs." Please define the term "economic benefit." What analysis will National Grid use and provide to the Commission to show economic benefit or harm to the Company's customers?

Response:

The evaluation is a simple comparison to prices received in recent solicitations, and to current prices posted or offered by brokers. If the prices in the unsolicited offers are favorable, accounting in the comparison for broker transaction fees, a decision would be made to purchase the RECs, if it is also consistent with the ongoing projection of need.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-11

Request:

Please explain whether "prices consistent with the current markets" that is discussed on page 8, line 3, refers to long-term bid prices that are consistent with forecasted prices based on current market conditions, or long-term prices that are consistent with actual, current or historical market prices.

Response:

The phrase was intended to encompass both current actual prices and forecasted prices based on current market conditions. Taking both views in evaluation of proposals would be important to determine whether the pricing is "front" or "back-loaded." Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-12

Request:

Pg 8, line 17, National Grid states, "the plan will seek proposals for periods of five, ten and fifteen years." Why is National Grid seeking proposals for five years? Will National Grid propose that a five year contract be considered a long term contract?

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-13

Request:

Regarding the pricing description on page 9, has National Grid conducted research in other states/regions regarding pricing on long term contracts? If so, please provide any information that National Grid has obtained in conducting this research.

Response:

Based on available indications for projects in the Northeast and Middle Atlantic Region, prices that are fixed for the term of the contract, or that increase over the term of the contract by a fixed escalator or a general economic index, are typical for renewable energy projects. National Grid is familiar with three specific situations:

- The rulemaking for the long term contracting provisions of the Massachusetts Green Communities Act, and the ongoing development of a collaborative solicitation process by the Massachusetts utilities and the Department of Energy Resources.

- Solicitations by the New York Research and Development Authority, resulting in contracts with fixed prices for renewable attributes only; these resources receive NYISO market prices for capacity and energy.

- An RFP for renewable wind energy generation issued by Delmarva Power and Light Company in February 2008.

The RFP issued by the Connecticut Clean Energy Program contains seven relatively complex pricing options, none of which are currently being considered in Massachusetts. The program administered by the New Jersey Board of Public Utilities addresses incentives only.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-14

Request:

Pg 10, line 1-4, National Grid states it "will use the following considerations in evaluation of cost: (1) cost relative to competing renewable projects and (2) cost relative to current and projected market prices for capacity, energy and RECs." Please provide any research on existing renewable projects eligible to meet National Grid's "new" REC obligation and their associated costs that would form the basis of this evaluation. Please provide any research and analysis performed on current and projected market prices for capacity, energy and RECs.

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-15

Request:

To what does the word "this" on page 8, line 12 refer?

Response:

"This component" refers to the long-term procurement component of the RES plan. The other component is the current procurement process.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-16

Request:

Please describe how the figure of "95,000" on page 8 of the testimony was calculated.

Response:

The forecast for the small customer class from the Schedule MNM-1 is 3892 GWh. The 2010 obligation for new RECs is 2.5%. The total estimated RES requirement for this customer class is thus approximately 95,000 "new" RECs, to the nearest 5000 RECs.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-17

Request:

Please indicate when the rate mechanism mentioned on page 11, line 4, will be filed with the Commission.

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison Milhous

Division Data Request 1-18

Request:

Please explain "up to 20%" that is discussed on page 9. Provide the actual range or scale of numbers and the criteria to select a particular percentage.

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison Milhous

Division Data Request 1-19

Request:

Please explain whether submittal of an explicit inflator (as described on page 9) will be part of the bid requirements for the long-term REC procurement. Explain why the Company assumes that prices will increase over time. Explain whether bidders will be able to simply provide a stream of bid prices.

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-20

Request:

Will the Company consider long-term contracts with existing, in-service facilities in order to meet its "new" REC obligation? If so, please explain how this promotes development of additional renewable generating resources.

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-21

Request:

Please provide the prices that National Grid has paid (over the last three years) for "Existing" RECs and for "New" RECs.

Response:

Please see Attachment 1 for a summary of the prices and quantities National Grid has paid for both "Existing" RECs and for "New" RECs.

Prepared by or under the supervision of: John D. Warshaw

National Grid USA Distribution Companies
Narragansett Electric RES Certificate Purchases

[redacted]

Division Data Request 1-22

Request:

Will the Company consider long-term contracts for a portion of a renewable facility's output?

Response:

Please note that the Company will shortly be filing an amendment to its Revised RES plan to address the changes to rules and obligations arising out of the recently passed long- term contracting statute.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-23

Request:

Please indicate whether "qualification" as an ISO-NE resource (mentioned on page 5 of Schedule MNM-2), refers to the capacity market. If not, please define the term.

Response:

Yes. This reference is to the ISO-NE capacity market.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-24

Request:

Please indicate whether bidders can substitute system energy for energy produced by the renewable facility to meet contractual supply obligations and/or delivery to the Rhode Island zone.

Response:

No. National Grid contemplates that the solicitation would be for bundled renewable energy.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 1-25

Request:

National Grid has recently issued or proposed to issue RFPs for Full Requirements Service and Financial Swaps. Please explain how the schedules and activities for those RFPs will relate to or interact with the Renewable Energy Procurement Plan.

Response:

There is no direct interaction with the recent solicitations.

Prepared by or under the supervision of: Madison N. Milhous

Division Data Request 2-1

Request:

Please describe how the Company's procurement plan complies with the guideline of procuring a least cost energy supply as required under Section 39-1-27.7 of Rhode Island Law.

Response:

The procurement of Standard Offer Service is governed by the terms of R.I.G.L. §39-1-27.8, which indicates that the supply procurement plan or plans should be consistent with the purposes of least-cost procurement. The Standard Offer Procurement plan is designed to meet electric supply needs through a solicitation process designed to obtain supply that is cost-effective reliable, and prudent. The plan provides service for 2010 that can be easily implemented without complex rate design changes, and which also provides transitional pricing for existing SOS and LRS customers. It provides Small Customers with price stability from month to month and in the longer term. The Accelerated Procurement Plan portion of the filing was designed in consultation with the Division to secure a large portion of the supply required for 2010 at advantageous prices.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-2

Request:

Please provide the data found in the table on page 4 of Mr. Smithling's testimony for the years 2005, 2006, and 2007.

Response:

The following table provides a summary of actual wholesale loads prior to monthly meter adjustments and power purchase costs for the years 2005, 2006 & 2007. Power purchase costs do not include the costs of Renewable Energy Certificates.

2007	Total Load (MWhs)	Power Purchase Costs
Standard Offer Service	6,964,400	$ 541,114,654
Last Resort Service	202,437	$ 18,245,532
Competitive Supplier	1,195,464	
Rhode Island Total	**8,362,301**	**$ 559,360,187**
2006	**Total Load (MWhs)**	**Power Purchase Costs**
Standard Offer Service	6,874,215	$ 593,130,784
Last Resort Service	222,225	$ 22,030,122
Competitive Supplier	1,052,363	
Rhode Island Total	**8,148,803**	**$ 615,160,906**
2005	**Total Load (MWhs)**	**Power Purchase Costs**
Standard Offer Service	7,297,658	$ 496,140,226
Last Resort Service	215,902	$ 15,370,237
Competitive Supplier	930,992	
Rhode Island Total	**8,444,552**	**$ 511,510,463**

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-3

Request:

In reference to the rate classes listed on pp. 4-5 of Mr. Smithling's Testimony, please provide the following data by rate class for the last three years in electronic format (such as Excel):

a. Number of customers by month
b. Total annual usage
c. Coincident Peak monthly usage
d. Non-coincident (class-specific) peak monthly usage
e. Hourly usage of assumed load profiles

Response:

Page 1 of Attachment 1 to this request includes total annual kWh usage by rate class for 2006, 2007 and 2008. Number of customers by rate class and month, class coincident peak usage by month and class non-coincident peak usage by month are shown on pages 2 through 4 of Attachment 1. An excel spreadsheet containing this information is also included.

The Company is providing hourly class load profiles in electronic format only.

Prepared by or under the supervision of: Jeanne A. Lloyd

Narragansett Electric
Annual kWh Usage by Rate Class

Class	2006	2007	2008
A16	2,745,091,251	2,836,557,755	2,823,490,295
A60	237,074,514	227,829,672	191,498,118
B32	3,066,400	5,792,200	5,659,367
B62	136,705,600	141,900,800	143,815,927
C06	532,076,000	546,041,980	542,301,641
E30	1,638,576	1,691,056	1,611,773
E40	5,482,780	3,577,240	3,090,259
G02	1,390,945,672	1,410,395,713	1,383,206,237
G32	2,131,053,555	2,132,761,496	2,087,489,745
G62	435,195,466	459,012,885	437,613,249
M1	4,767,000	3,490,000	1,311,811
R02	4,578,720	4,578,720	4,321,938
S10	10,553,901	10,237,935	10,040,158
S14	57,888,043	57,017,515	59,213,224
T06	6,484,206	6,314,159	12,728,302
T08	6,266,727	6,196,590	528,281
T10	1,439,393	1,249,784	87,867
X01	22,021,200	25,009,200	25,611,410
Grand Total	7,732,329,004	7,879,654,700	7,733,619,602

Narragansett Electric Company
2006

Rate Class	Average Coincident kW (a)	Date of Company Peak (b)	Hour of Company Peak (c)	Average Class Peak kW (d)	Date of Class Peak (e)	Hour of Class Peak (f)	Number of Customers (g)	Class Coincident Peak (h)	Class Peak (i)
A16/A60	1.28	01/03/2006	18	1.39	01/15/2006	18	423,371	541,914.9	588,485.7
A16/A60	1.29	02/27/2006	19	1.40	02/12/2006	18	423,616	546,464.6	593,062.4
A16/A60	1.28	03/02/2006	19	1.28	03/02/2006	19	423,851	542,529.3	542,529.3
A16/A60	0.98	04/05/2006	20	1.07	04/04/2006	21	423,771	415,295.6	453,435.0
A16/A60	0.94	05/30/2006	16	1.14	05/30/2006	21	423,536	398,123.8	482,831.0
A16/A60	1.26	06/19/2006	15	1.42	06/19/2006	18	422,803	532,731.8	600,380.3
A16/A60	1.72	07/18/2006	15	2.06	07/18/2006	20	422,550	726,786.0	870,453.0
A16/A60	1.94	08/02/2006	15	2.08	08/01/2006	18	422,436	819,525.8	878,666.9
A16/A60	0.80	09/18/2006	15	1.22	09/24/2006	20	417,217	333,773.6	509,004.7
A16/A60	1.02	10/04/2006	20	1.18	10/29/2006	19	423,177	431,640.5	499,348.9
A16/A60	1.08	11/28/2006	18	1.19	11/19/2006	20	423,708	457,604.6	504,212.5
A16/A60	1.21	12/05/2006	18	1.38	12/31/2006	18	424,280	513,378.8	585,506.4
C06	1.68	01/03/2006	18	2.24	01/04/2006	11	45,266	76,046.9	101,395.8
C06	1.54	02/27/2006	19	2.35	02/27/2006	11	45,386	69,894.4	106,657.1
C06	1.47	03/02/2006	19	2.33	03/01/2006	11	45,492	66,873.2	105,996.4
C06	1.22	04/05/2006	20	2.00	04/05/2006	11	45,497	55,506.3	90,994.0
C06	2.65	05/30/2006	16	2.67	05/30/2006	15	45,523	120,636.0	121,546.4
C06	2.79	06/19/2006	15	2.96	06/20/2006	15	45,581	127,171.0	134,919.8
C06	3.50	07/18/2006	15	3.50	07/18/2006	15	45,559	159,456.5	159,456.5
C06	3.47	08/02/2006	15	3.56	08/02/2006	12	45,539	158,020.3	162,118.8
C06	2.38	09/18/2006	15	2.63	09/19/2006	15	45,158	107,476.0	118,765.5
C06	1.38	10/04/2006	20	2.44	10/04/2006	15	45,610	62,941.8	111,288.4
C06	1.67	11/28/2006	18	2.25	11/22/2006	12	45,729	76,367.4	102,890.3
C06	1.74	12/05/2006	18	2.28	12/08/2006	11	45,889	79,846.9	104,626.9
G02	21.74	01/03/2006	18	25.27	01/04/2006	12	8,573	186,377.0	216,639.7
G02	21.49	02/27/2006	19	25.24	02/28/2006	12	8,576	184,298.2	216,458.2
G02	21.21	03/02/2006	19	25.69	03/01/2006	11	8,569	181,748.5	220,137.6
G02	19.99	04/05/2006	20	24.42	04/05/2006	12	8,560	171,114.4	209,035.2
G02	31.58	05/30/2006	16	32.28	05/30/2006	15	8,550	270,009.0	275,994.0
G02	34.59	06/19/2006	15	34.78	06/19/2006	14	8,543	295,502.4	297,125.5
G02	36.22	07/18/2006	15	36.69	07/18/2006	14	8,533	309,065.3	313,075.8
G02	37.40	08/02/2006	15	37.72	08/02/2006	14	8,537	319,283.8	322,015.6
G02	29.58	09/18/2006	15	30.91	09/19/2006	15	8,551	252,938.6	264,311.4
G02	21.91	10/04/2006	20	28.26	10/04/2006	15	8,543	187,177.1	241,425.2
G02	22.61	11/28/2006	18	25.55	11/01/2006	12	8,524	192,727.6	217,788.2
G02	22.86	12/05/2006	18	25.96	12/08/2006	12	8,527	194,927.2	221,360.9
G32/B32	266.84	01/03/2006	18	320.10	01/17/2006	11	1,044	278,581.0	334,184.4
G32/B32	261.70	02/27/2006	19	313.92	02/27/2006	11	1,040	272,168.0	326,476.8
G32/B32	267.02	03/02/2006	19	326.83	03/01/2006	11	1,035	276,365.7	338,269.1
G32/B32	251.03	04/05/2006	20	315.08	04/05/2006	11	1,033	259,314.0	325,477.6
G32/B32	327.57	05/30/2006	16	348.27	05/30/2006	14	1,031	337,724.7	359,066.4
G32/B32	376.30	06/19/2006	15	385.15	06/19/2006	12	1,039	390,975.7	400,170.9
G32/B32	379.18	07/18/2006	15	384.38	07/18/2006	14	1,040	394,347.2	399,755.2
G32/B32	379.92	08/02/2006	15	391.45	08/03/2006	12	1,039	394,736.9	406,716.6
G32/B32	355.80	09/18/2006	15	361.40	09/19/2006	14	1,040	370,032.0	375,856.0
G32/B32	270.41	10/04/2006	20	345.23	10/04/2006	14	1,041	281,496.8	359,384.4
G32/B32	255.90	11/28/2006	18	312.61	11/16/2006	12	1,042	266,647.8	325,739.6
G32/B32	277.47	12/05/2006	18	322.17	12/05/2006	11	1,044	289,678.7	336,345.5
G62/B62	4719.36	01/03/2006	18	5375.92	01/26/2006	13	14	66,071.0	75,262.9
G62/B62	4893.69	02/27/2006	19	5660.92	02/02/2006	12	14	68,511.7	79,252.9
G62/B62	4890.59	03/02/2006	19	5486.27	03/08/2006	12	15	73,358.9	82,294.1
G62/B62	3638.75	04/05/2006	20	5476.43	04/18/2006	14	15	54,581.3	82,146.5
G62/B62	5256.02	05/30/2006	16	5556.94	05/30/2006	14	16	84,096.3	88,911.0
G62/B62	5287.10	06/19/2006	15	5625.93	06/27/2006	14	15	79,306.5	84,389.0
G62/B62	7489.07	07/18/2006	15	7545.04	07/18/2006	12	15	112,336.1	113,175.6
G62/B62	6021.56	08/02/2006	15	6291.79	08/02/2006	11	15	90,323.4	94,376.9
G62/B62	6009.25	09/18/2006	15	6145.06	09/19/2006	14	15	90,138.8	92,175.9
G62/B62	4821.18	10/04/2006	20	5793.48	10/04/2006	15	15	72,317.7	86,902.2
G62/B62	4873.32	11/28/2006	18	5538.78	11/16/2006	14	15	73,099.8	83,081.7
G62/B62	4730.45	12/05/2006	18	5471.12	12/06/2006	14	15	70,956.8	82,066.8
S10/S14	4.86	01/03/2006	18	4.86	01/03/2006	1	3,471	16,869.1	16,869.1
S10/S14	4.96	02/27/2006	19	4.96	02/01/2006	1	3,463	17,176.5	17,176.5
S10/S14	5.17	03/02/2006	19	5.17	03/01/2006	1	3,459	17,883.0	17,883.0
S10/S14	0.01	04/05/2006	20	4.98	04/01/2006	1	3,448	34.5	17,171.0
S10/S14	0.01	05/30/2006	16	4.74	05/01/2006	1	3,449	34.5	16,348.3
S10/S14	0.01	06/19/2006	15	5.54	06/01/2006	1	3,441	34.4	19,063.1
S10/S14	0.01	07/18/2006	15	4.97	07/01/2006	1	3,435	34.4	17,072.0
S10/S14	0.01	08/02/2006	15	4.16	08/01/2006	1	3,427	34.3	14,256.3
S10/S14	0.01	09/18/2006	15	4.94	09/01/2006	1	3,415	34.2	16,870.1
S10/S14	4.24	10/04/2006	20	4.24	10/01/2006	1	3,393	14,386.3	14,386.3
S10/S14	4.44	11/28/2006	18	4.44	11/01/2006	1	3,409	15,136.0	15,136.0
S10/S14	5.22	12/05/2006	18	5.22	12/01/2006	1	3,408	17,789.8	17,789.8

(a) from Meter Data Services load research analysis
(b) from Meter Data Services load research analysis
(c) from Meter Data Services load research analysis
(d) from Meter Data Services load research analysis
(e) from Meter Data Services load research analysis
(f) from Meter Data Services load research analysis
(g) from Company monthly revenue reports
(h) Col (a) x Col (g)
(i) Col (d) x Col (g)

Narragansett Electric Company
2007

Rate Class	Average Coincident kW (a)	Date of Company Peak (b)	Hour of Company Peak (c)	Average Class Peak kW (d)	Date of Class Peak (e)	Hour of Class Peak (f)	Number of Customers (g)	Class Coincident Peak (h)	Class Peak (i)
A16/A60	1.35	01/26/2007	19	1.45	01/21/2007	19	424,653	573,281.6	615,746.9
A16/A60	1.41	02/05/2007	19	1.42	02/05/2007	20	425,241	599,589.8	603,842.2
A16/A60	1.34	03/06/2007	19	1.34	03/06/2007	19	425,989	570,825.3	570,825.3
A16/A60	1.08	04/04/2007	20	1.11	04/16/2007	19	426,000	460,080.0	472,860.0
A16/A60	0.89	05/25/2007	15	1.18	05/25/2007	20	425,611	378,793.8	502,221.0
A16/A60	1.54	06/27/2007	15	1.71	06/27/2007	18	424,928	654,389.1	726,626.9
A16/A60	1.56	07/10/2007	16	1.72	07/30/2007	18	424,303	661,912.7	729,801.2
A16/A60	1.66	08/03/2007	15	1.98	08/04/2007	17	423,948	703,753.7	839,417.0
A16/A60	1.21	09/07/2007	16	1.47	09/08/2007	14	423,592	512,546.3	622,680.2
A16/A60	0.97	10/05/2007	15	1.15	10/06/2007	18	423,138	410,443.9	486,608.7
A16/A60	1.16	11/19/2007	18	1.31	11/18/2007	19	423,160	490,865.6	554,339.6
A16/A60	1.37	12/17/2007	18	1.38	12/16/2007	18	424,128	581,055.4	585,296.6
C06	1.73	01/26/2007	19	2.5	01/26/2007	12	46,043	79,654.4	115,107.5
C06	1.66	02/05/2007	19	2.42	02/06/2007	11	45,922	76,230.5	111,131.2
C06	1.81	03/06/2007	19	2.34	03/07/2007	10	46,214	83,647.3	108,140.8
C06	1.38	04/04/2007	20	2.28	04/04/2007	11	46,312	63,910.6	105,591.4
C06	2.78	05/25/2007	15	2.83	05/25/2007	16	46,352	128,858.6	131,176.2
C06	3.06	06/27/2007	15	3.16	06/27/2007	13	46,410	142,014.6	146,655.6
C06	3.04	07/10/2007	16	3.12	07/26/2007	15	46,402	141,062.1	144,774.2
C06	3.4	08/03/2007	15	3.4	08/03/2007	15	46,445	157,913.0	157,913.0
C06	2.82	09/07/2007	16	2.98	09/26/2007	15	46,496	131,118.7	138,558.1
C06	2.74	10/05/2007	15	2.77	10/04/2007	15	46,506	127,426.4	128,821.6
C06	1.59	11/19/2007	18	2.43	11/20/2007	11	46,699	74,251.4	113,478.6
C06	1.62	12/17/2007	18	2.29	12/13/2007	11	46,784	75,790.1	107,135.4
G02	23.72	01/26/2007	19	27.66	01/26/2007	12	8,544	202,663.7	236,327.0
G02	22.51	02/05/2007	19	26.49	02/05/2007	12	8,402	189,129.0	222,569.0
G02	23.18	03/06/2007	19	26.96	03/06/2007	11	8,541	197,980.4	230,265.4
G02	19.92	04/04/2007	20	26.11	04/24/2007	15	8,530	169,917.6	222,718.3
G02	33.07	05/25/2007	15	33.32	05/25/2007	14	8,530	282,087.1	284,219.6
G02	37.6	06/27/2007	15	37.6	06/27/2007	15	8,530	320,728.0	320,728.0
G02	34.24	07/10/2007	16	35.09	07/10/2007	15	8,535	292,238.4	299,493.2
G02	36.41	08/03/2007	15	36.93	08/02/2007	14	8,525	310,395.3	314,828.3
G02	31.51	09/07/2007	16	33.91	09/26/2007	14	8,529	268,748.8	289,218.4
G02	32.44	10/05/2007	15	32.74	10/04/2007	14	8,535	276,875.4	279,435.9
G02	21.73	11/19/2007	18	26.14	11/20/2007	12	8,547	185,726.3	223,418.6
G02	21.09	12/17/2007	18	24.83	12/04/2007	12	8,554	180,403.9	212,395.8
G32/B32	269.15	01/26/2007	19	319.75	01/26/2007	11	1,047	281,800.1	334,778.3
G32/B32	274.58	02/05/2007	19	324.59	02/06/2007	11	1,039	285,288.6	337,249.0
G32/B32	270.48	03/06/2007	19	318.08	03/06/2007	11	1,050	284,004.0	333,984.0
G32/B32	243.56	04/04/2007	20	312.36	04/24/2007	14	1,054	256,712.2	329,227.4
G32/B32	331.77	05/25/2007	15	344.37	05/10/2007	14	1,055	350,017.4	363,310.4
G32/B32	383.57	06/27/2007	15	390.25	06/27/2007	14	1,054	404,282.8	411,323.5
G32/B32	337.27	07/10/2007	16	354.39	07/10/2007	14	1,056	356,157.1	374,235.8
G32/B32	363.22	08/03/2007	15	380.81	08/02/2007	14	1,053	382,470.7	400,992.9
G32/B32	342.02	09/07/2007	16	380.5	09/26/2007	14	1,052	359,805.0	400,286.0
G32/B32	344.41	10/05/2007	15	361.92	10/04/2007	14	1,056	363,697.0	382,187.5
G32/B32	257.85	11/19/2007	18	309.26	11/01/2007	12	1,055	272,031.8	326,269.3
G32/B32	235.36	12/17/2007	18	272.99	12/06/2007	11	1,058	249,010.9	288,823.4
G62/B62	4741.19	01/26/2007	19	5514.89	01/26/2007	14	15	71,117.9	82,723.4
G62/B62	4891.61	02/05/2007	19	5699.77	02/06/2007	12	15	73,374.2	85,496.6
G62/B62	3948.47	03/06/2007	19	5614.48	03/09/2007	12	15	59,227.1	84,217.2
G62/B62	4486.9	04/04/2007	20	5434.64	04/03/2007	11	15	67,303.5	81,519.6
G62/B62	5460.51	05/25/2007	15	5614.93	05/10/2007	12	15	81,907.7	84,224.0
G62/B62	5746.33	06/27/2007	15	5961.8	06/27/2007	13	15	86,195.0	89,427.0
G62/B62	5734.58	07/10/2007	16	6307.57	07/11/2007	14	15	86,018.7	94,613.6
G62/B62	6278.03	08/03/2007	15	6611.93	08/08/2007	15	14	87,892.4	92,567.0
G62/B62	6100.92	09/07/2007	16	6452.21	09/26/2007	15	16	97,614.7	103,235.4
G62/B62	5937.53	10/05/2007	15	6260.72	10/04/2007	14	16	95,000.5	100,171.5
G62/B62	4484.68	11/19/2007	18	6061.94	11/13/2007	15	16	71,754.9	96,991.0
G62/B62	4214.6	12/17/2007	18	5082.81	12/10/2007	12	17	71,648.2	86,407.8
S10/S14	5.44	01/26/2007	19	5.44	01/02/2007	1	3,471	18,882.2	18,882.2
S10/S14	5.24	02/05/2007	19	5.24	02/01/2007	1	3,463	18,146.1	18,146.1
S10/S14	4.62	03/06/2007	19	4.62	03/01/2007	1	3,459	15,980.6	15,980.6
S10/S14	0.01	04/04/2007	20	5.16	04/01/2007	1	3,448	34.5	17,791.7
S10/S14	0.01	05/25/2007	15	4.82	05/01/2007	1	3,449	34.5	16,624.2
S10/S14	0.02	06/27/2007	15	5.69	06/01/2007	1	3,441	68.8	19,579.3
S10/S14	0.01	07/10/2007	16	5.09	07/01/2007	1	3,435	34.4	17,484.2
S10/S14	0.01	08/03/2007	15	2.88	08/01/2007	1	3,427	34.3	9,869.8
S10/S14	0.01	09/07/2007	16	5.05	09/01/2007	1	3,415	34.2	17,245.8
S10/S14	0.01	10/05/2007	15	4.3	10/01/2007	1	3,393	33.9	14,589.9
S10/S14	4.68	11/19/2007	18	4.68	11/01/2007	1	3,409	15,954.1	15,954.1
S10/S14	5.34	12/17/2007	18	5.34	12/01/2007	1	3,408	18,198.7	18,198.7

(a) from Meter Data Services load research analysis
(b) from Meter Data Services load research analysis
(c) from Meter Data Services load research analysis
(d) from Meter Data Services load research analysis
(e) from Meter Data Services load research analysis
(f) from Meter Data Services load research analysis
(g) from Company monthly revenue reports
(h) Col (a) x Col (g)
(i) Col (d) x Col (g)

Narragansett Electric Company
2008

Rate Class	Average Coincident kW (a)	Date of Company Peak (b)	Hour of Company Peak (c)	Average Class Peak kW (d)	Date of Class Peak (e)	Hour of Class Peak (f)	Number of Customers (g)	Class Coincident Peak (h)	Class Peak (i)
A16/A60	1.48	01/03/2008	19	1.48	01/03/2008	19	421,139	623,285.7	623,285.7
A16/A60	1.37	02/11/2008	19	1.39	02/11/2008	20	437,248	599,029.8	607,774.7
A16/A60	1.1	03/03/2008	19	1.2	03/02/2008	19	436,944	480,638.4	524,332.8
A16/A60	1.07	04/07/2008	20	1.14	04/06/2008	20	424,109	453,796.6	483,484.3
A16/A60	0.62	05/27/2008	15	1.04	05/03/2008	11	437,093	270,997.7	454,576.7
A16/A60	1.7	06/10/2008	15	1.87	06/09/2008	21	438,614	745,643.8	820,208.2
A16/A60	1.75	07/18/2008	16	1.94	07/19/2008	18	437,569	765,745.8	848,883.9
A16/A60	1.59	08/01/2008	16	1.68	08/01/2008	19	436,423	693,912.6	733,190.6
A16/A60	1.17	09/05/2008	15	1.45	09/06/2008	18	436,448	510,644.2	632,849.6
A16/A60	1.1	10/22/2008	19	1.2	10/19/2008	19	435,796	479,375.6	522,955.2
A16/A60	1.17	11/19/2008	18	1.34	11/30/2008	18	437,992	512,450.6	586,909.3
A16/A60	1.46	12/08/2008	18	1.59	12/19/2008	18	423,560	618,397.6	673,460.4
C06	1.82	01/03/2008	19	2.65	01/03/2008	12	44,762	81,466.8	118,619.3
C06	1.76	02/11/2008	19	2.67	02/11/2008	11	46,614	82,040.6	124,459.4
C06	1.42	03/03/2008	19	2.45	03/11/2008	11	46,558	66,112.4	114,067.1
C06	1.25	04/07/2008	20	2.36	04/03/2008	11	45,387	56,733.8	107,113.3
C06	2.15	05/27/2008	15	2.3	05/30/2008	12	46,675	100,351.3	107,352.5
C06	3.35	06/10/2008	15	3.35	06/10/2008	15	46,805	156,796.8	156,796.8
C06	3.11	07/18/2008	16	3.28	07/18/2008	12	46,833	145,650.6	153,612.2
C06	3.17	08/01/2008	16	3.27	08/01/2008	15	46,834	148,463.8	153,147.2
C06	3.22	09/05/2008	15	3.25	09/04/2008	15	46,643	150,190.5	151,589.8
C06	1.35	10/22/2008	19	2.35	10/30/2008	11	46,667	63,000.5	109,667.5
C06	1.76	11/19/2008	18	2.41	11/20/2008	11	46,970	82,667.2	113,197.7
C06	1.86	12/08/2008	18	2.48	12/23/2008	11	45,956	85,478.2	113,970.9
G02	24.03	01/03/2008	19	28.53	01/03/2008	12	8,348	200,602.4	238,168.4
G02	24.2	02/11/2008	19	30.24	02/11/2008	12	8,474	205,070.8	256,253.8
G02	21.34	03/03/2008	19	26.65	03/10/2008	12	8,518	181,774.1	227,004.7
G02	21.89	04/07/2008	20	30.33	04/23/2008	15	8,471	185,430.2	256,925.4
G02	26.57	05/27/2008	15	26.87	05/30/2008	14	8,501	225,871.6	228,421.9
G02	36.81	06/10/2008	15	37.08	06/10/2008	14	8,419	309,903.4	312,176.5
G02	34.26	07/18/2008	16	36.58	07/21/2008	14	8,517	291,792.4	311,551.9
G02	32.69	08/01/2008	16	33.97	08/18/2008	14	8,446	276,099.7	286,910.6
G02	33.68	09/05/2008	15	34.43	09/04/2008	15	8,329	280,520.7	286,767.5
G02	20.28	10/22/2008	19	26.85	10/01/2008	14	8,404	170,433.1	225,647.4
G02	22.18	11/19/2008	18	26.1	11/20/2008	11	8,491	188,330.4	221,615.1
G02	23.33	12/08/2008	18	27.37	12/09/2008	12	7,992	186,453.4	218,741.0
G32/B32	281.09	01/03/2008	19	330.62	01/22/2008	11	1,028	288,960.5	339,877.4
G32/B32	302.3	02/11/2008	19	356.56	02/11/2008	11	1,012	305,927.6	360,838.7
G32/B32	247.37	03/03/2008	19	303.64	03/11/2008	11	1,036	256,275.3	314,571.0
G32/B32	279.14	04/07/2008	20	376.68	04/23/2008	14	1,045	291,701.3	393,630.6
G32/B32	335.72	05/27/2008	15	340.76	05/27/2008	14	1,050	352,506.0	357,798.0
G32/B32	378.92	06/10/2008	15	389.48	06/10/2008	12	1,029	389,908.7	400,774.9
G32/B32	350.21	07/18/2008	16	382.74	07/21/2008	14	997	349,159.4	381,591.8
G32/B32	330.46	08/01/2008	16	357.58	08/19/2008	11	1,042	344,339.3	372,598.4
G32/B32	374.12	09/05/2008	15	386.26	09/04/2008	14	1,017	380,480.0	392,826.4
G32/B32	212.81	10/22/2008	19	279.29	10/01/2008	14	1,049	223,237.7	292,975.2
G32/B32	262.72	11/19/2008	18	305.32	11/06/2008	11	1,035	271,915.2	316,006.2
G32/B32	284.71	12/08/2008	18	329.73	12/09/2008	11	853	242,857.6	281,259.7
G62/B62	3596.24	01/03/2008	19	4713.97	01/29/2008	12	15	53,943.6	70,709.6
G62/B62	3746.24	02/11/2008	19	4595.1	02/20/2008	11	15	56,193.6	68,926.5
G62/B62	3418.23	03/03/2008	19	4206.91	03/25/2008	12	14	47,855.2	58,896.7
G62/B62	3606.02	04/07/2008	20	4871.2	04/23/2008	14	13	46,878.3	63,325.6
G62/B62	5217.98	05/27/2008	15	5358.78	05/07/2008	14	14	73,051.7	75,022.9
G62/B62	6774.97	06/10/2008	15	6843.91	06/10/2008	12	15	101,624.6	102,658.7
G62/B62	6186.8	07/18/2008	16	6511.96	07/21/2008	15	12	74,241.6	78,143.5
G62/B62	6280.43	08/01/2008	16	6548.14	08/01/2008	15	15	94,206.5	98,222.1
G62/B62	5825.25	09/05/2008	15	5848.67	09/05/2008	13	16	93,204.0	93,578.7
G62/B62	3981.25	10/22/2008	19	5249.15	10/01/2008	15	16	63,700.0	83,986.4
G62/B62	4702.23	11/19/2008	18	5385.28	11/05/2008	13	12	56,426.8	64,623.4
G62/B62	6144.38	12/08/2008	18	6867.73	12/08/2008	14	12	73,732.6	82,412.8
S10/S14	5.98	01/03/2008	19	5.98	01/02/2008	1	3,255	19,464.9	19,464.9
S10/S14	5.05	02/11/2008	19	5.05	02/01/2008	1	3,256	16,442.8	16,442.8
S10/S14	3.6	03/03/2008	19	3.6	03/01/2008	1	3,244	11,678.4	11,678.4
S10/S14	0.01	04/07/2008	20	5.22	04/01/2008	1	3,253	32.5	16,980.7
S10/S14	0.01	05/27/2008	15	3.89	05/01/2008	1	3,275	32.8	12,739.8
S10/S14	0.01	06/10/2008	15	4.29	06/01/2008	1	3,243	32.4	13,912.5
S10/S14	0.01	07/18/2008	16	4.54	07/01/2008	1	3,238	32.4	14,700.5
S10/S14	0.01	08/01/2008	16	3.52	08/01/2008	1	3,244	32.4	11,418.9
S10/S14	0.01	09/05/2008	15	3.93	09/02/2008	1	3,240	32.4	12,733.2
S10/S14	3.91	10/22/2008	19	3.91	10/01/2008	1	3,261	12,750.5	12,750.5
S10/S14	3.74	11/19/2008	18	3.74	11/01/2008	1	3,226	12,065.2	12,065.2
S10/S14	3.94	12/08/2008	18	3.94	12/01/2008	1	3,222	12,694.7	12,694.7

(a) from Meter Data Services load research analysis
(b) from Meter Data Services load research analysis
(c) from Meter Data Services load research analysis
(d) from Meter Data Services load research analysis
(e) from Meter Data Services load research analysis
(f) from Meter Data Services load research analysis
(g) from Company monthly revenue reports
(h) Col (a) x Col (g)
(i) Col (d) x Col (g)

Division Data Request 2-4

Request:

Does National Grid prepare any forecast of the items listed in question 2 above for the year 2010? If so, please provide those forecasts and the supporting basis for them.

Response:

National Grid Energy Supply has not prepared a wholesale supply forecast for 2010 for use in the SO filing.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-5

Request:

Please indicate components of "the transition to a managed portfolio approach" (p. 5 of Mr. Smithling's testimony), other than the APP. Indicated milestones and dates when milestones will be met.

Response:

The components of the plan to transition to a managed portfolio approach for the Small Customer group, as described in Mr. Smithling's testimony, include a combination of the procurement of full requirements load following contracts and fixed price financial swaps. The transition to a managed portfolio approach would begin with the procurement of the 50% balance of the October 2010 supply, which would be layered in over time, starting in October 2009. The Company intends to review its supply procurement regularly with the Division, particularly on the procurement that would extend into calendar year 2011.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-6

Request:

Please provide a target date or a schedule for implementation of a managed portfolio approach.

Response:

The Company has proposed the Standard Offer Service ("SOS") procurement plan for calendar year 2010 as a transition to a managed portfolio. The SOS procurement plan for calendar year 2011, scheduled to be filed March 1, 2010 will include the Company's proposals and timeline for a full managed portfolio.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-7

Request:

Please describe any instances of managed portfolio approaches for electric power being utilized in any of National Grid's service territories.

Response:

Currently, National Grid manages the electric supply portfolio for its New York affiliate, Niagara Mohawk Power Corporation. National Grid performs all the physical responsibilities of interacting with the NYISO, for energy, capacity and ancillary services. This allows the Company to manage the volatility of the portfolio by use of physical generation contracts with nuclear plants, hydros and cogeneration facilities. In addition, National Grid executes financial contracts to increase the amount of hedging performed, including financial swaps with marketers and NYMEX electric futures.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-8

Request:

Please explain why and how National Grid established two procurement groups (i.e., Large C/I and Small C/I/Residential). Did National Grid ever consider using any different segmentation or disaggregation of its customers for the purposes of SOS power supplies? If so, please provide, and explain why National Grid decided not to use the alternative approaches. Also explain any differences between the procurement groups proposed for Rhode Island and those used by National Grid in other states, such as Massachusetts or New York.

Response:

In developing its recommendation to offer to supply groups for standard offer service, the Company relied on its experience in other jurisdictions in which it provides commodity service to its customers. In New Hampshire, the Company provides default service to two customer groups – large (commercial and industrial customers with demands in excess of 10kW) and small (residential and small commercial). In Massachusetts, the Company provides default service to three customer groups – residential, commercial and industrial (commercial and industrial customers with demands in excess of 10kW). In New York, the Company offers Market Rate Service to commercial and industrial customers with demands in excess of 100 kW and Standard Rate Service to all other customers. As a result of its experience is serving these customers, the Company believes that customers in Rhode Island would best be served by two distinct customer groups. The large customer group is made up of customer rate classes that are more inclined to take service from a competitive supplier than customers in the small customer group. Thus, suppliers of the two groups would be able to factor in migration risks appropriately when bidding to supply service to the two distinct groups.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-9

Request:

Did National Grid consider any products, other than full requirements load following service or financial swaps, to use in the procurement of SOS power supplies for the Large C&I procurement group? If so, please describe those products that were considered and explain why the Company chose to procure SOS power supplies via full requirements service instead of those other products.

Response:

In addition to the proposal for procuring SOS supply for the Large Customer Group, the Company also considered procuring power supply for this customer group directly from ISO-NE through spot market purchases. Customers would have been charged hourly prices based on the ISO Day Ahead market prices. However, the Company elected to use three month load following contracts as the supply method because these short duration contracts provide a sense of the current market prices to customers without subjecting them to volatile hourly pricing. Customers who prefer to receive hourly pricing service can obtain this service from a competitive supplier.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-10

Request:

Please provide the specific legislative reference to the "statutory requirements" listed on pages 7-8 or Mr. Smithling's testimony.

Response:

This reference was intended to describe ways in which the Company's procurement plan was cost effective, reliable and prudent and thus consistent with the purposes of least cost procurement.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-11

Request:

Did National Grid consider fixed rate periods other than the six month proposed in the Company's filing? If so, please explain why six months was selected.

Response:

National Grid has proposed a six month fixed rate period for the small customer group to strike a balance between providing price stability for customers versus sending appropriate market pricing signals. Shorter pricing periods, such as one or three month periods would allow rates to be closer to market but would expose small customers to price volatility. Longer pricing periods would provide more price stability, but could result in prices that vary significantly from market prices and could result in over or under collection of costs.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-12

Request:

Please indicate whether there have been any changes to legislation that might impact the procurement of standard offer service since the Commission order in Docket No. 3605 that is discussed on p. 9 of Mr. Smithling's testimony.

Response:

The order in Docket No. 3605 (17903) was issued July 12, 2004. Other than RIGL §39-1-27.8 and possibly the recently enacted RIGL §39-26.1-1 , the Company is not aware of any changes to legislation since the date of the Docket 3605 order that would be expected to impact the procurement of standard offer service.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-13

Request:

Please indicate whether the recent deterioration in general credit conditions and the conditions of potential bidders has affected the amount of security that will be required from bidders as described on pp. 17-18 of Mr. Smithling's testimony.

Response:

National Grid has a comprehensive credit policy, which includes a daily mark-to-market (MTM) program for margining that protects customers if a supplier fails to perform. As compared to past security requirements, this margining method results in less security posted up front, and thus reduces the imbedded supplier credit costs to National Grid's customers, while still adequately providing for any potential replacement costs.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-14

Request:

Please provide examples of the expected "lessons learned" as discussed on page 18 of Mr. Smithling's testimony.

Response:

The current procurement process used by National Grid is the product of experience incurred over the last ten years in power supply procurements conducted in Rhode Island, Massachusetts, New Hampshire and New York. Examples of improvements National Grid has implemented over the past ten years include: mark-to-market credit calculation to reduce initial security requirements on suppliers, shift from individual power purchase agreements to master power agreements to simplify contract negotiations, independent review of bids to verify accuracy of bid analysis, and posting of RFPs on Electric Supply web site to allow suppliers easy access to RFP information and data. National Grid expects to implement additional changes as they are identified.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-15

Request:

Please explain whether residential customers will be subject to the billing adjustments described for Small Customers on page 7 of Ms. Lloyd's testimony. If possible, please provide an example of how these adjustments will be calculated.

Response:

Yes, the Company is proposing that all customers included in the Small Customer Group would be subject to the billing adjustment. An example of the calculation of this adjustment is shown on Attachment 1. The example assumes that the Standard Offer customer leaves Standard Offer Service prior to the billing month of July during the April through September pricing period.

Prepared by or under the supervision of: Jeanne A. Lloyd

Example Calculation of Proposed Standard Offer Billing Adjustment For Small Customers Leaving Standard Offer

Billing Month	Illustrative Supply Prices (a)	Illustrative Fixed Rate (b)	kWh (c)	Billing on Monthly Supply Price (d)	Billing on Fixed Rate (e)	Billing Adjustment (f)
April	$0 08800	$0 09500	500	$44 00	$47 50	-$3 50
May	$0 09400	$0 09500	650	$61 10	$61 75	-$0 65
June	$0 09600	$0 09500	700	$67 20	$66 50	$0 70
		Total Standard Offer Billing		$172 30	$175 75	-$3 45

(a) Illustrative monthly Standard Offer expense including monthly load following contract prices, plus costs or offsets of hedging instruments
(b) Illustrative fixed Standard Offer based on expected weighted average monthly Standard Offer expense calculated prior to beginning of pricing period Example assumes prices for July through September are $0 09800, $0 10000, and $0 09700 per kWh, respectively
(c) Illustrative Standard Offer customer monthly kwh deliveries
(d) Column (a) x Column (c)
(e) Column (b) x Column (c)
(f) Column (d) - Column (e)

Division Data Request 2-16

Request:

Please indicate whether the Standard Offer Adjustment Provision (described beginning on p. 7 of Ms. Lloyd's testimony) applies to all customers, including those customers that migrate to competitive suppliers. Provide the level and calculation of this adjustment for the last 3 years by rate class.

Response:

The current Standard Offer Adjustment Provision, R.I.P.U.C. No. 2002, states that the Commission may order the Company to collect or refund the Standard Offer reconciliation balance over any reasonable time period from (i) all customers, (ii) only Standard Offer and/or Last Resort Service customers, or (iii) through any other reasonable method. The Company is not proposing any specific changes to the language of the current provision in this proceeding, therefore, the Commission will have the option in each annual reconciliation to determine whether the over or under collection of costs will be refunded to or collected from all retail delivery customers or Standard Offer only customers.

The Standard Offer over collections for the last three years are shown on Attachment 1, Column (a) for each year indicated. Column (b) contains the forecasted kWhs during the refund period and Column (c) is the per kWh charge/credit calculated as Column (a) divided by Column (b). Rate class forecasted kWhs during the refund period are shown in Columns (d) and (e) and Columns (f) and (g) show the reconciliation balance allocated to each class, calculated as Column (c) multiplied by Columns (d) and (e), respectively. Columns (h) and (i) contain the actual Standard Offer kWhs deliveries by class during the refund period for 2007 and 2008. Column (j), (k) and (l) show the actual amount of the SO over collection refunded to each class, and in total. Amounts under or over refunded in each year were carried forward to the subsequent year's reconciliation.

Prepared by or under the supervision of: Jeanne A. Lloyd

Standard Offer Reconciliation Balance by Rate Class

Reconciliation Period	Reconciliation Over Recovery (a)	Forecasted kWhs (b)	Per Unit Refund Factor (per kWh) (c)	Forecasted Small Cust kWhs (d)	Forecasted Large Cust kWhs (e)	Small Cust Refund Amount (f)	Large Cust Refund Amount (g)	Actual Small Cust kWhs (h)	Actual Large Cust kWhs (i)	Actual Small Cust Refund Amount (j)	Actual Large Cust Refund Amount (k)	Actual Total Amount Refunded (l)
October 2007 through September 2008	$22,487,122	6,620,836,596	$0 00339	3,118,486,141	3,502,350,454	$10,571,668	$11,872,968					
October 2006 through September 2007	$42,042,142	6,565,622,418	$0 00640	3,076,467,867	3,489,154,551	$19,689,394	$22,330,589	3,551,523,760	2,855,786,551	$22,729,752	$18,277,034	$41,006,786
October 2005 through September 2006	$18,341,722	6,927,973,290	$0 00264	3,235,787,225	3,692,186,065	$8,542,478	$9,747,371	3,601,919,000	2,940,839,000	$9,509,066	$7,763,815	$17,272,881

(a) from RIPCU Docket Nos 4011, 3902 and 3788
(b) Company forecast
(c) Column (a) ÷ Column (b)
(d) Company forecast
(e) Company forecast
(f) Column (c) x Column (d)
(g) Column (c) x Column (e)
(h) from Standard Offer Revenue Reports
(i) from Standard Offer Revenue Reports
(j) Column (c) x Column (h)
(k) Column (c) x Column (i)
(l) Column (j) + Column (k)

Division Data Request 2-17

Request:

Please describe in detail how National Grid will determine whether or not to enter into long-term contracts for SOS power supplies. List all quantitative and qualitative factors that National Grid will consider in making this decision.

Response:

The Company is not considering entering into long term contracts for the supply of Standard Offer Service as part of its procurement plan for 2010.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-18

Request:

Has National Grid performed any analyses of the impact of long-term (i.e., from three to twenty years) power contracts on National Grid? If so, please provide such analyses.

Response:

The Company has not performed any analyses of the impact of long term power contracts on National Grid.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-19

Request:

Will the Company ever consider deferring a scheduled solicitation if market conditions are adverse or warrant not purchasing at that time? If so, please explain how the Company will decide whether to defer a solicitation and what information it will use. If not, please explain why not.

Response:

The Company would consider deferring a scheduled solicitation if short term market conditions were adverse. The Company's proposed schedule of solicitations would include some extra time within it to allow for a possible deferral of a solicitation. Before determining whether or not to defer a solicitation, the Company would assess its ability to provide an uninterrupted power supply to customers based on its expectation of the length of the market disruption.

Prepared by or under the supervision of: Alan P. Smithling

Division Data Request 2-20

Request:

Did National Grid consider caps or limits on the amount or share of SOS power that one provider can provide? If so, please describe in detail.

Response:

National Grid's comprehensive credit policy is designed to protect customers from potential disruption in supply due to supplier default. The policy limits the exposure to any one supplier, thus caps or limits on the amount or share of SOS power that one supplier can provide is not necessary.

Prepared by or under the supervision of: Alan P. Smithling