

**KEOUGH & SWEENEY, LTD.**

ATTORNEYS AND COUNSELORS AT LAW

100 ARMISTICE BOULEVARD

PAWTUCKET, RHODE ISLAND 02860

JOSEPH A. KEOUGH JR.\*  
JEROME V. SWEENEY III\*

SEAN P. KEOUGH\*  
MARGARET HOGAN SWEENEY\*

JEROME V. SWEENEY II  
OF COUNSEL

TELEPHONE

(401) 724-3600

FACSIMILE

(401) 724-9909

www.keoughsweeney.com

BOSTON OFFICE:

171 MILK STREET

SUITE 30

BOSTON, MA 02109

TEL. (617) 574-0054

FAX (617) 451-1914

\*ADMITTED TO PRACTICE IN  
RHODE ISLAND & MASSACHUSETTS

February 3, 2010

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

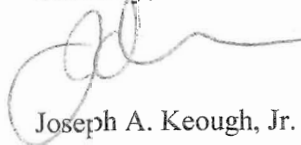
**Re: *Review of Proposed Town of New Shoreham  
Project, Pursuant to R.I.G.L. § 39-26.1-7  
Docket No. 4111***

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of Deepwater Wind Block Island, LLC's response to the Public Utilities Commission's Fifth Set of Data Requests. Please note that an electronic copy has been sent to the Service List.

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

JAK/kf  
Enclosure

CC: Service List (via electronic mail)

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-1:** Please update Deepwater's response to Commission 4-1 to provide the "status of obtaining such controls/rights" for those which were not provided (Upland Cable Right-of-Way and Substation Locations).

**Response:** A number of alternatives for interconnection have been reviewed with National Grid and the necessary rights of way have been taken into consideration in reviewing those alternatives. The applicable rights of way are primarily controlled by the State of Rhode Island and local municipalities. As such, Deepwater Wind has had discussions with State agencies such as the Rhode Island Department of Transportation and the Rhode Island Department of Environmental Management, as well as the necessary municipalities regarding the rights of way. While securing the necessary rights of way and site control for the upland cable and substations will not be completed until after the transmission cable arrangement has been finalized with National Grid and approved by the PUC, it does not appear that this issue will pose a significant obstacle to the project.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-2:** With regard to Commission 4-5, please provide estimated range of time that the impact would be on the Project timeline if an EIS is required.

**Response:** The determination of whether NEPA compliance will require an EA or an EIS has not yet been determined by the lead NEPA agency. Assuming, arguendo, that an EIS will be required, the impact on the Project timeline of an EIS will be determined by the scope of review required by the lead NEPA agency. As such, it is difficult to forecast the actual impact. However, it is not unusual for an EIS process to take 18 to 36 months, or, in some cases, even longer. In such an event, it is possible that the Block Island Wind Farm would not qualify for Federal incentives under current law.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-3:** With regard to Commission 4-8:

- a. Why is it reasonable to assume that vendors will hire from the RI labor force when Deepwater states, "there are no undersea cable, offshore wind turbine, or substation vendors based in Rhode Island, or that currently have manufacturing facilities in Rhode Island."?
- b. Would it not be just as reasonable to assume the vendors will bring in their own workforce that is already trained in such activities?

**Response:** With respect to the Block Island Wind Farm, Deepwater Wind is exploring a jacket manufacturing method that would require local labor to be used at Quonset to assemble prefabricated steel components into the jackets to be installed at the site.

Deepwater Wind does not expect suppliers of principal components to the Block Island Wind Farm to establish manufacturing facilities in Rhode Island or to hire from the RI labor force simply to supply the Block Island Wind Farm Project. Given the size of the Project, it would not be cost efficient for them to contemplate doing so. Instead, these components will be manufactured and shipped to Rhode Island.

As almost all offshore wind farms built to date have been built in Europe, the existing supply chain has been developed to serve that market. Deepwater Wind has worked with the State of Rhode Island to position the State to take advantage of opportunities that will exist in the event there is a significant buildout of the offshore wind industry in the Northeast United States, such that vendors will locate manufacturing facilities domestically in the U.S.

In such a case, we do not expect that vendors would move their workforces from Europe to the United States due to quotas imposed by Federal immigration policy, the reluctance of such workers to relocate and integrate their families into new communities, and relocation costs. In addition, current projected manufacturing capacity for offshore wind components appears to be relatively tight, so there is little anticipated slack or idle labor. In other words, existing workers will need to stay where they are to meet European demand.

As has been the case with foreign auto manufacturers in other parts of the country, we believe that foreign component vendors are likely to train and employ a domestic labor force.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-4:** In Commission 4-8, Deepwater states that it “has made a number of job creation commitments that are detailed in Section VIII of [the JDA].”

- a. Please cite each provision in the JDA that contains a commitment to job creation and for each of these job creation commitments.
  
- b. Please indicate what legally binding commitment Deepwater had made to the State regarding job creation and the associated penalty if the requisite number of new jobs are not created.

**Response:**

a. Deepwater Wind committed to use commercially reasonable efforts to undertake the economic development activities contained in Section VIII of the JDA. The three major components of the job creation commitments are:

- (1) Corporate Manufacturing Headquarters;
- (2) Regional Development Headquarters; and
- (3) Other Rhode Island Operations.

Each of these components is described in more detail in Section VIII of the JDA.

The JDA embodies the partnership between the State of Rhode Island and Deepwater Wind to attempt, among other things, to establish Rhode Island as the hub of an entirely new industry in North America. In agreeing to the JDA, the State of Rhode Island and Deepwater Wind acknowledged that taking a leading role in the offshore wind power industry is a significant economic development opportunity for the state and its citizens. As Deepwater Wind has previously explained, the Block Island Wind Farm is a critical element in Rhode Island gaining “first mover” advantage in this new industry. Deepwater Wind believes that the importance of this “first mover” advantage was explicitly acknowledged and confirmed by the legislative and executive branches of state government with the passage in 2009 of the Long-Term Contracting for Renewable Energy Act with a specific provision calling for a 30MW offshore wind power project to be solicited in the summer of 2009.

b. Please refer to the response to Comm. 5-4.a, which is incorporated herein by reference. Further, Section XI of the JDA relates to “Term, Termination for Breach.”

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-5:** Please define “local labor” as used in the JDA.

**Response:** The JDA does not define the term “local labor.” Deepwater Wind has developed a productive working relationship with organized labor and trade organizations in Rhode Island. Deepwater Wind intends to work with those organizations, Deepwater Wind’s contractors and vendors, and the State of Rhode Island to staff Deepwater Wind’s operations in Rhode Island. To that end, Deepwater Wind supported organized labor’s successful efforts to secure a \$3.7 million grant from the United States Department of Labor for workforce training to support the green economy.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-6:** Does the JDA require Deepwater and its vendors to hire workers currently residing in Rhode Island or does the JDA simply require the vendors to locate its workers in Rhode Island for the duration of the work?

**Response:** The JDA does not specify the places of residence of the labor force to be used in Deepwater Wind's activities in Rhode Island. In addition to being somewhat impractical (it was impossible to say, in 2008, whether a project to be built many years later would require workers with skills that are not available in Rhode Island), it is not clear to Deepwater Wind whether such a restriction would be advisable or legally enforceable. However, as noted in the response to Comm. 5-5, Deepwater Wind has been actively working with organized labor and trade organizations in Rhode Island.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-7:** Please provide a copy of any documentation that requires vendors being reviewed by Noble Denton to hire local labor.

**Response:** No such documentation exists.

Response by: William Moore



**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-8:** What is the minimum number of new jobs that Deepwater must create in order to avoid breach of contract with the State under the JDA.

**Response:** Failure to create a minimum number of jobs is not a breach of the JDA. As noted in the response to Comm. 5-4 a., discussed above, the JDA embodies a joint effort by the State of Rhode Island and Deepwater Wind to kick start a new industry in Rhode Island. Unlike opening a new manufacturing plant in the State, or relocating jobs from another state to Rhode Island, it is, by definition, impossible to guarantee results in pioneering a new industry. However, Deepwater Wind selected Rhode Island for its impressive ocean resource, attractive port facilities and rich maritime history. Building this industry will be a joint effort involving many stakeholders, and Deepwater Wind has confidence that Rhode Islanders will rise to meet the challenge.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-9:** With regard to Deepwater's response to DIV 1-1:

- a. Please identify each job titled included in the estimate of "35-50 direct local construction period jobs."
- b. Please provide the expected number of jobs in each of the job titles identified in (a.) above.
- c. Please identify the salary associated with each job title identified in (a.) above.
- d. Please provide the skill set required for each job title identified in (a.) above.
- e. Please provide the experience necessary to qualify for each position included in (a.) above.
- f. For each of the 35 to 50 jobs, please identify the expected duration of each position in months.

**Response:** The numbers provided in Deepwater Wind's response to DIV 1-1 were estimates based on the expected number of man-hours involved in the construction process, which were in turn based on past experience of Deepwater Wind's project manager, which has supervised the construction of offshore wind projects in Europe. Deepwater Wind has not established specific labor requirements, which will depend on the construction plan, which in turn will depend on engineering requirements and the installation methodology. These factors will not be finalized until a turbine has been selected and the jacket design (which will vary depending on the turbine choice) has been completed. Deepwater Wind does not anticipate selecting a turbine until after the PPA has been approved.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-10:** With regard to Deepwater's response to DIV 1-1:

- a. Please identify each job title included in the estimate of "6 permanent full time equivalent jobs".
- b. Please provide the expected number of jobs in each of the job titles identified in (a.) above.
- c. Please identify the salary associated with each job title identified in (a.) above.
- d. Please provide the skill set required for each job title identified in (a.) above.
- e. Please provide the experience necessary to qualify for each position included in (a.) above.

**Response:** Deepwater Wind currently has two full time employees located in Rhode Island. The reference to 6 full time positions is an estimate of the number of jobs that will be required to operate the Block Island Wind Farm. Job titles, salary, specific skill sets and experience have not been determined.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-11:** With regard to Deepwater's response to DIV 1-1:

- a. How many additional jobs can be expected if assembly operations for the 8 turbine project are performed in Quonset?
- b. Please identify each job title included in (a.) above.
- c. Please provide the expected number of jobs in each of the job titles identified in (b.) above.
- d. Please identify the salary associated with each job title identified in (b.) above.
- e. Please provide the skill set required for each job title identified in (b.) above.
- f. Please provide the experience necessary to qualify for each position included in (b.) above.
- g. For each of the jobs identified in (a.) above, please identify the expected duration of each position in months.

**Response:** Please see the response to Commission 5-9, which is incorporated herein by reference. Deepwater Wind has not estimated the number of additional jobs that would be created if jacket assembly operations for the Block Island Wind Farm are performed at Quonset. Deepwater Wind continues to explore this option.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-12:** With reference to Commission 4-9:

- a. Please provide all invoices from the Town of New Shoreham, its consultants, or legal counsel that have been paid by Deepwater to date.
- b. Please provide the amount budgeted by Deepwater to meet those fees.
- c. If possible, for costs related to Commission docket(s), please provide the docket number to which the cost is related.

**Response:** There are no such invoices paid to date. Deepwater Wind has not established a budget or cap for these expenses.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-13:** With reference to Commission 4-10, please outline the “understanding” that has been agreed upon by both parties.

**Response:** No further details have been discussed or agreed to other than Deepwater Wind’s willingness to pay the costs of the Town of New Shoreham, so as not to impose any fiscal burden on the Town as a result of its participation in this docket.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-14:** With reference to Commission 4-18, please reconcile Deepwater's response with Section I.U of the JDA and Section VII.C.2.

**Response:** Deepwater Wind does not believe that its response to Comm. 4-18 is in conflict with JDA Sections I.U and VII.C.2. Deepwater Wind's response to Comm. 4-18 sets forth reasons why interconnecting the utility-scale project to the electric distribution system on Block Island is a suboptimal alternative.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-15:** Both NGrid and Deepwater describe the Block Island Project as a “demonstration project”. In light of that description, please specify the operational or other outcomes that the project must demonstrate in order for Deepwater to proceed with the utility scale project. In responding to this question, provide the associated time frames that are expected to be necessary for drawing any such conclusions.

**Response:** Deepwater Wind supports the approach taken by the General Assembly and Governor to develop the offshore wind industry in Rhode Island. The Long-Term Contracting for Renewable Energy Act of 2009 explicitly requires a solicitation of a demonstration-scale offshore wind farm of no more than 30MW in nameplate capacity. That law also calls for a process that may lead to a utility-scale offshore wind farm in the years following the smaller-scale project. The JDA between the State and Deepwater Wind also contemplates a demonstration-scale project and a utility-scale project, with the demonstration-scale project preceding the larger.

Deepwater Wind has not established specific metrics that would - on a binary basis - dictate whether or not to proceed with the utility scale project. The decision to develop the larger project is a multifactored analysis. For example, if certain anticipated cost savings are not realized, that could be offset by cost savings in other areas, a reduction in the cost of borrowing, a sudden increase in the supply (and therefore a drop in the price of) necessary equipment or vessels, or other factors.

Response by: William Moore



**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-16:** For each of the Milestones set forth in Section VII of the JDA that have dates on or before April 1, 2010 which have not been met or which will be missed, have Deepwater and the State negotiated new milestones? If so, what are they? If not, is Deepwater in breach of the JDA?

**Response:** The parties to the JDA have agreed that the following milestone events related to economic development activities have been achieved: JDA Section IX.A.1 (location of Regional Development Headquarters) and JDA Section IX.A.2 (execution of the lease option for land and facilities at the Quonset Business Park and payment of the option price for such lease option).

The parties to the JDA have agreed to delay the following milestone events to the following delayed milestone dates: JDA Section VII.A.2 has been delayed to January 31, 2010 and JDA Section VII.A.8 has been delayed to October 31, 2009.

Further, the JDA expressly authorizes automatic extensions of milestone dates (JDA Section VII.B).

The JDA also provides a mechanism whereby the parties may assess progress toward meeting milestone dates and may delay milestone dates (JDA Section VII.C). The parties to the JDA have consulted with each other regarding the milestone events and dates related to JDA Sections VII.A.1, 2, 4, and 8. These milestone events and dates are all subject to automatic extension under JDA Section VII.B.

Although I am not an attorney and cannot render a legal opinion, it is my belief that Deepwater Wind is not in breach of the JDA.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-17:** Please identify the components of the wind turbines, the size of each component and the costs of each. What is the potential energy captured based on this size?

**Response:** Each wind turbine is sold as a single unit. Therefore, individual components and parts are not priced individually. Deepwater Wind is still in the process of finalizing its turbine selection, and the rated nameplate generating capacity of the turbine will depend on the turbine ultimately chosen.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-18:** Please identify the components all equipment necessary to install the transmission cable, the size of each component and the cost of each component.

**Response:** Each point to point transmission cable is a contiguous cable. Individual point to point cable costs have not been determined. Deepwater Wind is soliciting bids from cable vendors and has not selected a cable vendor or negotiated pricing.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-19:** What process has been established to construct, assemble and install at both Quonset and on the site of the wind farm?

- a. Please identify each component that will be constructed and/or assembled in Rhode Island.
- b. Please identify each component that will be constructed and/or assembled outside of Rhode Island.
- c. Testimony was provided that

**Response:** With respect to Comm. 5-19 a and b, please see the response to Comm. 5-9, which is incorporated herein by reference. With respect to Comm. 5-19 c., it is Deepwater Wind's understanding that no response is required at this time.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-20:** Deepwater response to Commission 4-16 states “Typically, monopoles have been restricted to waters of no more than 75 feet in depth.” Is Deepwater aware of any installations of monopoles in depths greater than 75 feet? Is DWW aware of any installations of monopoles in depths of 150 feet?

**Response:** Deepwater Wind’s response referenced what is generally accepted in the offshore wind industry as the typical water depth for which monopile foundations are suitable. For any specific site the most economic and practical foundation solution will depend on site specific conditions (ground conditions, waves regime, metocean conditions, and water depth) and available technology (turbine type and size, construction equipment and local fabrication capability).

According to Noble Denton, Deepwater Wind’s project manager, the majority of offshore wind farm projects built to date use monopiles in water depths below 75 feet. For example, the monopile foundations used at the Thanet project, installed in 2009 in the UK, were installed in a water depth range of approximately 60 – 100 feet. However, the majority of projects have been installed in shallower waters. Deepwater Wind is not aware of any offshore wind projects in 150 feet water depth using monopile foundations. As wind farm projects move into deeper water and turbine sizes increase, alternative foundation technologies such as jacket foundations will be deployed.

In contrast, jacket foundations have been the standard technology used in deep-water oil and gas applications to water depths well in excess of 150 feet for several decades. The Beatrice offshore wind project in Europe successfully employed a jacket foundation to a depth of approximately 148 feet. As noted in the response to Comm. 4-15, the range of water depths for the sites identified for the utility-scale project range from 110 feet to 150 feet. Deepwater Wind does not believe it would be sensible to use a monopile installation for the Block Island Wind Farm Project if that experience could not be transferred to the utility-scale project.

Water depth is not the only consideration. The subsea soil conditions around Block Island suggest the sporadic presence of large boulders. If a boulder is encountered, the boulder must either be drilled through or the monopile must be either abandoned or extracted and reinstalled, significantly increasing installation cost and risk. With a jacket solution, the risk is mitigated because there are multiple positions that can be attempted during the installation process at a modest incremental cost. Additionally, monopile foundations are more susceptible to scour than jacket foundations. Therefore, additional scour protection measures would need to be installed if monopoles were adopted.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-21:** What would be the incremental cost to the project if monopile construction were utilized?

**Response:** Deepwater Wind has not conducted a cost study for monopile construction as it is not an option for the Block Island Wind Farm. Even though monopile are less complicated than jackets to construct, at water depths of approximately 110 feet - the high end of the range for the Block Island Wind Farm - an appropriate monopile would use about 50% more steel by tonnage than a comparable jacket structure. As such, the savings in fabrication cost are fully or partially offset by the higher material costs. More importantly, a heavy monopile would require larger vessels and specialized equipment to lift, and drive, the monopile into the sea floor. Such vessels are rarer and more expensive than the vessels that would be used in a jacket installation. Furthermore, if such vessels are not available in the U.S., they would have to be imported from Europe. Importing vessels from Europe will add obstacles due to compliance with complex federal regulations governing foreign vessels and higher mobilization expenses. Furthermore, such vessels would likely employ European crews. When taken in combination with the higher risk profile of the installation process, it does not appear prudent to Deepwater Wind to pursue a monopile foundation strategy.

Finally, even though monopiles are simpler in design, special equipment is still required to fabricate them. Deepwater Wind is not aware of any Rhode Island business that uses such equipment. As such, the monopiles would likely have to be fabricated in the Gulf of Mexico or Europe and shipped to Rhode Island, with no opportunity for local labor content, as currently being explored by Deepwater Wind for the jackets. Even though components making up the jacket foundations proposed by Deepwater Wind for the Block Island Wind Farm would likely be fabricated in the Gulf of Mexico (due to a lack of equipment locally), Deepwater Wind is exploring employing a local labor force to assemble the components once shipped to Rhode Island. Such a two-step process using local labor would not be possible with monopile installations.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-22:** Deepwater response to Commission 4-16 states "...the vessels and equipment necessary to install monopole foundations in the water depths around Block Island and Rhode Island Sound are highly specialized..."

- a. Is it the position of Deepwater that the vessels and equipment necessary to complete the project as proposed by Deepwater are not highly specialized?
- b. What is the current availability of the vessels and equipment necessary to complete the project as proposed by Deepwater?

**Response:** Deepwater Wind plans to use vessels and equipment that are readily available in the U.S. for installation of the Block Island Wind Farm. The actual vessels that will be used will vary depending on the installation methodology for the selected turbine. Deepwater Wind has not finalized its turbine selection. Deepwater Wind is working with its prospective turbine suppliers to ensure that suitable installation vessels are available, and will disqualify turbines for which there is no viable installation methodology using available vessels. This process is ongoing.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-23:** Deepwater response to Commission 4-19 states with regard to the utility scale project that there are two potential interconnection points, West Kingston & Brayton Point. For each potential interconnection, please provide a map of the proposed/anticipated path of the cable. Please provide the length of each path.

**Response:** Given that the Rhode Island Coastal Resources Management Council's SAMP is not yet complete, and the United States Mineral Management Service has not yet commenced the leasing process for the site of the utility-scale project, it is not possible to affirmatively respond to this data request, since the proposed routes cannot be drawn, and lengths cannot be calculated, from an as-yet-to-be-determined site. However, Deepwater Wind expects that, using a hypothetical site within Rhode Island Sound, the length of submarine cable to the Brayton Point interconnection location would exceed 30 miles, and the length of submarine cable to the West Kingston substation would exceed 20 miles.

Response by: William Moore



**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-24:** Does Mr. Moore agree that renewable energy projects located in adjacent control areas may qualify under Rhode Island's Renewable Energy Standard?

**Response:** Mr. Moore is not an attorney or an expert in the Rhode Island Renewable Energy Standard. However, Deepwater Wind understands that renewable energy projects located solely in adjacent control areas may qualify under Rhode Island's Renewable Energy Standard subject to several constraints, including:

1. An energy import transaction that is actually settled in the ISO New England Market Settlement System; (RI RES rules)
2. Only to the extent that the energy produced by the generating unit is actually delivered into NEPOOL for consumption by New England Customers; (RI RES rules)
3. Subject to the lesser of the amount settled in the ISO New England markets and the generating unit's production in each hour; (RI RES rules)
4. A transaction that is the subject of a unit-specific bilateral transaction with a counterparty in ISO New England (which appears to preclude sales directly into the ISO spot market); (RI RES rules and precedent)
5. Confirmed through a NERC tag; (RI RES rules)
6. With documentation satisfactory to the commission that the Generation Attributes have not otherwise been or will be sold, retired, claimed or represented as part of electricity output, sales or use to satisfy obligations in other jurisdictions (RI RES rules)
7. Subject to NEPOOL GIS operating rule 2.7 (<http://www.nepoolgis.com/GeneralDoc/GIS+Operating+Rules+Jan+2010.doc>).

Imports also are subject to available transmission, which is constrained by both the capacity of interties to adjacent control areas, as well as congestion in usage of ties through existing and grandfathered contracts, a substantial quantity of other renewables already being imported, and other economy transactions of various durations.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-25:** Does Deepwater expect to meet the June 30, 2010 deadline for submitting the Master Plan as described in the agreement between Quonset Development Corporation (QDC) and Deepwater dated June 30, 2010 (See Article 1, Section 2.2)

**Response:** Yes.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-26:** Please provide a list of the government approvals necessary (along with timelines for each) as discussed in the June 30, 2009 agreement between QDC and Deepwater. (See Article III, Section 3.1(a.)).

**Response:** The list of necessary government approvals has not been definitively determined at this time. Deepwater Wind is developing the list of approvals in a time frame that complies with its obligations under the agreement with QDC.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-27:** In the event NGrid does not own the transmission cable and the PPA needs to be renegotiated pursuant to Section 8.5 of the PPA, would the PPA be back before the Commission for further review?

**Response:** While the PPA contemplates such a process, Deepwater Wind has not determined whether or not it would continue to develop the Block Island Wind Farm if National Grid declines to own the transmission cable.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-28:** For purposes of this question, assume the following: The PPA is approved without a Transmission Purchase Agreement and Deepwater or its Affiliate build and own the transmission line. The transmission line ultimately costs \$50 million. Please separately identify the annual cost to ratepayers by energy, RECs, transmission line and remuneration to NGrid. Please include a column with the total annual cost.

**Response:** Please see the response to Comm. 5-27, which is incorporated herein by reference. Deepwater Wind has not performed this analysis because it has not determined whether it would continue to develop the Block Island Wind Farm under the circumstances postulated in this question. Such a decision would be a sufficiently significant departure from the current business plan that it would require consideration and approval by Deepwater Wind's Board of Directors, a restructuring of Deepwater Wind's expected capital requirements, and discussions with Deepwater Wind's investors to determine how, and on what terms, such expenditures would be funded.

Absent full consideration of these strategic questions and the business impact of being subject to additional regulation, it is not possible to establish the cost changes in the PPA that Deepwater Wind would require to provide an acceptable balance of risk and reward to its shareholders.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-29:** Please present the data provided in COM 5-21 as a per kWh charge.

**Response:** Please see the response to Comm. 5-21, which is incorporated herein by reference. This data is not available as Deepwater Wind has not performed this analysis.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-30:** Referencing NGrid's Response to DIV 1-17, Attachment 1-17-1 and 1-17-2 reference pricing for the Block Island Project (anticipated at plus or minus 10%) and a 2.5% annual escalation factor. Please provide an "apples to apples" comparison of the prior proposal to the current proposal and explain the difference in pricing.

**Response:** Deepwater Wind's May 30, 2008 proposal to the State of Rhode Island included several alternative projects in response to the State's request for proposals for off-shore wind farms capable of producing 1.32 million MWh per year. One of those alternatives was entitled the "Block Island Project." However, that project is not the same project that is the subject of this docket, which has been referred to as the Block Island Wind Farm Project. The May 30, 2008 Block Island Project proposal consisted of 107 turbines placed within state waters near Block Island. The project that is the subject of this docket (the Block Island Wind Farm Project) is also located within state waters near Block Island, but it consists of no more than eight turbines.

The project that is the subject of this docket was the result of negotiations between the State of Rhode Island and Deepwater Wind after the State of Rhode Island selected Deepwater Wind as its preferred developer of off-shore wind projects. The JDA negotiated between the parties calls for the development of two projects, the smaller project of no more than eight turbines off of the coast of Block Island and a larger utility-scale project in federal waters.

It is not possible to make an "apples to apples" comparison between the two very different projects because of the significant diseconomies of scale associated with the smaller project as compared to the larger.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-31:** Referencing NGrid's Response to DIV 1-17 (attachments) please provide an update on the capitalization and investor information provided in the Offshore Wind Development Proposal.

**Response:** The Block Island Wind Farm continues to be developed by a wholly-owned subsidiary of Deepwater Wind Holdings, LLC (formerly known as Winergy Power). In turn, the principal investors in Deepwater Wind Holdings continue to be the D. E. Shaw Group, First Wind, and Ospraie Management.

Response by: William Moore



**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION**  
**DOCKET NO. 4111**  
**DEEPWATER WIND BLOCK ISLAND, LLC**  
**RESPONSE TO**  
**THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS**  
**SET 5**

**Comm. 5-32:** Mr. Nickerson testifies that “[a] challenge for Deepwater Wind (and a cost burden specific to this project) is that the offshore wind industry in the United States is in its infancy.....The key supporting shore and port facilities, specialized installation and maintenance vessels and seasoned offshore wind personnel do not exist....” Further, Mr. Nickerson testifies that the Block Island Project could be the first offshore wind project.

- a. From where/whom will the vessels be procured?
- b. Will the vessels be purchased, leased, or the responsibility of a third-party vendor or Affiliate of Deepwater?
- c. When will the vessels be available?
- d. What is the estimated cost?
- e. What is the cost per turbine of the vessels?
- f. How does the estimated cost of the vessels affect the price in the PPA?
- g. How would the price be mitigated if the contract before the Commission related to the utility scale project?
- h. How will the labor force be trained?
- i. For the Block Island Project, what is the cost to ratepayers per job created of the PPA under consideration? (please provide all assumptions and factors).

**Response:** For Comm. 5-32 a through e, please see the response to Comm. 5-22, which is incorporated herein by reference.

For Comm. 5-32 f, the estimated and actual cost of the vessels will not affect the price in the PPA, which is a fixed price.

For Comm. 5-32 g, Deepwater Wind believes that cost savings will be achieved by scaling the project from a 30 MW project to a utility-scale project, in terms of pricing power and other efficiencies, as well as applying lessons learned from the construction of the Block Island Wind Farm.

For Comm. 5-32 h, the training plan for the labor to be used for the Block Island Wind Farm will be determined in the course of negotiations with the installation contractor for the project. These negotiations have not yet commenced.

For Comm. 5-32 i, the cost of the Block Island Wind Farm to ratepayers per job created is not possible to calculate because the partnership between the State and Deepwater Wind to establish a cornerstone of the North American offshore wind industry in Rhode Island is still in its very early stages. What is clear to both Deepwater Wind and its partners in state government is that if the Block Island Wind Farm is not constructed, the opportunity to capitalize on available Federal incentives will be lost and other states that are now aggressively courting this emerging industry may, and are even likely, to pass Rhode Island's now-leading position.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-33:** Are turn-key vessels available that would satisfy the needs of the project?

- a. If yes, when would they be project ready?
- b. If no, Would vessels need to be built from the keel up?
- c. If no, What would be the lead time until the vessels are project ready?
- d. If no, Would vessels need to be acquired and then modified?
- e. If no, What would be the lead time until the vessels are project ready?

**Response:** For questions a through e, please see the response to Comm. 5-22, which is incorporated herein by reference.

Response by: William Moore

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

**Comm. 5-34:** Will the Transmission Cable Purchase Agreement be for a fixed price?

**Response:** We expect the agreement to be a fixed price or not to exceed arrangement, which will be subject to negotiation between the parties.

Response by: William Moore

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5

**CERTIFICATION**

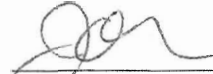
I hereby certify that on February 3, 2010, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

<b>Name/Address</b>	<b>E-mail Distribution</b>	<b>Phone/FAX</b>
Thomas R. Teehan, Esq. National Grid. 280 Melrose St. Providence, RI 02907	<a href="mailto:Thomas.teehan@us.ngrid.com">Thomas.teehan@us.ngrid.com</a>	401-784-7667 401-784-4321
	<a href="mailto:Joanne.scanlon@us.ngrid.com">Joanne.scanlon@us.ngrid.com</a>	
Ronald T. Gerwatowski, Esq. National Grid 40 Sylvan Rd. Waltham, MA 02451	<a href="mailto:Ronald.gerwatowski@us.ngrid.com">Ronald.gerwatowski@us.ngrid.com</a>	
	<a href="mailto:Celia.obrien@us.ngrid.com">Celia.obrien@us.ngrid.com</a>	
	<a href="mailto:Jennifer.brooks@us.ngrid.com">Jennifer.brooks@us.ngrid.com</a>	
Alan Mandl, Esq. Smith & Duggan LLP Lincoln North 55 Old Bedford Road Lincoln, MA 01773	<a href="mailto:amandl@smithduggan.com">amandl@smithduggan.com</a>	617-228-4464 781-259-1112
Jerry Elmer, Esq. Conservation Law Foundation 55 Dorrance Street Providence, RI 02903	<a href="mailto:Jelmer@clf.org">Jelmer@clf.org</a>	401-351-1102 401-351-1130
Katherine A. Merolla, Esq., Merolla & Accetturo 469 Centerville Road Suite 206 Warwick, RI 02886	<a href="mailto:KAMLAW2344@aol.com">KAMLAW2344@aol.com</a>	401-739-2900 401-739-2906
Richard A. Sinapi, Esq. Sinapi Formisano & Company, Ltd. 100 Midway Place, Suite 1 Cranston, RI 02920-5707	<a href="mailto:dicks@sfcflaw.com">dicks@sfcflaw.com</a>	401-944-9690 401-943-9040
Alan Shoer, Esq. Adler Pollock & Sheehan One Citizens Plaza, 8 <sup>th</sup> Floor Providence, RI 02903-1345	<a href="mailto:Ashoer@apsflaw.com">Ashoer@apsflaw.com</a>	401-274-7200 401-751-0604
Joseph J. McGair, Esq. Petrarca & McGair, Inc. 797 Bald Hill Rd. Warwick RI 02886	<a href="mailto:jjm@petrarcamegair.com">jjm@petrarcamegair.com</a>	401-821-1330
	<a href="mailto:mikdelia@biaero.com">mikdelia@biaero.com</a>	401-823-0970
	<a href="mailto:maggie@biaero.com">maggie@biaero.com</a>	
William P Short III	<a href="mailto:w.shortiii@verizon.net">w.shortiii@verizon.net</a>	

**STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5**

Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:lwold@riag.ri.gov">lwold@riag.ri.gov</a>	401-222-2424
	<a href="mailto:Steve.scialabba@ripuc.state.ri.us">Steve.scialabba@ripuc.state.ri.us</a>	401-222-3016
	<a href="mailto:Al.contente@ripuc.state.ri.us">Al.contente@ripuc.state.ri.us</a>	
Jon Hagopian, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:jhagopian@riag.ri.gov">jhagopian@riag.ri.gov</a>	
	<a href="mailto:Dmacrae@riag.ri.gov">Dmacrae@riag.ri.gov</a>	
	<a href="mailto:Mtobin@riag.ri.gov">Mtobin@riag.ri.gov</a>	
Paul Rich, Deepwater Wind	<a href="mailto:Prich@dwwind.com">Prich@dwwind.com</a>	401-648-0604
Bill Moore, Deepwater Wind	<a href="mailto:Wmoore@dwwind.com">Wmoore@dwwind.com</a>	401-648-0604
Susan Demacedo, Deepwater Wind	<a href="mailto:susan@dwwind.com">susan@dwwind.com</a>	401-648-0606
David Schwartz, Deepwater Wind	<a href="mailto:dschwartz@dwwind.com">dschwartz@dwwind.com</a>	
David Nickerson from Mystic River Energy Group, LLC	<a href="mailto:dave@nickersons.org">dave@nickersons.org</a>	
Richard LaCapra, LaCapra Associates	<a href="mailto:Rlacapra@lacapra.com">Rlacapra@lacapra.com</a>	212-675-8123
Richard Hahn Mary Neal Lacapra Associates 1 Washington Mall, 9th floor Boston, MA 02108	<a href="mailto:rhahn@lacapra.com">rhahn@lacapra.com</a>	
	<a href="mailto:mneal@lacapra.com">mneal@lacapra.com</a>	
<b>Original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02889	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-780-2017
	<a href="mailto:Cwilson@puc.state.ri.us">Cwilson@puc.state.ri.us</a>	401-941-1691
	<a href="mailto:Nucci@puc.state.ri.us">Nucci@puc.state.ri.us</a>	
	<a href="mailto:Anault@puc.state.ri.us">Anault@puc.state.ri.us</a>	
	<a href="mailto:Scamara@puc.state.ri.us">Scamara@puc.state.ri.us</a>	
Thomas Kogut, DPU	<a href="mailto:tkogut@ripuc.state.ri.us">tkogut@ripuc.state.ri.us</a>	
Matt Auten, Office of Lt. Governor	<a href="mailto:mauten@ltgov.state.ri.us">mauten@ltgov.state.ri.us</a>	
Julian Dash, RIEDC	<a href="mailto:jdash@riedc.com">jdash@riedc.com</a>	
Rep. Ehrhardt	<a href="mailto:rep-ehrhardt@rilin.state.ri.us">rep-ehrhardt@rilin.state.ri.us</a>	

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION  
DOCKET NO. 4111  
DEEPWATER WIND BLOCK ISLAND, LLC  
RESPONSE TO  
THE RHODE ISLAND PUBLIC UTILITIES COMMISSION'S DATA REQUESTS  
SET 5



---

Joseph A. Keough, Jr., Esquire # 4925  
KEOUGH & SWEENEY, LTD.  
100 Armistice Boulevard  
Pawtucket, RI 02860  
(401) 724-3600