

July 23, 2010

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4185 - Review of Amended Power Purchase Agreement Between Narragansett Electric Company d/b/a National Grid and Deepwater Wind Block Island, LLC Pursuant to R.I. Gen. Laws § 39-26.1-7  
National Grid Data Requests to the Rhode Island Attorney General (Set 1)**

Dear Ms. Massaro:

Enclosed please find an original and twelve (12) copies of National Grid's<sup>1</sup> First of Data Requests to the Rhode Island Attorney General Patrick C. Lynch in the above-captioned proceeding.

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,



Jennifer Brooks Hutchinson

Enclosure

cc: Docket 4185 Service List  
Leo Wold, Esq.  
Steve Scialabba, Division

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid ("National Grid" or "the Company").

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: REVIEW OF AMENDED POWER :  
PURCHASE AGREEMENT BETWEEN : DOCKET NO. 4185  
NARRAGANSETT ELECTRIC COMPANY :  
D/B/A NATIONAL GRID AND DEEPWATER :  
WIND BLOCK ISLAND, LLC PURSUANT TO :  
R.I. GEN. LAWS § 39-26.1-7 :

**National Grid's<sup>1</sup> First Set of Data Requests to  
the Rhode Island Attorney General Patrick C. Lynch**

(Issued July 23, 2010)

- 1-1 Please provide electronic copies of all documents (whether electronic or hard copy) that were relied upon by Mr. Short for any of the opinions offered in his testimony.
- 1-2 Please provide electronic copies of all of Mr. Short's workpapers utilized in the development of his testimony, including without limitation any spreadsheets used to perform any calculations.
- 1-3 Please identify any studies performed by Mr. Short or anyone working under Mr. Short's supervision that were relied upon by Mr. Short in forming his opinions expressed in his testimony.
- 1-4 Referring to page 8 of Mr. Short's testimony, and the discussion of the Bluewater project, does Mr. Short know the status of the Bluewater project (i.e., whether it is likely to be constructed, timelines, and whether regulatory approvals need to be obtained, etc.)? If so, please explain the status and provide documentation for this status.
- 1-5 As used in Mr. Short's testimony, please define the term "unleveraged return."
- 1-6 Did Mr. Short have an understanding of what unleveraged and leveraged rate of returns that Ridgewood Power Management Corporation would have required before it would consider developing a renewable generation project when he was employed by that company? If so, please state Mr. Short's understanding.

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<sup>1</sup> Submitted on behalf of The Narragansett Electric Company d/b/a National Grid.

- 1-7 Does Mr. Short have an understanding of what unleveraged and leveraged rate of returns that typical renewable developers require before they would consider developing a renewable generation project today? If so, please state Mr. Short's understanding. Please provide documentation and an explanation of how Mr. Short developed this understanding.
- 1-8 If Mr. Short knows, please explain his understanding of the difference between (i) a leveraged and levered after-tax rate of return for an unregulated project and (ii) a return on equity that is determined for regulated utilities through rate cases (commonly referred to a utility's "allowed return on equity").
- 1-9 Referring to page 9 of Mr. Short's testimony, lines 232 through 235, is Mr. Short offering an opinion that renewable generation developers today are generally willing to develop a renewable generation project that is forecasted to earn a return on equity of 9%? If so, please explain the basis for this belief and provide any documentation relied upon for this belief.
- 1-10 Referring to page 8 of Mr. Short's testimony, lines 190 through 195, please provide the detailed calculations and assumptions used to adjust the Cleveland project to the size of the Deepwater Wind project.