

September 29, 2011

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 The Narragansett Electric Company d/b/a National Grid and Deepwater Wind Block Island, LLC Pursuant to R.I.G.L. § 39-26.1-7

Dear Ms. Massaro:

This letter is to inform the Commission that National Grid¹ and Deepwater Wind Block Island, LLC (“Deepwater”) have executed the enclosed Waiver of Section 8.3 of the Power Purchase Agreement (“PPA”) dated June 30, 2010, which the PPA was approved by the Commission at an Open Meeting on August 11, 2010, and affirmed by the Rhode Island Supreme Court by written order issued on July 1, 2011.

The purpose of the enclosed Waiver is to address an immaterial and de minimus issue with respect to the timing of the Supreme Court's issuance of the order affirming the PPA. Specifically, Section 8.3 of the PPA contains a provision whereby the PPA will automatically terminate if National Grid has not received Commission approval of the PPA, including resolution of any appeals, by the date which is one year after National Grid has filed the PPA with the Commission for approval. National Grid filed for such approval on June 30, 2010. However, the Rhode Island Supreme Court did not issue its decision on appeal until July 1, 2011.

At the time the PPA was executed, the one-year period was thought to be an adequate period of time for the Commission to approve the PPA and for any appeals to be resolved. Such time limits are customary in agreements, such as the PPA, in order to protect the parties from being bound to a contract for an indefinite period of time. It has always been the parties' intent to proceed under the PPA. Therefore, the parties have executed a Waiver of the one-year deadline pursuant to Section 18 of the PPA, which allows the parties to waive PPA provisions in writing.

By filing this letter, National Grid requests that the Commission issue a ruling at an Open Meeting that (1) affirms that the action taken by the Company to waive the one-year condition

¹ The Narragansett Electric Company d/b/a National Grid (herein referred to as “National Grid” or the “Company”).

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Waiver of Section 8.3, Amended Power Purchase Agreement
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set forth in Section 8.3 of the PPA was prudent and reasonable; and (2) the PPA remains in full force and effect and the Company is authorized to proceed under the PPA.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7288.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", with a long horizontal flourish extending to the right.

Jennifer Brooks Hutchinson

Enclosures

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

WAIVER

This Waiver is made as of June 30, 2011 with respect to the Power Purchase Agreement dated as of June 30, 2010 (the "Agreement") between The Narragansett Electric Company, d/b/a National Grid ("Buyer") and Deepwater Wind Block Island, LLC ("Seller") pursuant to Section 18 of the Agreement.

By their execution hereof and subject to the immediately succeeding paragraph, Buyer and Seller waive the provisions of Section 8.3 of the Agreement. The waiver provided herein is limited solely to the provisions of Section 8.3 of the Agreement.

Pursuant to Section 18 of the Agreement, this Waiver shall not become effective unless and until the Buyer has received the approval of this Waiver by the Rhode Island Public Utilities Commission, which approval must be final and not subject to appeal or rehearing and must be acceptable to Buyer and Seller in their sole discretion. Notwithstanding the foregoing, upon receipt of a final approval of this Waiver by the Rhode Island Public Utilities Commission that is not subject to appeal or rehearing and is acceptable to Buyer and Seller in their sole discretion, this Waiver shall be effective as of June 30, 2011 and the Agreement shall remain in full force and effect as of that date.

This Waiver shall be governed by and construed in accordance with the laws of the State of Rhode Island (without regard to any principles of conflict of laws). This Waiver may be executed in counterparts, each of which shall have the same force and effect as an original. Facsimile signatures on this Waiver shall have the same force and effect as original signatures.

[Signature Page Follows]

IN WITNESS WHEREOF, each of Buyer and Seller has caused this Waiver to be duly executed on its behalf as of the date first above written.

THE NARRAGANSETT ELECTRIC COMPANY, D/B/A NATIONAL GRID

By: Thomas B. King
Name: Thomas B. King
Title: President

DEEPWATER WIND BLOCK ISLAND, LLC

By: Deepwater Wind Rhode Island, LLC, its Member
By: Deepwater Wind Holdings, LLC, its Member

By: _____
Name: William M. Moore
Title: Chief Executive Officer and Managing Director

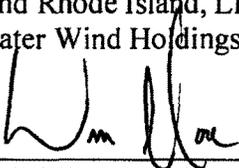
IN WITNESS WHEREOF, each of Buyer and Seller has caused this Waiver to be duly executed on its behalf as of the date first above written.

THE NARRAGANSETT ELECTRIC COMPANY, D/B/A NATIONAL GRID

By: _____
Name:
Title:

DEEPWATER WIND BLOCK ISLAND, LLC

By: Deepwater Wind Rhode Island, LLC, its Member
By: Deepwater Wind Holdings, LLC, its Member

By:  _____
Name: William M. Moore
Title: Chief Executive Officer and Managing Director

Certificate of Service

I hereby certify that a copy of the cover letter and/or any material(s) accompanying this certificate was electronically submitted, hand delivered and/or mailed to the individuals listed below.



Joanne M. Scanlon

September 29, 2011

Date

**National Grid – PUC Review of Proposed Town of New Shoreham Project
Docket No. 4185 – Service List Updated 9/29/11**

Name/Address	E-mail Distribution	Phone/FAX
Thomas R. Teehan, Esq. National Grid. 280 Melrose St. Providence, RI 02907	Thomas.teehan@us.ngrid.com	401-784-7667 401-784-4321
	Joanne.scanlon@us.ngrid.com	
Ronald T. Gerwatowski, Esq. National Grid 40 Sylvan Rd. Waltham, MA 02451	Ronald.gerwatowski@us.ngrid.com	781-907-1820 781-907-2153
	Celia.obrien@us.ngrid.com	
	Jennifer.hutchinson@us.ngrid.com	781-907-2121
Gerald J. Petros, Esq. David M. Marquez, Esq. Hinkley, Allen & Snyder LLP 50 Kennedy Plaza, Suite 1500 Providence, RI 02903-2319 (National Grid)	gpetros@haslaw.com	401-274-2000 401-277-9600
	jmansolf@haslaw.com	
Joseph A. Keough, Jr., Esq. Keough & Sweeney 100 Armistice Blvd. Pawtucket, RI 02860 (Deepwater Wind)	jkeoughjr@keoughsweeney.com	401-724-3600
Alan Mandl, Esq. Smith & Duggan LLP Lincoln North 55 Old Bedford Road Lincoln, MA 01773 (Town of New Shoreham)	amandl@smithduggan.com	617-228-4464 781-259-1112
Katherine A. Merolla, Esq., Merolla & Accetturo 469 Centerville Road Suite 206 Warwick, RI 02886 (Town of New Shoreham)	KAMLAW2344@aol.com	401-739-2900 401-739-2906
Jerry Elmer, Esq. Tricia K. Jedele, Esq. Conservation Law Foundation	Jelmer@clf.org	401-351-1102 401-351-1130

55 Dorrance Street Providence, RI 02903 (Conservation Law Foundation)		
Richard A. Sinapi, Esq. Sinapi Formisano & Company, Ltd. 100 Midway Place, Suite 1 Cranston, RI 02920-5707 (RIBCTC)	dicks@sfclaw.com	401-944-9690 401-943-9040
Alan Shoer, Esq. Adler Pollock & Sheehan One Citizens Plaza, 8 th Floor Providence, RI 02903-1345 (EDC)	Ashoer@apslaw.com	401-274-7200 401-751-0604
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903 (DPUC)	lwold@riag.ri.gov	401-222-2424
	Steve.scialabba@ripuc.state.ri.us	401-222-3016
	Al.contente@ripuc.state.ri.us	
	David.stearns@ripuc.state.ri.us	
	Tahern@ripuc.state.ri.us	
Jon Hagopian, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903 (DPUC)	jhagopian@riag.ri.gov	
	Dmacrae@riag.ri.gov	
	mcorey@riag.ri.gov	
Mike Rubin, Esq. Asst. Atty. General Dept. of Attorney General 150 South Main St. Providence, RI 02903 (Attorney General)	Mrubin@riag.ri.gov	401-274-4400 x-2116
	gschultz@riag.ri.gov	
Gregory S. Schultz, Esq. Dept. of Attorney General		
Michael Sullivan, Executive Director Dept. of Environmental Management	Michael.sullivan@dem.ri.gov	401-222-4700 Ext. 2409
Mary E. Kay, Esq. Acting Executive Counsel Department of Environmental Management 235 Promenade Street Providence, Rhode Island 02908	mary.kay@dem.ri.gov	401 222-6607 ext 2304
Michael McElroy, Esq. 21 Dryden Lane PO Box 6721 Providence, RI 02940-6721 (Toray Plastics & Polytop Corporation)	McElroyMik@aol.com	401-351-4100 401-421-5696
Dr. Edward M. Mazze, Ph.D. Witness for Toray and Polytop.	emazze@cox.net	

<p>John J. Kupa, Jr., Esq. 20 Oakdale Road North Kingstown, RI 02852 (Ocean State Policy Research Institute)</p>	<p>JohnKupaLaw@aol.com</p>	<p>401-294-5566</p>
<p>Richard D. Sherman, Esq. Edwards Angell Palmer & Dodge LLP 2800 Financial Plaza Providence, RI 02903 (TransCanada)</p> <p>Deming E. Sherman, Esq. Edwards Angell Palmer & Dodge LLP</p> <p>Robert M. Buchanan, Jr. Choate, Hall & Stewart LLP Two International Place Boston, MA 02110</p>	<p>rsherman@eapdlaw.com</p>	<p>401-274-9200</p>
	<p>dsherman@eapdlaw.com</p>	
	<p>rbuchanan@choate.com</p>	
<p>Joseph J. McGair, Esq. Petarca & McGair, Inc. 797 Bald Hill Rd. Warwick, RI 02886 (Citizen Intervenors)</p>	<p>jjm@petrarcamcgair.com</p>	<p>401-821-1330</p>
<p>Original & twelve (12) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02889</p>	<p>Lmassaro@puc.state.ri.us</p>	<p>401-780-2017</p>
	<p>Cwilson@puc.state.ri.us</p>	<p>401-941-1691</p>
	<p>Nucci@puc.state.ri.us</p>	
	<p>Anault@puc.state.ri.us</p>	
	<p>Sccamara@puc.state.ri.us</p>	
	<p>Adalessandro@puc.state.ri.us</p>	
	<p>Dshah@puc.state.ri.us</p>	
<p>Thomas Kogut, DPU</p>	<p>tkogut@ripuc.state.ri.us</p>	