

August 27, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket Nos. 4227 and 4314
2012 Standard Offer Service Procurement Plan and
2012 Renewable Energy Standards Procurement Plan
Responses to Commission Data Requests – Set 1

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's ¹ responses to the Commission's First Set of Data Requests issued on August 20, 2012 in the above referenced docket.

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

¹ The Narragansett Electric Company d/b/a National Grid.

For each of the following, please indicate whether National Grid would be willing to include the suggested item in its REC Procurement Summary filed on a quarterly basis.

If National Grid agrees to include the item, please indicate whether it can be included in the next such filing. If not, please provide a reason and the date when the item can be included.

If National Grid does not agree to include the item or if it believes there might be a better way to present the requested information, please explain why.

Commission 1-1

Request:

Please include a bar chart showing the number of RECs for which National Grid contracted and the percentage of the Obligation made up through this solicitation and cumulatively for the trading period(s).

Response:

Yes, the Company would be willing to include a bar chart on the final page of the next REC Procurement Summary, showing the number of RECs for which National Grid contracted and the percentage of the Obligation made up through this solicitation and cumulatively for the compliance year. The RECs procured previously will include those purchased through standalone RES RFPs, SOS RFPs, and accepted unsolicited offers. The Company will also include an aggregated estimate of the RECs to be provided by the Long Term Contracts under R.I.G.L. § 39-26.1-1 et seq. for the applicable compliance periods. National Grid currently files the REC Procurement Summary after each RES RFP, at least twice per year per the approved RES Procurement Plan. The Company proposes to continue to file this after the conclusion of a RES RFP. Providing this bar chart for quarters that do not include a RES RFP would not provide significantly new information from the previous filing.

As a clarifying note, REC transactions are deliverable at any time in a compliance year. Because of this, the Company does not track its RES Obligations or structure its REC transactions by quarterly trading periods. Therefore, the bar chart provided will summarize REC purchases by compliance year, not quarterly trading periods.

Commission 1-2

Request:

Please discuss whether the Company would provide a qualitative analysis of the procurement process and provide the Commission with examples of the type of information the Company could provide.

Response:

Yes, the Company would provide a qualitative analysis of the procurement process in its next REC Procurement Summary filing.

If the Company was not successful in procuring the requested REC quantities in the standalone RES RFPs, the Company could provide factual information from the RFP regarding the number of participants and the amount of RECs contracted through the RFP as a percent of the quantity requested. The Company can also provide public information such as the amount of RECs created within the NEPOOL Generator Information System (“GIS”) for the current year to date compared to previous years, as well as renewable portfolio obligation percentage increases across the New England states. Both information sources could help explain the supply of RECs or RFP bidder participation.

If the Company still has not yet met its RES Obligations after the last scheduled RES RFP for a given compliance period, the Company will also provide commentary if it expects to make an Alternative Compliance Payment (ACP). The Company will also describe what additional measures it will take, as allowed in the approved RES Procurement Plan, to reduce the ACP before the compliance period ends.

Prepared by or under the supervision of: Margaret Janzen

Commission 1-3

Request:

Please show for each trading period, the number of RECs contracted for through Long Term Contracts under R.I.G.L. § 39-26.1-1 et seq. and the percentage of the Obligation met through these contracts.

Response:

Yes, the submission of the bar chart described in Commission 1-1 will include an aggregated estimate of the RECs to be provided by the Long Term Contracts under R.I.G.L. § 39-26.1-1 et seq. for the applicable compliance years.

Prepared by or under the supervision of: Margaret Janzen

Commission 1-4

Request:

Please include a summary of any unsolicited offers received during the reporting period, including the number of RECs offered, the price at which the RECs were offered, whether they were accepted and why or why not.

Response:

Yes, in addition to the bar chart described in the response to Commission 1-1, the Company will include a summary of all unsolicited offers accepted since the last REC Procurement Summary filing.

Per the approved RES Procurement Plan, the Company is allowed to evaluate and accept unsolicited offers through brokers and suppliers in order to comply with the RI RES requirements. As described in the approved Procurement Plan, the Company will only accept unsolicited offers if the Company has a need for the products offered and if the offers are deemed competitive with the current estimated market prices for the vintage and type of REC offered. The Company will continue to share the results of accepted unsolicited offers with Division Staff per the approved RES Procurement Plan.

The Company believes that there is little value in including any rejected unsolicited offers in this summary since these would have been rejected on the basis of either price or lack of need.

Prepared by or under the supervision of: Margaret Janzen