

June 30, 2011

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4232 - Review of the Use of Backup Rates

Dear Ms. Massaro:

Pursuant to the Revised Procedural Schedule in this matter, this letter is being filed on behalf of the parties to report to the Commission on the status of settlement discussions. National Grid, TEC-RI and the Division have conferred productively on several occasions and believe that the settlement discussions are moving towards an agreement among the parties. The parties are hopeful that a settlement can be reached at which time the parties will be filing a settlement agreement with the Commission

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

Very truly yours,

A handwritten signature in blue ink, appearing to read "T. R. Teehan".

Thomas R. Teehan

cc: Docket 4232 Service List
Leo Wold, Esq.
Steve Scialabba, Division