

September 30, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4437 - Review of Power Purchase Agreement – Champlain Wind, LLC
Pursuant to RI General Laws § 39-26.1 *et seq.*
Responses to Commission Data Requests – Set 2**

Dear Ms. Massaro:

Enclosed for filing are National Grid's¹ responses to the Commission's Second Set of Data Requests concerning the above-referenced matter.

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

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Docket 4237 Service List
Leo Wold, Esq.
Steve Scialabba, Division

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

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically transmitted to the individuals listed below. Copies of this filing were hand delivered to the RI Public Utilities Commission and to the RI Division of Public Utilities & Carriers.

Joanne M. Scanlon

September 30, 2013
Date

Docket No. 4437 - National Grid PPA w/ Champlain Wind, LLC (Bowers Wind Project, Developer) Service List updated 9/24/13

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The Narragansett Electric Company
d/b/a National Grid
R.I.P.U.C. Docket No. 4437
Review of Power Purchase Agreement – Champlain Wind, LLC
Pursuant to R.I.G.L. § 39-26 *et seq.*
Responses to Commission’s Second Set of Data Requests
Issued on September 16, 2013

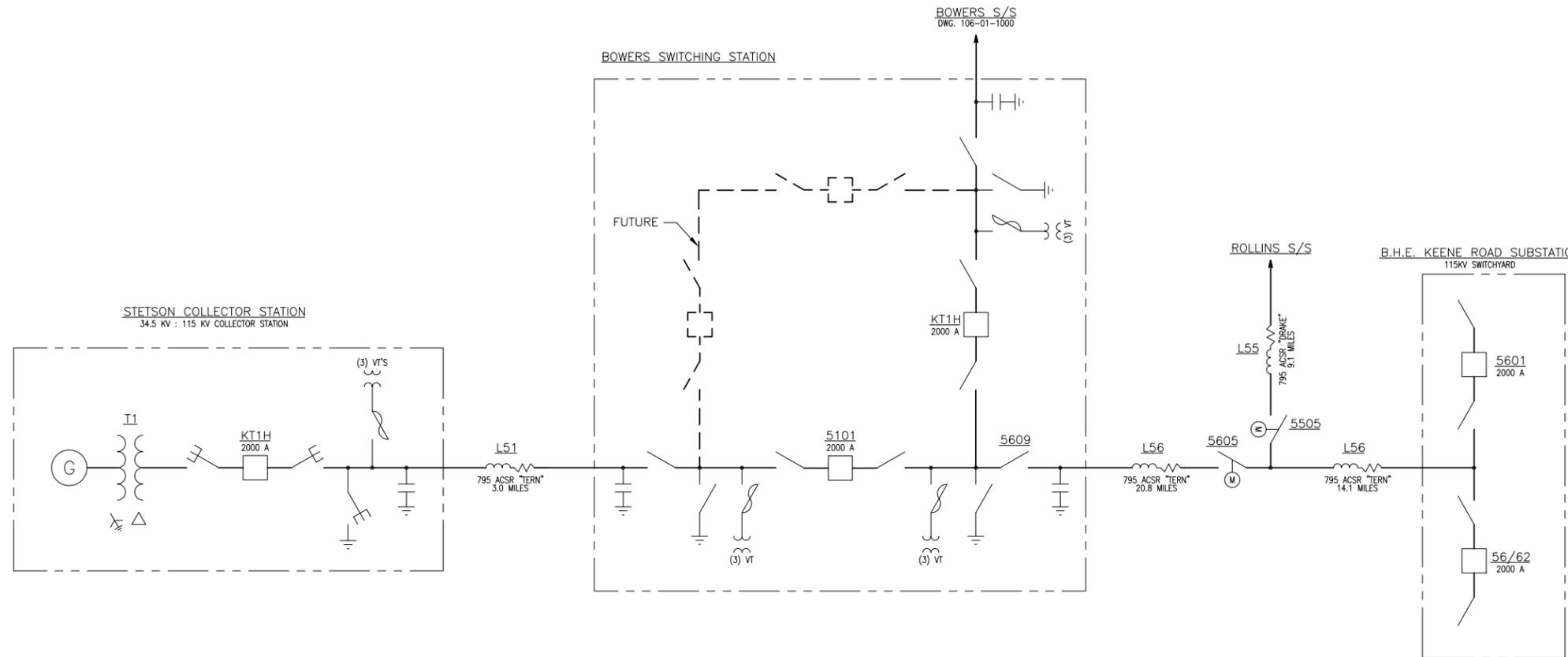
Commission 2-1

Request:

Please provide a larger, legible version of Exhibit F (Diagram of Interconnection and Delivery Points).

Response:

Please see Attachment COMM 2-1.



CABLE DESCRIPTION	IMPEDANCE Z ₁	IMPEDANCE Z ₀	CHARGE SUSC. B
115 KV 795 ACSR "DRAKE"	0.1394 + j0.6783 Ω/MILE	0.3761 + j1.7427 Ω/MILE	5.4790 MHO/MILE
115 KV 795 ACSR "TERN"	0.1394 + j0.6783 Ω/MILE	0.3761 + j1.7427 Ω/MILE	5.4790 MHO/MILE



SGC ENGINEERING, LLC
20 GODFREY DR.
ORONO, ME 04473
(866)866-6571

ISSUED FOR REVIEW

Date: NOVEMBER 17, 2009
Scale: NTS
Drawn: REK
Design: CWE
Appd: JHF

ONLY VALID WITH ORIGINAL STAMP

NO.	REVISIONS:	APPD:	DATE:
A	PRELIMINARY ONE-LINE DIAGRAM, ISSUED FOR REVIEW	JHF	--
B	REVISED DRAWING REFERENCE FOR BOWERS S/S	JHF	1/27/12

Title: ONE LINE DRAWING
TRANSMISSION INTERCONNECTION
Project: BOWERS MOUNTAIN
PENOBSCOT COUNTY, MAINE
Client: FIRST WIND, LLC
100 WELLS AVE., SUITE 201, NEWTON, MA 02459



THE INFORMATION CONTAINED HEREIN IS STRICTLY CONFIDENTIAL AND IS THE SOLE PROPERTY OF THE PROJECT OWNER.

DWG. # 788-01-1001
REVISION B
SHEET 1 of 1

Commission 2-2

Request:

Please define the following terms in plain English. If possible, please try to avoid restating the legal, contract definition.

- a) zonal price separation
- b) locational marginal price
- c) bilateral transaction
- d) node

Response:

- a) Zonal price separation: –Price separation generally refers to the difference in the clearing prices at different locations within the ISO-NE market settlement system. These locations include the physical delivery point or node within the system, or an aggregation of nodes within a specific area, known as a load zone. Price separation is largely due to transmission constraints (i.e. when a transmission facility operates at or over its limit) and congestion on the system. Under the Champlain Wind PPA, the zonal price separation is the difference between the locational marginal price at the delivery point and the locational marginal price at the Rhode Island load zone.
- b) Locational marginal price (“LMP”): LMP is the calculated price of electric energy at a location in the ISO-NE wholesale electric market. One can think of the LMP as the cost to serve the next incremental megawatt of load at a location. The LMP components include energy, transmission losses, and congestion.
- c) Bilateral transaction: A bilateral transaction is a financial agreement between two parties. In the ISO-NE settlement system, it is an agreement for the purchase or sale of energy. This agreement includes the locations and pricing for the buyer and seller, as well as the volume of energy.
- d) Node: This is a physical point on the transmission system where a generator delivers power and the associated LMP is calculated.

Commission 2-3

Request:

Please explain to the best of your ability in plain English, without the use of legalese, how the bundled price per MWh would change under the conditions referenced in Sections 3 and 4 of Exhibit E.

Response:

Under Section 3 of Exhibit E, if ISO-NE rules or the law required delivery to the Rhode Island load zone, the bundled price will be adjusted by the amount equal to the zonal price separation. Please also see the Company’s response to Commission 2-2(a).

Under Section 4 of Exhibit E, if the Bowers project becomes eligible to participate in the Forward Capacity Market (“FCM”), the bundled price paid to the Seller would be reduced by any payments or credits the Seller receives or should receive in the FCM.

Commission 2-4

Request:

Referring to page 13, line 18 through page 14, line 4 of Corinne M. Abrams, does the market price comparison provided in Confidential Exhibit 2 assume the possibility of Champlain Wind incurring expenses to qualify for the FCM? If not, how would the market comparison be impacted assuming Champlain incurs qualifying FCM expenses of \$150,000?

Response:

The bundled contract price does not change if Champlain Wind incurs expenses to qualify for the Forward Capacity Market (“FCM”); therefore, such expenses would not affect the market comparison reflected in Exhibit 2.

At this point in time under the ISO-NE market rules, the Bowers Wind project is not currently eligible to participate in the FCM and Exhibit 2 assumes that there will be no capacity revenues. However, if Champlain Wind were to become eligible to participate in the FCM and received revenues as a result, then the bundled contract price paid to Champlain Wind would be reduced by those capacity revenues on a monthly basis.