

December 22, 2014

BY HAND DELIVERY AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 28888

RE: Docket 4483 – In Re: Petition of Wind Energy Development, LLC and ACP Land, LLC Relating to Interconnection

Dear Ms. Massaro:

On behalf of National Grid¹, I am writing to inform the Rhode Island Public Utilities Commission (PUC) and the parties to this proceeding of a recent filing that National Grid's affiliate, Massachusetts Electric Company (MECO), made with the U.S. Internal Revenue Service (IRS) that may be relevant to the proposal National Grid made on September 12, 2014 to resolve the issues in this docket. The Company's proposal consists in relevant part of an agreement to prepare requests to the IRS for private letter rulings (PLR) for up to four (4) distributed generation projects proposed to interconnect to the Company's distribution system in Rhode Island. The PLR requests will seek rulings on the U.S. tax consequences of contributions in aid of construction (CIACs) that the applicants for each project paid to the Company for interconnection.

On December 11, MECO requested a PLR from the IRS with regard to the taxability of a CIAC payment for a distributed generation project in Massachusetts (MA PLR). While the specific facts of the Massachusetts project are confidential, because the Massachusetts project is interconnected to MECO's distribution system, the IRS ruling may be relevant to the issues currently in dispute in this proceeding. The Company is unable to know with certainty when the IRS will issue this PLR. Consistent with the IRS' practice of reviewing one request for a PLR on a given issue by a taxpayer at a time, and given that the ruling could inform the strategy for choosing and pursuing the RI projects for requests for PLRs that are the subject matter of the proposal in this docket, the Company intends to wait to file any additional PLRs with the IRS until the Massachusetts request is ruled on.

Very truly yours,



Raquel J. Webster

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

Luly Massaro, Commission Clerk
Dkt. 4483
December 22, 2014
Page 2 of 2

cc: Docket 4483 Service List
Leo Wold, Esq.
Steve Scialabba, Division