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February 26, 2015

Via Electronic Mail

Cynthia Wilson-Frias
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Re: Docket No. 4547 – In Re: Petition of WED Coventry One, LLC, et al.

Dear Cindy:

On behalf of The Narragansett Electric Company d/b/a National Grid (National Grid or the Company), enclosed for filing in the above-referenced matter please find the following:

1. The Affidavit of John C. Kennedy; and
2. An Agreed Statement of Facts.

Per your request, we have provided on original and one copy of these documents, as well as an electronic copy. Because of the voluminous nature of the filing, the electronic copy has been provided on disc.

In addition to John C. Kennedy, Caleb George will attend the hearing on behalf of National Grid. The Company does not intend to introduce direct testimony from Mr. George, but he will be available to assist with providing answers to technical questions, if necessary.

Cynthia Wilson-Frias
Rhode Island Public Utilities Commission
February 26, 2015
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Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 274-2000.

Sincerely,



Adam M. Ramos

AMR:cw
Enclosure

cc: Docket No. 4547 Service List

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

<p>IN RE:</p> <p>PETITION OF WED COVENTRY ONE, LLC, WED COVENTRY TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED COVENTRY FIVE, LLC, and WED COVENTRY SIX LLC</p>	<p>DOCKET NO.: 4547</p>
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AFFIDAVIT OF JOHN C. KENNEDY

I, John C. Kennedy, under oath, depose and say as follows:

1. I am the Lead Technical Support Consultant – RI, in the Technical Sales and Engineering Support group for The Narragansett Electric Company d/b/a National Grid (National Grid or the Company). I have been in this position since September 26, 2011. This affidavit is based on my personal knowledge, and the facts stated herein are true and correct.

2. In my capacity as Lead Technical Support Consultant, I have responsibility for managing the interconnection process for developers of distributed generation of electric energy projects in Rhode Island. In this role, I am familiar with the content and requirements of Tariff No. RIPUC 2078, The Narragansett Electric Company Standards for Connecting Distributed Generation (the Interconnection Tariff).

3. In my role, I have been personally involved and am familiar with the interactions and communications with WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, and WED Coventry Six, LLC's (collectively, WED) regarding the proposed development of 10 1.5MW wind turbines that WED proposed to interconnect in the Town of Coventry. Respectively, those

wind turbines are referred to as COV1, COV2, COV2A, COV2B, COV3, COV4, COV5, COV6, COV6A, and COV6B (collectively, COV1-6).

4. This Affidavit is submitted in support of National Grid's response to WED's Petition for Dispute Resolution regarding the proposed interconnection of COV1-6. In particular, this Affidavit provides facts in addition to those in the Agreed Statement of Facts submitted by the parties in connection with this arbitration that support National Grid's position in this matter.

5. National Grid (a) has timely provided all impact studies requested by WED for the interconnection of COV1-6 under the Interconnection Tariff; (b) has no obligation at this time to provide WED with an Interconnection Service Agreement under the Interconnection Tariff; (c) has estimated costs for System Modifications to permit interconnection of WED's proposed turbines that would be necessary only if WED were to interconnect its turbines, and therefore are appropriate under the Interconnection Tariff; (d) is permitted to charge taxes to WED associated with its interconnection; (e) has the obligation to do System Modification work necessary to permit interconnection itself and cannot permit the developer of distributed generation projects to have carte blanche to design, engineer, and construct System Modifications necessary to interconnect a project; and (f) is not required under the Interconnection Tariff to interconnect projects within 150 days of the date it receives an interconnection application. Additionally, it is National Grid's position that WED's allegation that National Grid has a conflict of interest that prevents it from fairly administering the interconnection of renewable energy distributed generation projects is (a) not properly asserted in the Interconnection Tariff dispute resolution process, and (b) is baseless and unsupported in any event.

I. NATIONAL GRID'S PROVISION OF IMPACT STUDIES TO WED

6. National Grid has issued three separate impact studies to WED regarding the proposed interconnection of WED's proposed wind turbines: (a) a combined impact study for COV1 and COV2, issued on April 17, 2014 (attached as Exhibit A), (b) a combined impact study for COV1-6, issued on December 18, 2014 studying the interconnection of all 10 turbines to the 12.47kV circuit in the area of the turbines (attached as Exhibit B), and (c) a combined impact study for COV1-6, issued on February 18, 2014 studying the interconnection of all 10 turbines to a 23kV circuit via an overhead sub-transmission circuit (attached as Exhibit C). Additionally, National Grid is in the process of preparing an impact study estimate for COV1-6 studying the interconnection of all 10 turbines to a 23kV circuit via an underground sub-transmission circuit.

7. Under the Interconnection Tariff, National Grid had 90 days to provide an impact study from the date WED signed the Impact Study Agreement and paid the Impact Study fee. The Interconnection Tariff provides that the 90-day period is extended whenever a delay in the process was caused by WED, and that the 90-day clock was stopped whenever National Grid was waiting on information from WED. Each of the impact studies requested by WED was provided well in advance of the deadlines under the Interconnection Tariff.

A. The Combined Impact Study For COV1 And COV2

8. National Grid received a signed impact study agreement for COV-1 with payment on June 21, 2013.

9. On July 3, 2013, only 12 days into the process, it was agreed between WED and National Grid that the COV1 impact study would be combined with the COV2 impact study.

10. National Grid requested Voltage Flicker Data for the turbines on July 23, 2013. WED did not provide National Grid with the requested Voltage Flicker Data until mid-January, 2014. See Exhibit D.

11. On February 12, 2014, National Grid informed WED that the Combined Impact Study for COV1 and COV2 was complete. See Exhibit E.

12. National Grid did not receive the signed impact study agreement and fee for the COV2 project until April 4, 2014. A copy of the signed impact study agreement for COV2 is attached as Exhibit F.

13. Fourteen days later, National Grid produced the combined impact study. Thus, National Grid's clock, under the Interconnection Tariff, to provide that impact study only ran for 26 of the 90 permissible days before National Grid provided the completed impact study.

14. WED rejected the cost estimates in this interconnection study, and thus declined to proceed with interconnection of COV1 and COV2 at that time, opting instead to pursue development of additional turbines.

B. The Combined Impact Study For COV1 -6 Issued December 19, 2014

15. National Grid received that signed impact study agreement for a combined impact study of all ten turbines in COV1-6 on August 15, 2014. A copy of this signed impact study agreement is attached as Exhibit G.

16. On September 11, 2014, National Grid advised WED that it needed WED to provide additional data before it could complete the impact study. A copy of National Grid's request for this additional information is attached as Exhibit H.

17. At that point, only 27 days of the 90-day clock under the Interconnection Tariff had passed.

18. WED did not begin to provide the requested data until October 9, 2014.

Consequently, the clock for providing the impact study under the Interconnection Tariff did not restart until that date. A copy of the communication reflecting WED's provision of the requested data is attached as Exhibit I.

19. National Grid requested additional data from WED on three additional occasions in connection with its preparation of this impact study, on October 15, October 31, and November 7, 2014. Thus, only six additional days of the 90-day period (for a total of 33 days) passed after WED provided the October 9, 2014 information before the clock stopped again. Copies of National Grid's requests for additional information on October 15, October 31, and November 7, 2014 are attached as Exhibit J.

20. WED provided the last of the additional requested information on November 26, 2014. Copies of the communications from WED providing the additional requested information are attached as Exhibit K. Thus, the 90-day clock under the Interconnection Tariff did not start again until that date.

21. National Grid provided the completed impact study on December 18, 2014. Thus, only an additional 23 days passed before National Grid issued the study. Accordingly, National Grid used only 56 of the 90 days allotted to it to complete the study of all ten turbines.

22. WED did not want to proceed to interconnect on the basis of this impact study because it disagreed with the cost of System Modifications set forth in the study and because the impact study determined that only 7 of the 10 proposed turbines could be connected while maintaining the safety and reliability of the electric system. Consequently, WED decided not to proceed to interconnection at that time.

23. After National Grid issued this impact study, WED and National Grid engaged in further discussions about how to proceed and work collaboratively to achieve interconnection of all 10 turbines.

C. The Combined Impact Study For COV1 -6 Issued February 18, 2015

24. WED and National Grid had several discussions and meetings, and also communicated regularly by email following the issuance of the December 18, 2014 impact study. These meetings also included representatives of the turbine manufacturer WED proposed to use for its turbines and WED engineers. The purpose of these meetings was to try to reach a determination as to how National Grid could safely and reliably interconnect all 10 WED turbines at a cost to WED that was acceptable to WED.

25. As a result of these meetings, WED and National Grid determined that it made sense to perform an impact study that would study the interconnection of all ten turbines to a 23kV circuit nearly 8 miles away from the proposed turbine locations via a sub-transmission line. National Grid and WED reached an agreement on how to proceed with this study on January 30, 2015 that called for a process that would study both an overhead sub-transmission line and an underground sub-transmission line. A copy of that letter of understanding is attached as Exhibit L.

26. On February 11, 2015, National Grid delivered an impact study agreement to WED for WED to sign with regard to this new agreed-upon study. WED provided the signed impact study agreement on February 18, 2015. A copy of that signed impact study agreement is attached as Exhibit M. National Grid provided a completed impact study for the overhead interconnection via sub-transmission line that same day. As such, National Grid did not use any of the allotted 90-day time period under the Interconnection tariff to prepare that impact study.

27. When National Grid provided the completed impact study for the overhead sub-transmission line connection, National Grid offered to provide WED with Interconnection Service Agreements using that impact study, or, at WED's option, to wait until National Grid completed the impact study estimate for the underground sub-transmission interconnection. The email communicating this option to WED is attached as Exhibit N.

28. WED has responded that it wants to meet with National Grid to discuss questions it has regarding the impact study, as well as to discuss a plan it wants to pursue to perform much of the work for bringing the sub-transmission line to the 23kV circuit itself. A copy of WED's most recent email to National Grid in this regard is attached as Exhibit O.

29. The dialogue between National Grid has been ongoing and productive. The end goal for both National Grid and WED is the same – for WED to be able to interconnect as many turbines as it decides to build safely and reliably at the least cost to WED, while complying with the requirements of the Interconnection Tariff. The parties continue to make progress, despite the ongoing legal battles between them.

II. NATIONAL GRID IS NOT REQUIRED TO PROVIDE WED WITH INTERCONNECTION SERVICE AGREEMENTS AT THIS TIME

30. WED has not yet accepted the cost estimates in any impact study that National Grid has provided for interconnection of its 10 proposed turbines. After each study, the dialogue with WED has led to the determination that further impact studies were necessary to try and find a different, less costly, interconnection plan.

31. The Interconnection Tariff only requires that National Grid provide a customer with an Interconnection Service Agreement once all “necessary studies” are complete. *See* Interconnection Tariff, Sheet 16.

32. Additionally, the Interconnection Tariff also requires that any Interconnection Service Agreement National Grid sends to a customer must contain a quote for any required System Modifications under the Interconnection Tariff.

33. It has been clear from WED's responses to the impact studies provided that more studies have been necessary before these 10 turbines can be interconnected, as WED has made it clear that it wants to interconnect at a lower cost than the quotes that have been provided in the impact studies.

34. The collective collaborative actions of the parties also make it clear that, rather than having reached a point where an Interconnection Service Agreement is warranted, WED and National Grid have continued to assess the proposed turbines and various interconnection options to determine the manner in which WED will interconnect. At no time has the method or price of interconnection been agreed-upon such that an Interconnection Service Agreement could have been delivered.

35. In fact, when National Grid delivered the February 18, 2015 impact study, National Grid offered to provide Interconnection Service Agreements on the basis of that study, but thus far WED has not asked National Grid to do so, but rather has indicated that more analysis is necessary before an agreement can be reached on how to interconnect and at what cost. *See Exhibit O.*

36. At no point, therefore, has the Interconnection Tariff called for National Grid to provide WED with Interconnection Service Agreements for any of its turbines. In fact, all the evidence suggests that it would have been a futile exercise for National Grid to deliver any Interconnection Service Agreements because they would have contained price quotes that National Grid knew WED would reject.

III. THE SYSTEM MODIFICATIONS SET FORTH IN NATIONAL GRID'S IMPACT STUDIES ARE NECESSARY FOR SAFETY AND RELIABILITY ONLY IF WED'S TURBINES ARE INTERCONNECTED

37. Part of WED's objection to the impact studies National Grid has issued has been WED's unfounded belief that National Grid is seeking to charge WED for upgrades to its electric system that are otherwise necessary. That is simply not true.

38. The System Modifications identified in the impact studies that National Grid has performed for the WED projects are only necessary to support the additional electrical load that will be carried by the system if the WED wind turbines are interconnected to the system.

39. National Grid can safely serve all the customers on the circuits to which WED seeks to interconnect without making any system upgrades if the WED turbines are not interconnected.

40. There is no standard, rule, regulation, or any other authority that requires that electrical system equipment that is in service for 30 years must be replaced or upgraded – as WED contends, and the age of the equipment that would need to be upgraded or replaced to safely and reliably interconnect WED's turbines has nothing to do with the need to perform the System Modifications.

41. National Grid has assessed its electrical system and determined that if WED does not interconnect its wind turbines, the National Grid does not need to make any of the System Modifications it proposed to charge to WED in any of the impact studies National Grid has provided.

42. National Grid monitors the performance of its electrical system equipment and upgrades it as needed to account for changes in the electrical load served by various circuits, as well as to repair or replace equipment as it exceeds its useful life.

43. The Interconnection Tariff requires that owners of distributed generation projects must pay the costs for electrical system upgrades – System Modifications – that are necessary only because of the proposed interconnection of the new distributed generation project. *See* Interconnection Tariff, Sheet 39, § 5.3. The System Modifications National Grid has identified in connection with WED’s proposed projects are all costs for which WED is responsible under this section of the Interconnection Tariff.

IV. NATIONAL GRID IS ENTITLED TO CHARGE WED TAXES RELATED TO ANY SYSTEM MODIFICATIONS

44. The Interconnection Tariff expressly instructs National Grid to inform the interconnecting customer of its policy regarding collection of tax gross ups.

45. It is National Grid’s policy to collect tax gross ups in connection with System Modifications performed as part of interconnecting a distributed generation renewable energy project.

46. While WED has challenged whether National Grid is correct in charging such taxes in a separate, ongoing docket (Docket 4483), the PUC has not issued any order directing National Grid to cease charging the tax until the issue is resolved, and WED has not obtained any interim relief that impacts the right of National Grid to collect its taxes.

V. NATIONAL GRID HAS THE RESPONSIBILITY TO PERFORM ALL SYSTEM MODIFICATIONS NECESSARY TO INTERCONNECT DISTRIBUTED GENERATION RENEWABLE ENERGY PROJECTS

47. The Interconnection Tariff places the responsibility for completing any System Modifications necessary to safely and reliably interconnect a customer on National Grid. *See, e.g.,* Interconnection Tariff, Sheet 16.

48. This makes sense because National Grid has all the knowledge about the architecture of its electrical system as a whole and the impact that modifications to portions of that electrical system will have on the rest of the system.

49. National Grid is solely responsible for the reliability of its electric system.

50. It would be unduly burdensome if third parties were given a blanket right to design, engineer, and construct their interconnection facilities and System Modifications as WED requests. National Grid would have to monitor every step of the process to ensure that the third-party work was not compromised. Third parties would not otherwise have the benefit of National Grid's institutional knowledge, and would not have all the necessary information to safely perform any necessary System Modifications.

51. National Grid's existing proven methodology for designing, engineering, and constructing system improvements has a demonstrated track record of safely modifying the electric system without undue disruption to customers.

52. In appropriate circumstances, National Grid evaluates whether private parties can safely provide value by performing some System Modification work. In fact, in this circumstance, National Grid is working with WED on a plan that would allow WED to do some of the work as a cost-reduction measure for the interconnection of its 10 turbines. *See Exhibit O.*

53. Despite the fact that National Grid recognizes that there are times when it may be appropriate to work with third parties to assist with performing this work, it is still unworkable and unsupported by the Interconnection Tariff to create the rule that WED seeks that gives carte blanche authority to developers to design, engineer and construct this work for their projects.

VI. NATIONAL GRID IS NOT OBLIGATED TO INTERCONNECT DISTRIBUTED GENERATION PROJECTS WITHIN 150 DAYS

54. The 150-day time period in the Interconnection Tariff has always been understood by National Grid and every other developer of a distributed generation project as the time period within which National Grid must provide an Interconnection Service Agreement – not the time period to complete interconnection of the project.

55. The language of the Interconnection Tariff makes it clear that the tariff itself contemplates a greater than 150-day time period to reach interconnection. The specific timeframes to complete the necessary studies and to provide an Interconnection Service Agreement reflect this reality, as adding those timeframes together provides for a 175-day period before delivery of an Interconnection Service Agreement.

56. Additionally, there are provisions in the Interconnection Tariff that grants rights to National Grid if the interconnecting customer does not commence construction of the project within 12 months, and/or does not complete construction of the project within 24 months, which clearly contemplate a longer period of time than 150 days to achieve interconnection.

57. Moreover, the 150-day period is subject to the same clock stoppages when delays are caused by the interconnecting customer.

58. Finally, it is practically impossible for National Grid to interconnect large projects that require system modifications within 150 days.

59. National Grid, therefore, relies on these facts for its conclusion that the 150-day period is to reach an Interconnection Service Agreement – not to complete interconnection.

60. Regardless, WED has not met all its obligations under the Interconnection Tariff to achieve interconnection, and therefore any time period within which interconnection might be required to occur is extended for the period of time WED delays in doing so.

61. The Interconnection Tariff only requires that National Grid provide authorization for a customer to interconnect after the customer has met all the terms of the interconnection process.

62. WED has never requested that National Grid draft an Interconnection Service Agreement, signed an Interconnection Service Agreement, or followed up with the required payments for System Modifications to safely and reliably interconnect its proposed turbines. National Grid, therefore, has been unable to move forward with making those System Modifications. WED, therefore, is responsible for any delay in reaching interconnection.

63. Lastly, there is nothing in the Interconnection Tariff that guarantees that a developer of a distributed generation project will be able to interconnect. Rather, interconnection is only possible if the electric system can safely and reliably accommodate that additional electric generation. Thus, while it is National Grid's goal and hope that it will be able to successfully interconnect all proposed distributed generation projects that apply for interconnection, merely filing an interconnection application does not automatically mean that the proposed project will ultimately be interconnected.

VII. NATIONAL GRID ADMINISTERS THE INTERCONNECTION OF DISTRIBUTED GENERATION FAIRLY AND REASONABLY

64. As of December 31, 2014, National Grid has interconnected a total of 456 projects in Rhode Island for a total of 50.4MW of nameplate capacity.

65. In 2013, National Grid's interconnection of solar power in Massachusetts and Rhode Island made it one of the top utility companies in the country for such interconnections. *See Exhibit P.*

66. The Interstate Renewable Energy Council's (IREC) Freeing the Grid report gave Rhode Island a "B" grade for its Net Metering Policies and Interconnection Procedures. *See*

Exhibit Q. Moreover, National Grid’s proposed revisions to its Interconnection Tariff – currently pending in Docket 4483 – largely mirror the procedures National Grid uses in Massachusetts, to which IREC gave an “A” grade for interconnection and net metering.

67. During the entire period during which National Grid has been interconnecting renewable energy distributed generation projects, National Grid has successfully navigated issues raised in the interconnection process with all customers other than WED, and National Grid remains hopeful that it will reach an mutually beneficial resolution with WED regarding the various issues that have arisen during the process of trying to achieve interconnection of WED’s 10 turbines.

VIII. CONCLUSION

68. It is National Grid’s position that the foregoing facts, as well as the facts set forth in the Agreed Statement of facts, support the conclusion that it has fulfilled all its obligations under the Interconnection Tariff related to the proposed interconnection of COV1-6.

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John C. Kennedy
John C. Kennedy

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE *Washington* ⁰¹⁴⁶³

On this 26th day of February, 2015, before me, the undersigned Notary Public, personally appeared John C. Kennedy, personally known to the Notary or proved to the Notary through satisfactory evidence of identification, to be the person whose name is signed on the preceding or attached document, and acknowledged to the Notary that (he) (she) signed it voluntarily for its stated purpose.

Carole A. Byers, Notary Public
Notary Public

My Commission Expires: 7-1-2018

(SEAL)

CAROLE A. BYERS
NOTARY PUBLIC OF RHODE ISLAND
My Commission Expires 7/1/2018

Respectfully submitted,

**The Narragansett Electric Company d/b/a
National Grid,**

By its Attorney,

/s/ Adam M. Ramos
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Dated: February 26, 2015

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above document was distributed to the Service List for
Docket 4547 via email on February 26, 2015.

Docket No. 4547 IN RE: PETITION OF WED COVENTRY ONE, LLC, WED COVENTRY
TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED
COVENTRY FIVE, LLC, and WED COVENTRY SIX LLC

Service List as of 2/13/15

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/s/ Adam M. Ramos _____