



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

150 South Main Street • Providence, RI 02903
(401) 274-4400 - TDD (401) 453-0410

Peter F. Kilmartin, Attorney General

December 22, 2017

Luly Massaro, Clerk
Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02889

Re: Docket No. 4781

Dear Ms. Massaro,

On December 19, 2017 at 3:51 p.m. National Grid filed its FY 2019 Gas ISR Plan with a cover letter containing the following language:

“The Division has indicated general concurrence with the proposed FY 2019 Gas ISR Plan, with the exception of the Company’s proposal relative to the final site restoration at the liquefied natural gas (LNG) facility in Cumberland, as discovery requests issued on December 8, 2017 are pending.”

Prior to the filing, on two occasions on December 13, 2017 at 9:15 a.m. and on December 19, 2017 at 2:21 p.m. the Division communicated to National Grid that the Division could not concur with similar language. Rather, the Division indicated to National Grid that it would only concur with language in the cover letter that reflected the following:

“As of December __, 2017, the Division has indicated its general concurrence with the Company’s proposed Gas ISR Plan as reflected on Table 1 forwarded to the Division on December __, 2017, with the exception all expenses associated with the demolition of the Company’s Cumberland LNG facility and/or Temporary Portable Trailer Solution. The Division has outstanding discovery to the Company relative to these items. The Division reserves all of its rights to recommend adjustments to the Company’s FY 2019 Gas ISR Plan relating to these items, or to any others items should Division review of the filed plan so require.”

The Division continues to believe that the language proposed by the Division better reflects the status of the agreements and disagreements that exist between the Division and National Grid in the pending docket currently.

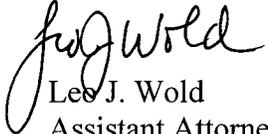
The Division observes that Order No. 22950 in Docket No. 4678 explicitly requires National Grid to “keep the Commission and the Division informed as to the progress of National Grid’s

investigation into the causes that led to the decommissioning of the Cumberland LNG facility.” The purpose of this clause was and is to ensure that the Commission and the Division are affirmatively kept informed by the Company as to the causes that led to the demolition the former Cumberland LNG facility so that National Grid’s customers will not be required to pay for costs that should not be their responsibility under law and regulatory policy.¹ The Company’s Gas ISR Plan is a fully reconcilable proceeding. Further, the Commission always possesses authority to review the prudence of National Grid’s conduct and costs. The Division explicitly did not waive any of its rights in Docket No. 4678 relative recommending adjustments to the Company’s FY 2019 Gas ISR Plan that relate to the former Cumberland LNG facility and/or the temporary portable trailer solution now in place.

At present, the Division continues to investigate the causes of the failure of the former Cumberland LNG facility and has forwarded a set of data requests to the Company the responses to which are outstanding. The Division also has established a separate investigation relative to safety concerns that are related to the portable LNG trailers the Company has put in place due to demolition of the LNG tank. The Division has forwarded a set of data requests to the Company relative to this matter as well, and although the Company has responded to these data requests the Division has deemed number of the Company’s responses incomplete. The Division has invited the Company to meet with the Division to discuss its concerns related to the temporary portable trailers at a mutually convenient day and time.

In sum, the Division’s investigations regarding the former Cumberland LNG facility and temporary portable trailers are ongoing. The Division reserves all of its rights to recommend adjustments to the Company’s FY 2019 Gas ISR Plan relating to these items and/or to any other items should Division review of the filed plan so require.

Very truly yours,



Leo J. Wold
Assistant Attorney General

¹ To date, the Division is unaware of any affirmative effort the Company has made to keep the Commission informed as to its investigation relating to the “causes that led to the decommissioning of the Cumberland LNG facility.”