

April 15, 2020

**VIA ELECTRONIC MAIL**

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

**RE: Docket 4935 - Standard Offer Service Procurement Plan**

**Proposed Standard Offer Service Rates for the Industrial Group for the Months of July 2020 through September 2020**

**Results of Competitive Procurement for the Months of October 2020 through September 2021 for the Residential Group, October 2020 through September 2021 for the Commercial Group, and July 2020 through September 2020 for the Industrial Group, and Request for Confidential Treatment**

Dear Ms. Massaro:

Pursuant to Rule 810-RICR-00-00-1-1.3(H)(3) (Rule 1.3(H)(3) of the Rhode Island Public Utilities Commission's (PUC) Rules of Practice and Procedure, I have enclosed an electronic copy of a redacted Procurement Summary and four redacted Transaction Confirmations by The Narragansett Electric Company d/b/a National Grid (National Grid or the Company) pursuant to its Standard Offer Service Procurement Plan (Plan), which the PUC approved in Docket 4935.

As part of the Plan, National Grid is required to file with the PUC a summary of the initial and final bids it receives and the final executed power supply contracts. In the initial Request for Proposal (RFP) issued on March 6, 2020, the Company solicited the following:

- Residential Group - 20% of the SOS supply for the period October 2020 through September 2021
- Commercial Group - 20% of the SOS supply for the period October 2020 through September 2021; and
- Industrial Group - 100% of the SOS supply for the period from July 2020 through September 2020.

This filing includes the proposed base Industrial SOS retail rates for July 2020 through September 2020 and a typical bill analysis showing the bill impact of the proposed SOS rates compared to the SOS rates currently in effect. The total Industrial SOS retail rates presented in this filing reflect the SOS Administrative Cost Factor, the Standard Offer Adjustment Factor, and the Renewable Energy Standard Charge currently in effect.

National Grid respectfully requests confidential treatment of the un-redacted version of Attachments 5 and 6 described below. These attachments contain commercially sensitive market information, the disclosure of which could affect the balance of wholesale markets and National Grid's ability to negotiate competitive terms with its wholesale electric suppliers. This information is also the type of information that the PUC has historically recognized as proprietary information. Therefore, the Company requests that this letter serve as the Company's request for confidential treatment pursuant to Rule 1.3(H)(3), and that the PUC grant protection from public disclosure of Attachments 5 and 6. National Grid also hereby requests that, pending entry of that finding, the PUC preliminarily grant National Grid's request for confidential treatment pursuant to Rule 1.3 (H)(2). In compliance with Rule 1.3(H)(3), National Grid is providing one complete un-redacted copy of the confidential documents in a sealed envelope marked "**Contains Privileged and Confidential Materials – Do Not Release.**"

National Grid has enclosed the following attachments with this filing:

**Attachment 1** - A schedule showing the calculation of the retail SOS rates for the Industrial Group for the applicable service period.

**Attachment 2** - The Summary of Rates tariff for Standard Offer Service reflecting the proposed Industrial Group SOS rates for the period July 2020 through September 2020.

**Attachment 3** - A typical bill analysis for the Industrial Group.

**Attachment 4** - A copy of the RFP issued by the Company on March 6, 2020 to solicit supply for the Residential Group for the period October 2020 through September 2021, for the Commercial Group for the period October 2020 through September 2021, and for the Industrial Group for the period July 2020 through September 2020.

**Attachment 5** - A redacted summary of the procurement process identifying the key actions taken by National Grid to procure SOS for its customers.

The Standard Offer Service Procurement Summary includes 17 pages of exhibits entitled:

- Exhibit 1 – Load Block Descriptions (1 page)
- Exhibit 2 – Indicative Bid Ranking at Wholesale (2 pages)
- Exhibit 3 – Indicative Bid Ranking at Retail (2 pages)
- Exhibit 4 – Estimated Indicative Prices (1 page)
- Exhibit 5 – Final Bid Ranking at Wholesale (2 pages)
- Exhibit 6 – Final Bid Ranking at Retail (2 pages)
- Exhibit 7 – Estimated Final Prices (1 page)
- Exhibit 8 – Summary of Load Block Awards (1 page)
- Exhibit 9 – Bidder Key (1 page)
- Exhibit 10 – Bid Premium Estimates (2 pages)
- Exhibit 11 – Estimated Retail Rates Based on Final Bid Prices (2 pages)

**Attachment 6** - Redacted versions of the executed confidential Transaction Confirmations for the period October 1, 2020 through September 30, 2021 for the Residential Group, October 1, 2020 through September 30, 2021 for the Commercial Group, and July 1, 2020 through September 30, 2020 for the Industrial Group.

As described above, National Grid has provided un-redacted versions of the Procurement Summary and Transaction Confirmations under separate cover.

Thank you for your attention to this filing. If you have any questions concerning this matter, please contact me at 401-784-4263.

Very truly yours,



Andrew S. Marcaccio

Enclosures

cc: Docket 4935 Service List  
John Bell, Division (w/confidential versions)

# National Grid

## The Narragansett Electric Company

Proposed Standard Offer Service Rates for the Industrial Group for the Months of July 2020 through September 2020

Results of Competitive Procurement:

Residential Group: October 2020 through September 2021

Commercial Group: October 2020 through September 2021

Industrial Group: July 2020 through September 2020

April 2020

Submitted to:  
Rhode Island Public Utilities Commission  
RIPUC Docket No. 4935

Submitted by:

**nationalgrid**



**The Narragansett Electric Company**  
**d/b/a National Grid**  
Industrial Group Standard Offer Service Charge  
(Rates B-32, G-32, and X-01)  
July 2020 through September 2020

	<u>Proposed Rates</u>		
	<u>July 2020</u>	<u>August 2020</u>	<u>September 2020</u>
<b><u>Industrial Group Standard Offer Service Charge</u></b>			
(1) Industrial Group Standard Offer Service Price per kWh	\$0.05173	\$0.04875	\$0.04829
(2) Standard Offer Service Administrative Cost Factor	\$0.00186	\$0.00186	\$0.00186
(3) Standard Offer Adjustment Factor	\$0.00381	\$0.00381	\$0.00381
(4) Renewable Energy Standard Charge	<u>\$0.00866</u>	<u>\$0.00866</u>	<u>\$0.00866</u>
(5) Total Industrial Group Standard Offer Service Price per kWh	\$0.06606	\$0.06308	\$0.06262

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- (1) Monthly prices in a confidential submission under separate cover
  - (2) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, effective 4/1/20)
  - (3) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, effective 4/1/20)
  - (4) per Summary of Rates, Standard Offer Service, RIPUC No. 2096, effective 4/1/20)
  - (5) sum of Lines (1) through (4)



THE NARRAGANSETT ELECTRIC COMPANY  
Summary of Rates  
Standard Offer Service

	Standard Offer Base Charge	Standard Offer Adjustment	Standard Offer Service Admin. Cost Factor	Renewable Energy Standard Charge	Total Commodity Charges
	A	B	C	D	E
<u>Residential Group</u> A-16, A-60					
April 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
May 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
June 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
July 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
August 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
September 1, 2020	\$0.07497	(\$0.00294)	\$0.00230	\$0.00866	\$0.08299
<i>Effective Date of Last Rate Change:</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>
<u>Commercial Group</u> C-06, G-02, S-05, S-06, S-10, S-14 (1)					
Variable Price Option:					
April 1, 2020	\$0.08011	\$0.00094	\$0.00224	\$0.00866	\$0.09195
May 1, 2020	\$0.07355	\$0.00094	\$0.00224	\$0.00866	\$0.08539
June 1, 2020	\$0.05892	\$0.00094	\$0.00224	\$0.00866	\$0.07076
July 1, 2020	\$0.06258	\$0.00094	\$0.00224	\$0.00866	\$0.07442
August 1, 2020	\$0.06196	\$0.00094	\$0.00224	\$0.00866	\$0.07380
September 1, 2020	\$0.05962	\$0.00094	\$0.00224	\$0.00866	\$0.07146
<i>Effective Date of Last Rate Change:</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>
Fixed Price Option:					
April 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
May 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
June 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
July 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
August 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
September 1, 2020	\$0.06580	\$0.00094	\$0.00224	\$0.00866	\$0.07764
<i>Effective Date of Last Rate Change:</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>
<u>Industrial Group</u> B-32, G-32, X-01					
July 1, 2020	\$0.05173	\$0.00381	\$0.00186	\$0.00866	\$0.06606
August 1, 2020	\$0.04875	\$0.00381	\$0.00186	\$0.00866	\$0.06308
September 1, 2020	\$0.04829	\$0.00381	\$0.00186	\$0.00866	\$0.06262
<i>Effective Date of Last Rate Change:</i>	<i>07/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>04/01/20</i>	<i>07/01/20</i>

Taxes and other rate clauses apply as usual and will appear on customer bills as applicable.

- A Base charges in compliance with the Standard Offer Service/Renewable Energy Standard 2020 Procurement Plans
  - B per RIPUC No. 2157, Standard Offer Service Adjustment Provision
  - C per RIPUC No. 2157, Standard Offer Service Adjustment Provision
  - D The Renewable Standard Energy Charge is collected from SOS customers for the purpose of acquiring a portion of Rhode Island's energy supply from renewable energy resources, as required by R.I. General Laws section 39-26-1.
  - E Column A + Column B + Column C + Column D
- (1) The Fixed Price Option will be the customary option for customers served under rate C-06. The Variable Price Option will be the customary option for customers served under rates G-02, S-05, S-06, S-10 and S-14.

Effective: 7/1/2020  
(Replacing RIPUC No. 2096 effective 4/01/20)  
Issued: 4/15/20



The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
for Residential Customers  
Rates Applicable to G-32 Rate Customers

KW	Monthly Power Hours Use	Rates Effective April 1, 2020				Proposed Rates effective July 1, 2020				\$ Increase (Decrease)				Increase (Decrease) % of Total Bill			
		Delivery Services	Supply Services	G&T	Total	Delivery Services	Supply Services	G&T	Total	Delivery Services	Supply Services	G&T	Total	Delivery Services	Supply Services	G&T	Total
200	200	40.000	\$3,667.51	\$1,293.60	\$305.54	\$3,960.31	\$2,556.80	\$271.84	\$6,792.45	\$0.00	(\$2,763.60)	(\$30.70)	(\$2,824.30)	0.0%	-9.7%	-0.4%	-10.1%
750	200	40.000	\$14,588.91	\$1,122.50	\$2,968.45	\$14,588.91	\$9,588.00	\$1,007.37	\$25,143.28	\$0.00	(\$2,763.60)	(\$30.70)	(\$2,824.30)	0.0%	-9.8%	-0.4%	-10.3%
1,000	200	300.000	\$19,616.91	\$1,648.00	\$1,495.20	\$19,616.91	\$12,784.00	\$1,341.70	\$33,442.61	\$0.00	(\$3,684.00)	(\$153.50)	(\$3,837.50)	0.0%	-9.9%	-0.4%	-10.3%
2,500	200	300.000	\$48,384.91	\$2,702.00	\$2,240.20	\$48,384.91	\$31,976.00	\$2,003.37	\$50,259.28	\$0.00	(\$5,256.00)	(\$153.50)	(\$5,409.50)	0.0%	-9.9%	-0.4%	-10.3%
5,000	200	1,000.000	\$96,769.91	\$4,284.00	\$3,714.45	\$96,769.91	\$63,952.00	\$3,347.70	\$83,692.61	\$0.00	(\$18,200.00)	(\$83.75)	(\$18,283.75)	0.0%	-9.9%	-0.4%	-10.3%
10,000	200	2,000.000	\$193,539.91	\$8,568.00	\$7,428.90	\$193,539.91	\$127,904.00	\$6,695.04	\$166,512.90	\$0.00	(\$36,400.00)	(\$167.50)	(\$36,567.50)	0.0%	-9.9%	-0.4%	-10.3%
20,000	200	4,000.000	\$387,079.91	\$17,136.00	\$14,857.80	\$387,079.91	\$255,808.00	\$13,377.71	\$334,442.62	\$0.00	(\$73,680.00)	(\$337.00)	(\$74,017.00)	0.0%	-9.9%	-0.4%	-10.3%
750	300	60.000	\$4,837.51	\$4,946.40	\$467.41	\$10,181.32	\$3,835.20	\$81.36	\$9,947.96	\$0.00	(\$1,052.20)	(\$46.05)	(\$1,098.25)	0.0%	-10.9%	-0.5%	-11.3%
1,000	300	300.000	\$17,852.16	\$18,526.50	\$1,515.78	\$37,884.44	\$14,382.00	\$1,343.09	\$33,877.27	\$0.00	(\$4,144.50)	(\$172.69)	(\$4,317.19)	0.0%	-10.9%	-0.5%	-11.4%
1,500	300	400.000	\$23,767.91	\$24,702.00	\$2,019.58	\$50,489.49	\$19,176.00	\$1,789.33	\$44,733.24	\$0.00	(\$5,526.00)	(\$230.25)	(\$5,756.25)	0.0%	-10.9%	-0.5%	-11.4%
2,000	300	500.000	\$29,683.91	\$31,052.00	\$2,627.18	\$60,735.91	\$25,964.00	\$2,481.41	\$59,445.41	\$0.00	(\$6,289.00)	(\$245.71)	(\$6,534.71)	0.0%	-11.0%	-0.5%	-11.4%
2,500	300	600.000	\$35,599.91	\$37,052.00	\$3,259.18	\$72,651.91	\$32,848.00	\$2,969.16	\$75,817.16	\$0.00	(\$7,000.00)	(\$296.00)	(\$7,296.00)	0.0%	-11.0%	-0.5%	-11.4%
3,000	300	700.000	\$41,515.91	\$43,052.00	\$3,916.18	\$84,567.91	\$38,632.00	\$3,599.16	\$82,231.16	\$0.00	(\$8,000.00)	(\$351.00)	(\$8,351.00)	0.0%	-11.0%	-0.5%	-11.4%
3,500	300	800.000	\$47,431.91	\$49,052.00	\$4,683.18	\$96,483.91	\$44,708.00	\$4,089.16	\$98,797.16	\$0.00	(\$9,000.00)	(\$406.00)	(\$9,406.00)	0.0%	-11.0%	-0.5%	-11.4%
4,000	300	900.000	\$53,347.91	\$55,052.00	\$5,450.18	\$108,400.91	\$50,884.00	\$4,701.16	\$111,585.16	\$0.00	(\$10,000.00)	(\$461.00)	(\$10,461.00)	0.0%	-11.0%	-0.5%	-11.4%
4,500	300	1,000.000	\$59,263.91	\$61,052.00	\$6,217.18	\$120,315.91	\$57,960.00	\$5,313.16	\$125,273.16	\$0.00	(\$11,000.00)	(\$516.00)	(\$11,516.00)	0.0%	-11.0%	-0.5%	-11.4%
5,000	400	2,000.000	\$118,527.91	\$124,000.00	\$12,702.29	\$254,230.91	\$127,440.00	\$11,667.29	\$259,107.29	\$0.00	(\$16,000.00)	(\$1,535.00)	(\$17,535.00)	0.0%	-11.6%	-0.5%	-12.1%
7,500	400	3,000.000	\$177,791.91	\$184,000.00	\$18,051.25	\$379,842.91	\$191,760.00	\$16,748.75	\$388,508.75	\$0.00	(\$25,000.00)	(\$2,262.50)	(\$27,262.50)	0.0%	-11.6%	-0.5%	-12.1%
10,000	400	4,000.000	\$237,063.91	\$244,000.00	\$24,000.21	\$485,063.91	\$255,680.00	\$23,201.21	\$508,881.21	\$0.00	(\$35,000.00)	(\$3,000.00)	(\$38,000.00)	0.0%	-11.6%	-0.5%	-12.1%
20,000	400	8,000.000	\$474,127.91	\$488,000.00	\$48,000.42	\$962,127.91	\$511,360.00	\$46,402.42	\$1,007,762.42	\$0.00	(\$50,000.00)	(\$3,600.00)	(\$53,600.00)	0.0%	-11.6%	-0.5%	-12.1%
750	400	300.000	\$11,115.41	\$2,702.00	\$1,999.06	\$15,817.41	\$5,113.00	\$1,678.81	\$11,791.81	\$0.00	(\$3,473.60)	(\$61.40)	(\$3,535.00)	0.0%	-11.5%	-0.5%	-12.0%
1,000	400	400.000	\$14,820.54	\$3,604.00	\$2,702.00	\$21,126.54	\$6,816.00	\$2,115.41	\$15,732.00	\$0.00	(\$5,394.54)	(\$102.59)	(\$5,500.00)	0.0%	-11.6%	-0.5%	-12.1%
1,500	400	600.000	\$21,730.81	\$5,406.00	\$4,049.06	\$29,136.81	\$10,224.00	\$3,183.25	\$21,047.06	\$0.00	(\$8,093.75)	(\$157.55)	(\$8,251.30)	0.0%	-11.6%	-0.5%	-12.1%
2,000	400	800.000	\$28,641.08	\$7,208.00	\$5,399.06	\$36,849.08	\$13,936.00	\$4,298.91	\$28,234.91	\$0.00	(\$10,416.17)	(\$215.15)	(\$10,631.32)	0.0%	-11.6%	-0.5%	-12.1%
2,500	400	1,000.000	\$35,551.35	\$9,016.00	\$6,817.35	\$44,567.35	\$18,744.00	\$5,585.83	\$34,329.83	\$0.00	(\$12,241.52)	(\$266.52)	(\$12,508.04)	0.0%	-11.6%	-0.5%	-12.1%
3,000	400	1,200.000	\$42,461.62	\$10,824.00	\$8,220.36	\$53,285.62	\$22,568.00	\$6,967.29	\$49,535.29	\$0.00	(\$14,750.33)	(\$322.07)	(\$15,072.40)	0.0%	-11.6%	-0.5%	-12.1%
3,500	400	1,400.000	\$49,371.89	\$12,632.00	\$9,621.60	\$62,003.89	\$26,464.00	\$8,210.16	\$60,674.16	\$0.00	(\$16,637.73)	(\$377.14)	(\$17,014.87)	0.0%	-11.6%	-0.5%	-12.1%
4,000	400	1,600.000	\$56,282.16	\$14,440.00	\$11,012.64	\$70,722.16	\$30,304.00	\$9,559.16	\$70,263.16	\$0.00	(\$18,519.00)	(\$432.00)	(\$18,951.00)	0.0%	-11.6%	-0.5%	-12.1%
4,500	400	1,800.000	\$63,192.43	\$16,248.00	\$12,405.12	\$79,440.43	\$34,192.00	\$10,998.12	\$85,180.12	\$0.00	(\$20,400.00)	(\$487.00)	(\$20,887.00)	0.0%	-11.6%	-0.5%	-12.1%
5,000	400	2,000.000	\$70,102.70	\$18,056.00	\$13,857.60	\$88,158.70	\$38,084.00	\$12,587.60	\$96,670.30	\$0.00	(\$22,400.00)	(\$542.00)	(\$22,942.00)	0.0%	-11.6%	-0.5%	-12.1%
5,500	400	2,200.000	\$77,012.97	\$20,864.00	\$15,648.00	\$97,876.97	\$42,016.00	\$14,178.91	\$112,994.88	\$0.00	(\$24,400.00)	(\$607.00)	(\$25,007.00)	0.0%	-11.6%	-0.5%	-12.1%
6,000	400	2,400.000	\$83,923.24	\$23,672.00	\$17,440.16	\$107,595.24	\$45,968.00	\$15,768.75	\$123,736.75	\$0.00	(\$26,400.00)	(\$672.00)	(\$27,072.00)	0.0%	-11.6%	-0.5%	-12.1%
6,500	400	2,600.000	\$90,833.51	\$26,480.00	\$19,032.24	\$117,313.51	\$49,920.00	\$17,858.75	\$139,772.26	\$0.00	(\$28,400.00)	(\$737.00)	(\$29,137.00)	0.0%	-11.6%	-0.5%	-12.1%
7,000	400	2,800.000	\$97,743.78	\$29,288.00	\$20,624.32	\$127,031.78	\$53,872.00	\$19,748.75	\$150,620.73	\$0.00	(\$30,400.00)	(\$802.00)	(\$31,202.00)	0.0%	-11.6%	-0.5%	-12.1%
7,500	400	3,000.000	\$104,654.05	\$32,096.00	\$22,216.40	\$136,750.05	\$57,816.00	\$21,638.75	\$164,494.75	\$0.00	(\$32,400.00)	(\$867.00)	(\$33,267.00)	0.0%	-11.6%	-0.5%	-12.1%
8,000	400	3,200.000	\$111,564.32	\$34,904.00	\$23,808.48	\$146,468.32	\$61,760.00	\$23,528.75	\$173,289.07	\$0.00	(\$34,400.00)	(\$932.00)	(\$35,332.00)	0.0%	-11.6%	-0.5%	-12.1%
8,500	400	3,400.000	\$118,474.59	\$37,712.00	\$25,400.64	\$156,186.59	\$65,712.00	\$25,248.75	\$181,435.34	\$0.00	(\$36,400.00)	(\$997.00)	(\$37,397.00)	0.0%	-11.6%	-0.5%	-12.1%
9,000	400	3,600.000	\$125,384.86	\$40,520.00	\$27,002.80	\$165,906.86	\$69,664.00	\$27,078.75	\$192,985.61	\$0.00	(\$38,400.00)	(\$1,062.00)	(\$39,462.00)	0.0%	-11.6%	-0.5%	-12.1%
9,500	400	3,800.000	\$132,295.13	\$43,328.00	\$28,605.04	\$175,620.13	\$73,616.00	\$28,958.75	\$204,533.88	\$0.00	(\$40,400.00)	(\$1,127.00)	(\$41,527.00)	0.0%	-11.6%	-0.5%	-12.1%
10,000	400	4,000.000	\$139,205.40	\$46,136.00	\$30,207.20	\$185,340.40	\$77,568.00	\$30,838.75	\$216,082.15	\$0.00	(\$42,400.00)	(\$1,192.00)	(\$43,592.00)	0.0%	-11.6%	-0.5%	-12.1%
20,000	600	120.000	\$7,448.11	\$8,808.00	\$723.04	\$17,079.15	\$7,670.40	\$629.94	\$15,148.45	\$0.00	(\$2,210.40)	(\$92.10)	(\$2,302.50)	0.0%	-12.8%	-0.5%	-13.3%
750	600	450.000	\$27,641.91	\$37,053.00	\$2,695.62	\$67,390.53	\$28,764.00	\$2,301.25	\$58,756.16	\$0.00	(\$8,289.00)	(\$345.37)	(\$8,634.37)	0.0%	-12.3%	-0.5%	-12.8%
1,000	600	600.000	\$36,209.91	\$48,404.00	\$3,992.70	\$88,614.61	\$38,352.00	\$3,132.20	\$79,305.11	\$0.00	(\$11,052.00)	(\$460.50)	(\$11,512.50)	0.0%	-12.3%	-0.5%	-12.8%
1,500	600	900.000	\$51,178.91	\$74,106.00	\$5,386.87	\$126,284.91	\$57,238.00	\$4,696.12	\$117,403.03	\$0.00	(\$16,000.00)	(\$690.75)	(\$16,690.75)	0.0%	-12.3%	-0.5%	-12.8%
2,000	600	1,200.000	\$66,147.91	\$108,216.00	\$7,278.04	\$174,363.91	\$75,172.00	\$5,811.25	\$160,984.25	\$0.00	(\$21,000.00)	(\$921.00)	(\$21,921.00)	0.0%	-12.3%	-0.5%	-12.8%
2,500	600	1,500.000	\$81,116.91	\$142,328.00	\$8,767.22	\$223,444.91	\$96,104.00	\$7,026.25	\$203,130.25	\$0.00	(\$26,000.00)	(\$1,151.25)	(\$27,151.25)	0.0%	-12.3%	-0.5%	-12.8%
3,000	600	1,800.000	\$96,085.91	\$176,340.00	\$10,259.40	\$272,425.91	\$115,032.00	\$6,231.25	\$257,263.25	\$0.00	(\$31,000.00)	(\$1,381.25)	(\$32,381.25)	0.0%	-12.3%	-0.5%	-12.8%
3,500	600	2,100.000	\$111,054.91	\$210,352.00	\$12,250.56	\$321,406.91	\$133,920.00	\$7,236.25	\$308,156.25	\$0.00	(\$36,000.00)	(\$1,611.25)	(\$37,611.25)	0.0%	-12.3%	-0.5%	-12.8%
4,000	600	2,400.000	\$126,023.91	\$244,364.00	\$14,241.72	\$370,387.91	\$157,840.00	\$8,241.25	\$356,081.25	\$0.00	(\$41,000.00)	(\$1,841.25)	(\$42,841.25)	0.0%	-12.3%	-0.5%	-12.8%
4,500	600	2,700.000	\$141,002.91	\$288,376.00	\$16,232.88	\$429,378.91	\$181,768.00	\$9,246.25	\$400,014.25	\$0.00	(\$46,000.00)	(\$2,071.25)	(\$48,071.25)	0.0%	-12.3%	-0.5%	-12.8%
5,000	600	3,000															





**Request for  
Power Supply  
Proposals to Provide  
the Following Services:**

Standard Offer Service  
for the Industrial Group  
in Rhode Island for the Period:

July 1, 2020 – September 30, 2020

Standard Offer Service  
for the Commercial Group  
in Rhode Island for the Period:

October 1, 2020 – September 30, 2021

Standard Offer Service  
for the Residential Group  
in Rhode Island for the Period:

October 1, 2020 – September 30, 2021

**MARCH 6, 2020**

## **REQUEST FOR POWER SUPPLY PROPOSALS**

### **1. Overview**

#### **1.1 Background**

Legislation in Rhode Island<sup>1</sup> provides for competition in the electric utility industry by extending competition in the wholesale power supply markets to retail customers through the provision of retail access to all customers.

The URA provides access to the competitive retail electricity market for all retail customers of National Grid's distribution company in Rhode Island (The Narragansett Electric Company or "NECO") as of January 1, 1998. In 2006 the Rhode Island legislature extended Standard Offer Service ("SOS") from the original termination date of December 31, 2009 until December 31, 2020. The Act requires National Grid to provide Standard Offer Service to those customers who are not receiving generation service from a non-regulated power producer.

#### **1.2 Standard Offer Service**

Beginning on the retail access date, National Grid's retail customers in Rhode Island had received generation service from either their choice of competitive suppliers or from National Grid through Standard Offer Service or Last Resort Service. Beginning on January 1, 2010, all National Grid customers not taking service from a competitive supplier began taking Standard Offer Service<sup>2</sup>. Standard Offer Service also included any Last Resort Service customers beginning on January 1, 2010. Thus, in a change from the former Standard Offer Service, customers who chose to take service from a competitive supplier after January 1, 2010 would be permitted to return to Standard Offer Service if they were no longer receiving service from a competitive supplier.

Customers taking Standard Offer Service will be in one of three separate groups: Residential, Commercial, and Industrial. This RFP is to procure service for the following groups:

- Residential Group (as defined below) for 20% of the load for the period October 1, 2020 through September 30, 2021;
- Commercial Group (as defined below) for 20% of the load for the period October 1, 2020 through September 30, 2021;

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<sup>1</sup> The Rhode Island Utility Restructuring Act of 1996 ("URA") and Rhode Island General Law 39-1-27.3, as amended in June 2002 and The Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006 ("The Act") and Rhode Island General Law 39-1-27.3, as amended in 2006.

<sup>2</sup> On September 30, 2009, the Rhode Island Public Utility Commission ("PUC") approved National Grid's filing of April 29, 2009 (and revised July 10, 2009) to replace the previous Standard Offer Service with a new Standard Offer Service.

- Industrial Group (as defined below) for 100% of the load for the period July 1, 2020 through September 30, 2020.

National Grid is hereby seeking proposals from qualified power suppliers to supply firm, load-following power to meet these Standard Offer Service requirements. It is the intent of National Grid and supplier(s) that the resulting transactions shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the parties intend to physically settle the transactions, and are therefore not subject to swap regulation.

**National Grid, in consultation with or at the request of the PUC or Division of Public Utilities and Carriers, reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto and to withdraw this RFP.**

### 1.3 Rhode Island Customer Groups

For the purposes of this solicitation, the Rhode Island Residential, Commercial, and Industrial Groups are defined as:

Customer Group	Rate Class
Residential	A-16 and A-60
Commercial	G-02, C-06, S-06, S-10, S-14
Industrial	G-32, B-32, X-01

## 2. Description of Services

### 2.1 Description

Appendix A contains an overview of the services covered by this Request for Proposal ("RFP"). The Appendix provides:

- A brief description of Standard Offer Service;
- The eligibility requirements for a customer to obtain or leave Standard Offer Service.

### 2.2 Expected Loads

National Grid is unable to predict the amount of load that will be required to meet the needs of any customer group. National Grid's customers are free to leave Standard Offer Service at any time to take service from competitive suppliers. The ability of customers to enroll or return to Standard Offer Service is described in Appendix A.

To assist Respondents in determining the potential load requirements, National Grid is able to provide the following information on its Power Procurement Website:

- Aggregate reconciled historical wholesale hourly loads for the Standard Offer Service customer groups (since January 1, 2007).
- Aggregate historical wholesale hourly load data for previous Last Resort Service.
- Aggregate historical wholesale hourly load data for previous Standard Offer Service.
- Class average load shapes at the retail meter point.
- Historical customer counts, as of the last billing day in each month, by each National Grid company, SMD Load Zone (since March 1, 2003) and rate class. These counts represent the number of active accounts in each rate class as of the last billing day in each month.
- Historical customer counts for customers taking service from a competitive supplier, as of the last billing day in each month, by rate class.
- ICAP tags as of the last day of the month for each load asset.
- Average winning load block prices from previous RFPs.

Please use the following link to access the site:

<http://www.nationalgridus.com/energysupply/>

Click on “Data” at the upper right of the screen to access Load data, Customer Count data, Class Average Load Shapes and ICAP Tags. This site is open to anyone with the above link. No user id or password is required to access the data on the site.

### 2.3 Load Blocks

National Grid’s total Standard Offer Service requirements covered by this RFP are broken down into the following six load blocks:

Load Block	Customer Group	SMD Load Zone	Load Share	Type of Service	Period
<b>A1</b>	Industrial	RI	50%	Standard Offer Service	07/01/2020 – 09/30/2020
<b>A2</b>	Industrial	RI	50%	Standard Offer Service	07/01/2020 – 09/30/2020
<b>B</b>	Residential	RI	20%	Standard Offer Service	10/01/2020 – 03/31/2021
<b>C</b>	Residential	RI	20%	Standard Offer Service	04/01/2021 – 09/30/2021
<b>D</b>	Commercial	RI	20%	Standard Offer Service	10/01/2020 – 03/31/2021
<b>E</b>	Commercial	RI	20%	Standard Offer Service	04/01/2021 – 09/30/2021

A Respondent may bid on any number of load blocks that it wishes to serve. A Respondent wishing to serve the entire load for a particular customer group should submit a bid for each load block of that customer group. Respondents may not limit the

amount of service that may be purchased for a given load block. Proposals that contain limits on the amount of service provided will be rejected<sup>3</sup>.

The amount of load for each load block to be supplied by the winning Supplier(s) will be determined in accordance with the procedure contained in Article 6 of the Master Power Agreement, a copy of which is provided in Appendix B.

#### 2.4 Rhode Island Retail Customer Rates

During the term of service covered by this RFP, National Grid intends to establish retail rates for generation service for Standard Offer Service customers in Rhode Island. The Standard Offer Service rates will reflect National Grid's purchase costs for such service due to commitments made as a result of this and previous RFPs.

### 3. General Provisions

#### 3.1 Terms and Conditions

The winning Supplier(s) will be selected to provide Standard Offer Service to the applicable customer groups/load blocks during the term covered by this RFP. Standard Offer Service will be provided by such Supplier(s) to National Grid in accordance with the terms and conditions of the Master Power Agreement. A copy of the Master Power Agreement for Rhode Island is provided in Appendix B. All Respondents must have an updated executed Master Power Agreement(s) prior to the indicative bid date.

The winning Supplier(s) will be required to execute the applicable confirmation(s) within two (2) business days of being notified that it has been selected as the winning Supplier.

Under Article 7 of the Master Power Agreement, failure of the winning supplier to deliver Requirements would constitute an event of default under the agreement, allowing National Grid to terminate and recover liquidated damages from the supplier.

#### 3.2 Proposal Process and Submission Dates

The following table outlines the key dates associated with this procurement process.

<b>Process Step</b>	<b>Date</b>
Company Issues Request for Proposal	March 6, 2020
Submit Respondent Proposal Information	March 20, 2020 – 5pm EPT
Submit Indicative Pricing	April 1, 2020 – 10am EPT

<sup>3</sup> For example, a Respondent offering to supply Block A load must agree to supply 100% of the needs of that load block during every month of the Period. The Respondent may not offer to serve Block A provided that the amount of service purchased does not exceed [specified value] MW in any hour.

Company files Indicative Pricing Summary with the PUC	April 2, 2020
Submit Final Pricing	April 8, 2020 – 10am EPT
Company Notifies Winning Bidders	April 8, 2020 – 1pm
Company files Final Pricing Summary with the PUC	April 9, 2020
Winning Bidders and Company execute Confirmations	No later than two business days after Final Pricing
Service Begins	July 1, 2020 or October 1, 2020

One (1) copy of a Respondent's Proposal Information and proposed agreement modifications must be submitted by e-mail or facsimile or mailed to the following address:

James Calandra  
Wholesale Electric Supply  
National Grid  
100 East Old Country Road  
Hicksville, NY 11801  
(516) 545-5433  
e-mail: ElectricSupply@nationalgrid.com

National Grid is conducting the procurement process in three steps. The first step is for Respondents to provide National Grid with their background and financial information by 5:00 p.m. EPT on March 20, 2020. Upon receipt, National Grid will evaluate each Respondent's qualifications and will notify any Respondent that does not qualify by at least one business day before Indicative Pricing is due.

National Grid will not evaluate any indicative or final pricing if the Respondent does not have an executed Master Power Agreement. The Master Power Agreement must be executed prior to submitting indicative pricing.

The second step in this process is for Respondents to provide indicative pricing information by 10:00 a.m. EPT on April 1, 2020 at the above address. National Grid will evaluate the indicative pricing as described above, and if required, National Grid may seek clarifications from Respondents. National Grid will file an indicative pricing summary with the PUC.

The third step is as follows: Respondents to provide final pricing information by 10:00 a.m. EPT on April 8, 2020 at the above address. National Grid requests final pricing be valid until 1:00 p.m. National Grid intends to evaluate the final pricing and select a Supplier(s) that day by that time. Final pricing shall be binding until execution of a confirmation. Respondents should specify the manner in which they will accept a binding acceptance of their offer by National Grid prior to receipt of an executed agreement (letter of intent or e-mail) or they will be deemed to be bound by National Grid's acceptance communicated in any of the preceding manners. National Grid will file a final pricing summary with the PUC.

At any time, National Grid, at its sole discretion, reserves the right to issue additional instructions or requests for additional information, to extend the due date, to modify any provision in this RFP or any appendix thereto and to withdraw this RFP.

### 3.3 Contact Person/Questions

All questions regarding this Request for Proposal should be directed to James Calandra at the address provided above.

## 4. Service Features

### 4.1 Commencement Date of Supply

Service from the winning Supplier(s) to National Grid shall begin as of HE 0100 EPT on the date specified in the table found in Section 2.3 – Load Blocks.

Service from National Grid to individual customers who are currently taking Standard Offer Service in each customer group as of the Commencement Date, if any, will continue with the winning Supplier(s) providing such service to National Grid as of the Commencement Date.

Service from National Grid to individual customers taking Standard Offer Service as of the Commencement Date shall begin on the customer's meter reading date following notification/determination that a customer will be commencing Standard Offer Service or such other date designated by National Grid consistent with National Grid's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2204 in Rhode Island.

National Grid's procedures provide for customers to be switched from one service option to another (e.g., from Standard Offer Service to a competitive supplier, from one competitive supplier to another competitive supplier, from a competitive supplier to Standard Offer Service) on their normal cycle meter reading dates. However, there may be circumstances (e.g., default of a competitive supplier) that might require a customer to be switched to Standard Offer Service "off-cycle". In such case, the customer will be switched to Standard Offer Service on a date designated by National Grid consistent with National Grid's Tariff for Off Cycle Meter Read for Switch of Supplier R.I.P.U.C. No. 2204 in Rhode Island.

### 4.2 Termination Date of Supply

Service from the winning Supplier(s) to National Grid shall terminate at HE 2400 EPT on the dates specified in the table found in Section 2.3 – Load Blocks.

Individual customers taking Standard Offer Service from National Grid may terminate the service at any time. Terminations may include, but not be limited to, (i) a customer's taking competitive service from a competitive supplier, (ii) disconnection of service by

National Grid in accordance with regulations and procedures approved by the PUC, or (iii) closing of a customer's account. National Grid's procedures provide for customers electing to terminate such service to be switched to their successor service on their normal cycle meter reading date following the date that National Grid receives notification of such switch. However, there may be circumstances which might require a customer to be terminated "off-cycle". In such a case, the customer will be terminated from Standard Offer Service on a date to be determined by National Grid.

#### 4.3 Delivery Points

The Supplier(s) of Standard Offer Service will be responsible for delivering power to the nodes/zones representing the actual locations of the Standard Offer Service loads. The Supplier(s) of each of the services will be responsible for any PTF losses allocated by the ISO related to the services. The locations of the applicable Standard Offer Service load assets are as follows:

<b>Company</b>	<b>SMD Load Zone</b>	<b>Load Asset</b>	<b>Load Asset Name</b>	<b>Load Block</b>
NECo	RI	37765	NECO INDUSTRIAL SO LOAD_4005	A1, A2
NECo	RI	37763	NECO RESIDENTIAL SO LOAD_4005	B & C
NECo	RI	37764	NECO COMMERCIAL SO LOAD_4005	D & E

#### 4.4 Form of Service

The Supplier(s) of each load block shall be responsible for meeting the specified service requirements for all of National Grid's customers in a specific load block. These service requirements include the generation and/or market procurement and delivery to the delivery point(s) of the portion of the electric capacity, energy and ancillary services required to meet the needs of National Grid's ultimate customers taking such service. National Grid will implement the transfer of these responsibilities to the Supplier(s) by updating the asset registration for each of the above Load Assets. National Grid will assign to the Supplier(s) the applicable Ownership Share for each Load Asset. Once a Supplier's obligation terminates, National Grid will terminate the Supplier's Ownership Share of a Load Asset.

The Supplier(s) shall be responsible for all obligations, requirements, and costs associated with the Supplier(s) having the Load Asset Ownership Share which shall include but not be limited to the day-ahead load obligations and real-time load obligations at the nodes/zones of each Load Asset. A more complete description of a Supplier(s)'s responsibilities can be found in the Master Power Agreement in Appendix B of this RFP.

The Supplier(s) shall be responsible for all decisions and data submissions associated with any bids into the market system to manage these obligations. The Supplier(s) shall be responsible for all components of any Locational Marginal Prices the Supplier must

pay in delivery of the services. These components include, but are not limited to, the day-ahead and real-time energy, marginal losses, and congestion charges. As the supplier of such services, the Supplier(s) will be responsible for all present or future requirements and associated costs (to the extent such charges are not imposed on National Grid as a transmission charge by NEPOOL or the ISO) associated with the services and any other requirements, market products, expenses or charges imposed by NEPOOL or the ISO, as they may be in effect from time to time.

The Supplier(s) will also be responsible for all transmission and distribution losses associated with delivery of the electricity from the delivery point to the Standard Offer Service customer's meter. A description of the estimation process for determining supplier hourly load can be found in Appendix A of the Master Power Agreement, found in Appendix B of this RFP.

National Grid will make arrangements with the ISO for transmission service over the PTF and non-PTF, from and after the Delivery Point to the Customers' meters. National Grid will be billed by the ISO and the applicable Participating Transmission Owner(s) for these services. National Grid will pay these bills and collect the costs, along with National Grid's distribution costs, from its retail customers through its retail delivery service tariffs. Any other transmission or distribution costs will be the Supplier(s)' responsibility.

## **5. Proposal Requirements**

### **5.1 Format of Proposal**

The information required by National Grid to evaluate each proposal is identified in Appendix C. Respondents may simply complete the forms provided in Appendix C in any legible fashion and return them to James Calandra as provided in Section 3.2. In addition, proposals should contain explanatory, descriptive and/or supporting materials as necessary.

### **5.2 Proposed Pricing**

Respondents must specify the price at which they will provide Standard Offer Service for each load block on which they are bidding to serve. Purchases will be made on an "as-delivered" energy basis with prices stated on a fixed \$/MWh basis. Such prices shall exclude any ISO capacity charges and credits. Such prices may vary by calendar month and by load block, but must be uniform for the entire calendar month or period, as specified, and cover the entire term of this Request for Proposals.

Prices which contain demand components, minimum purchase requirements or which vary by time-of-use within a calendar month will be rejected. Other than capacity market charges and credits, prices which exclude one or more market costs (e.g. uplift costs, etc.) will be rejected.

National Grid intends to pay a Supplier(s) based on the billing determinants as defined in the Master Power Agreement. These billing determinants are the loads as reported to and settled by the ISO, which include transmission and distribution losses, and exclude any PTF losses allocated to the Supplier by the ISO during the settlement. National Grid intends to pay a Supplier(s) the net of the actual ISO capacity charges and credits associated with the Supplier(s) having the Load Asset Ownership Share.

National Grid is seeking the following pricing:

- **All-Inclusive Bids:** For each load block (A1 through E), a price which includes all costs except capacity market charges and credits. Should National Grid select this option, (1) Suppliers would be responsible for all costs except capacity market charges and credits, (2) National Grid would pay Suppliers for the net of the actual ISO capacity charges and credits, and (3) Suppliers would not be responsible for complying with the Renewable Energy Standard component.

### 5.3 Terms and Conditions

Service will be provided pursuant to the terms of the Master Power Agreement.

### 5.4 New England Market Participation

Each Respondent must indicate whether it has an executed and accepted Market Participant Service Agreement with ISO New England or if it plans to execute an agreement and, if so, at what point it is in the application process and the time frame for completing the process. Respondents must also provide evidence of agreements with a Market Participant if Respondent will have another Market Participant be responsible for its market settlement obligations.

### 5.5 Competitive Supplier Registration

The service provided by the Supplier(s) of Standard Offer Service to National Grid is a wholesale transaction between the Supplier(s) and National Grid; therefore, the Supplier(s) do not have to be licensed or registered suppliers with any state regulatory commission.

### 5.6 Regulatory Approvals

The Supplier(s) of the services covered by this Request for Proposal must obtain and maintain all necessary regulatory approvals required to enable it to provide the applicable service. Such approvals must be obtained prior to July 1, 2020, October 1, 2020 or April 1, 2021, as applicable.

## **6. Retail Customer Relationships**

### **6.1 Customer Billing**

All customers taking Standard Offer Service covered by this RFP will be retail customers of National Grid. As the retail provider of such service, National Grid will bill customers for the Standard Offer Service provided.

### **6.2 Notification of Enrollments and Terminations**

National Grid will provide electronic notification to the Supplier(s) of Standard Offer Service customer enrollments and terminations within a customer group. Enrollment information will include account number, rate class and commencement date of service. Termination information will include account number, rate class and termination date of service. Such notifications shall only be provided when a Supplier establishes a Windows or Unix file server with capability of sending and receiving File Transfer Protocol (“FTP”), files with Pretty Good Privacy (“PGP”), Encryption/Decryption, and (ii) verifies its ability to transfer files to and receive files from National Grid at least fourteen (14) days prior to the day on which a Supplier desires to commence electronic receipt.

### **6.3 Customer Service**

National Grid, as the retail provider of Standard Offer Service, will provide customer service to all customers receiving Standard Offer Service.

## **7. Selection Process**

The criteria to be used in evaluating proposals will be the lowest evaluated bid price by load block. If there are identical lowest final bid prices, the winning bidder will be determined by selecting the bidder with the lowest final bid price for the estimated highest volume month.

## **8. Credit Requirements**

In order to protect National Grid’s Standard Offer Service customers from the risk of Supplier(s) default, a winning Supplier(s) must be able to demonstrate it has the financial resources to perform during the term of the agreement. As reflected in the attached Master Power Agreement (Appendix B to this RFP), National Grid will require Supplier(s) to provide some form of security when entering into a Confirmation. The security arrangement will be based on the expected volume of load for the load block and a mark-to-market margining clause. As forward market prices change, the Supplier(s) will be required to post security for those incremental changes. Additionally, Suppliers that are rated at or below BBB-/Baa3 will be required to post an Independent Amount

equal to 10% of the notional value of each load block awarded. The Supplier(s) shall provide security in one of the following forms:

- Unsecured line of credit for a rated counterparty
- Parental Guaranty
- Letter of Credit
- Cash deposit with National Grid

Respondents that are rated by a major credit rating agency must provide the ratings assigned by such agencies. Respondents that are not rated by a major credit rating agency must provide the following information to enable National Grid to evaluate a Respondent's financial strength:

- Respondent's organizational history
- Date of establishment
- Initial (if founded within the last ten years) and current capitalization
- Certified financial statements, including balance sheets and statements of income and cash flow with respect to the two previous fiscal years and the most recent interim period
- Forms 10-K and 10-Q, submitted to the United States Securities and Exchange Commission for the two previous fiscal years, if applicable;
- Short-term and long-term debt ratings from Moody's Investor Service or Standard & Poor's Corporation
- Corporate affiliates or joint venture partners including any details regarding financial limitations between partners or affiliates.

If a Respondent has provided this information to National Grid or an affiliate in a response to a previous RFP, then the Respondent needs only to identify the date and to whom the information was submitted and update the previously provided information.

National Grid agrees that it will treat the information it receives from Respondents in a confidential manner and will not, except as required by law or regulatory authority, disclose such information to any third party or use such information for any purpose other than in connection with this RFP.

## **9. General Requirements**

National Grid may withdraw and terminate this RFP at any time without any liability. National Grid reserves the right to accept or reject, in whole or in part, any and all proposals. National Grid will not be responsible to any Respondent or any other party for failure to execute a Master Power Agreement or Confirmation.

National Grid shall reject proposals submitted in response to this RFP that are incomplete, or do not conform to the requirements of the RFP, or are submitted beyond the deadline for submission. All proposals submitted by Respondents in response to the RFP will become the exclusive property of National Grid.

National Grid will post the average winning bid price of each load block on its website within 90 days of final pricing.

Each Respondent certifies, by its submission of a bid, that it is bidding independently and that it has no knowledge of any proposal being submitted by another Respondent in response to this RFP. Each Respondent further certifies that, by its submission of a bid, it has not disclosed and will not disclose prior to any award hereunder any information relating to its proposal which could have an effect on whether another party submits a proposal to this RFP or on the contents of such proposal that another bidder would be willing to submit in response to this RFP. Such information includes, but is not limited to: the fact that the bidder is submitting a proposal in response to this RFP, the bidder's bids, the bidder's quantities of each product bid, the bidder's estimation of the value of a product, the bidder's estimation of the risks associated with supplying a product, and the bidder's preference for bidding on one or several products.

If any information provided by the Respondent changes or fails to remain valid, it is the sole responsibility of the Respondent to notify National Grid of such change. Failing to do so may result in disqualification of the Respondent and its proposal for the solicitation.

Respondents shall, at their own cost and expense, defend, indemnify and hold harmless National Grid, its parent, subsidiaries and affiliates and their officers, directors, trustees, employees, shareholders, executors, administrators, successors and assigns against any and all manner of past, present, or future claims, demands, disputes, controversies, complaints, suits, actions proceeding or allegations of any kind which in any manner relate to arise out of, or result from any false statements or misrepresentations, intentional or unintentional, in its proposal, or breach of any covenant by the Respondent set forth herein.

**APPENDIX A**

**DESCRIPTION OF SERVICES**

<b>The Narragansett Electric Company</b>	
<b>Standard Offer Service</b>	
Description	Electric Service provided to retail customers who are not taking service from a competitive supplier.
Eligibility Requirements	<p>Service to customers can be initiated by:</p> <ul style="list-style-type: none"> <li>a) A customer notifying National Grid that it wishes to terminate service from its competitive supplier and commence Standard Offer Service.</li> <li>b) A competitive supplier notifying National Grid that it is terminating service to a customer.</li> <li>c) A competitive supplier ceasing to provide service to a customer without notifying National Grid.</li> <li>d) A customer moves into National Grid’s service territory and does not affirmatively choose a competitive supplier.</li> </ul>
Aggregate Number of Customers Taking Service and Historical Load Profiles	<p>Note: Historic customer count data and historical hourly load profiles are available at National Grid’s procurement web site:</p> <p style="text-align: center;"><a href="http://www.nationalgridus.com/energysupply/">http://www.nationalgridus.com/energysupply/</a></p>

**APPENDIX B**

**MASTER POWER AGREEMENT**

**APPENDIX C**

**REQUIRED PROPOSAL INFORMATION**

**RESPONDENT:** \_\_\_\_\_**1. General Information**

Name of Respondent	
Principal contact person < Name < Title < Company < Mailing address < Telephone number (office) < Telephone number (cell) < Fax number < E-mail address	
Secondary contact person (if any) < Name < Title < Company < Mailing address < Telephone number (office) < Telephone number (cell) < Fax number < E-mail address	
Legal form of business organization of Respondent (e.g., sole proprietorship, partnership, limited partnership, joint venture, or corporation)	
State(s) of incorporation, residency and organization Indicate whether Respondent is in good standing in all states in which Respondent is authorized to do business and, if not, which states and the reason it is not.	
If Respondent is a partnership, the names of all general and limited partners.  If Respondent is a limited liability company, the names of all direct owners.	
Description of Respondent and all affiliated entities and joint ventures transacting business in the energy sector	

**RESPONDENT:** \_\_\_\_\_

**2. Financial Information**

Current debt rating for Respondent (include ratings and names of rating agencies).	
Date Respondent's last fiscal year ended.	
Total revenue for Respondent for the most recent fiscal year.	
Total net income for Respondent for the most recent fiscal year.	
Total assets for Respondent as of the close of the previous fiscal year.	
Copy of the Respondent's most recent balance sheet, income statement and cash flow statement.	
Copy of the Respondent's most recent audited balance sheet, income statement and cash flow statement.	

**3. Defaults and Adverse Situations**

<p>Describe, in detail, any situation in which Respondent (either individually or as part of a consortium, joint venture or other group), or an affiliate of Respondent, defaulted or was deemed to be in noncompliance of its contractual obligations to transact business in the energy sector within the past five years including, without limitation, to purchase or deliver energy, capacity or other market products at retail or wholesale, or for the purchase or sale of electricity or natural gas, and including any financing agreements or financing provisions of any agreement.</p> <p>Explain the situation, its outcome and all other relevant facts associated with the event.</p> <p>If there was litigation, provide the case caption, index number and court.</p> <p>Identify the name, title and telephone number of the principal manager of the customer/client who asserted the event of default or noncompliance.</p>	
--	--

**RESPONDENT:** \_\_\_\_\_

<p>Has Respondent, or any affiliate of Respondent, in the last five years, (a) consented to the appointment of, or was taken in possession by, a receiver, trustee, custodian or liquidator of a substantial part of its assets, (b) filed a bankruptcy petition in any bankruptcy court proceeding, (c) answered, consented or sought relief under any bankruptcy or similar law or failed to obtain a dismissal of an involuntary petition, (d) admitted in writing of its inability to pay its debts when due, (e) made a general assignment for the benefit of creditors, (f) was the subject of an involuntary proceeding seeking to adjudicate that Party bankrupt or insolvent, (g) sought reorganization, arrangement, adjustment, or composition of it or its debt under any law relating to bankruptcy, insolvency or reorganization or relief of debtors.</p>	
<p>Describe any facts presently known to Respondent that might adversely affect its ability to provide the service(s) bid herein as provided for in the RFP</p>	

**4. NEPOOL AND POWER SUPPLY EXPERIENCE**

<p>Is Respondent a member of NEPOOL?</p>	
<p>Does Respondent have an executed and accepted Market Participant Service Agreement with ISO New England?</p>	
<p>Name of Market Participant if Respondent will have another Market Participant be responsible for its market settlement obligations.</p>	
<p>Describe Respondent’s experience and record of performance in the areas of power marketing, brokering, sales, and/or contracting, for the last five years within NEPOOL and/or the New England region.</p>	
<p>Provide three references (name, title and contact information) who have contracted with the Respondent for similar load following services within the last 2 years.</p>	

**RESPONDENT:** \_\_\_\_\_

**5. CONFLICTS OF INTEREST**

<p>Briefly describe any known conflicts of interest between bidder or an affiliate of bidder and Buyer, National Grid USA or any affiliates of the foregoing.</p>	
<p>Enumerate any litigation, claims or complaints asserted by bidder or an affiliate of bidder, against Buyer, National Grid or an affiliate of any of the foregoing.</p>	
<p>Enumerate any litigation, claims or complaints asserted against bidder or an affiliate of bidder by Buyer, National Grid or an affiliate of any of the foregoing.</p>	

**6. SCOPE OF BID AND TERMS OF SALE**

<p>Will Respondent execute a contract substantially similar to the Master Power Agreement contained in Appendix B?</p> <p>Explain any proposed modifications.</p>	
<p>List all regulatory approvals required before service can commence.</p>	

**RESPONDENT:** \_\_\_\_\_

**7. Proposed Pricing**

(Respondent required to submit bidding spreadsheet included on procurement website)

**Standard Offer Service**

Bid Block	SMD ZONE	Customer Group	Percent	Period		Monthly Pricing - \$/MWh (all inclusive w/o RES Compliance)									
				From	To	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	
A1	RI	Industrial	50%	1-Jul-20	30-Sep-20										
						Jul-20	Aug-20	Sep-20							
A2	RI	Industrial	50%	1-Jul-20	30-Sep-20										
						Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21				
B	RI	Residential	20%	1-Oct-20	31-Mar-21										
						Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21				
C	RI	Residential	20%	1-Apr-21	30-Sep-21										
						Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21				
D	RI	Commercial	20%	1-Oct-20	31-Mar-21										
						Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21				
E	RI	Commercial	20%	1-Apr-21	30-Sep-21										

**Note:** All bids rounded to 2 decimal places.  
If not bidding in a block, enter zero or leave blank.  
Please specify any bid limitations in the following section:

Request for Power Supply Proposals  
March 6, 2020



**REDACTED DOCUMENT**

**NATIONAL GRID**

**STANDARD OFFER SERVICE PROCUREMENT SUMMARY**

**FOR THE NARRAGANSETT ELECTRIC COMPANY**

FOR THE PERIOD  
JULY 2020 – SEPTEMBER 2021

**1. RFP Issued**

National Grid issued its Request for Power Supply Proposals (“RFP”) on March 6, 2020 directly to approximately 25 suppliers for the service period July 2020 through September 2021.

The RFP was also distributed to all members of the NEPOOL Markets Committee and posted on National Grid’s energy supply website. As a result, the RFP had wide distribution throughout the New England energy supply marketplace.

This procurement was conducted in accordance with the Standard Offer Service (SOS) Procurement Plan approved by the Rhode Island Public Utilities Commission in Docket 4935 (approved June 12, 2019) and is consistent with prior procurements conducted by National Grid.

National Grid’s RFP requested all-inclusive pricing for the following:

- 100% of the Rhode Island Industrial Group Standard Offer Service requirements for the period July 2020 through September 2020;
- 20% of the Rhode Island Commercial Group Standard Offer Service requirements for the period October 2020 through September 2021;
- 20% of the Rhode Island Residential Group Standard Offer Service requirements for the period October 2020 through September 2021.

These requirements were divided into six distinct load blocks. A description of each load block is provided in Exhibit 1.

**2. Key RFP Dates**

- The RFP was issued on March 6, 2020.
- Supplier information was received on March 20, 2020.
- Indicative bids were received on April 1, 2020.
- Final bids were received on April 8, 2020.

**REDACTED DOCUMENT****3. Contract Submissions**

All bidders had executed Master Power Agreements with National Grid before final bids and no contract revisions were necessary with the winning bidders. National Grid was able to resolve all outstanding issues with the bidders prior to receipt of bids and executed agreements that did not shift risks or obligations to its customers from those contained in its proposed agreements.

**4. Indicative Bids**

Indicative bids were received on April 1, 2020 from [REDACTED] bidders.

The indicative bids were evaluated and ranked (see Exhibits 2 and 3). Indicative pricing was used only to determine current market prices, to prepare an initial ranking of bids and to identify any bidding anomalies. The Rhode Island retail prices in Exhibit 3 were calculated by adjusting the wholesale contract prices in Exhibit 2 by the ratio of wholesale purchases to retail deliveries as calculated in Exhibit 3.

The lowest indicative bids for each load block were compared to National Grid's estimate of expected indicative bids. Our methodology calculates the expected bid prices from the historical relationship of the bid prices to all market components that comprise the bid price (see Exhibit 4). This method utilizes a detailed on-peak & off-peak calculation and incorporates the energy and ancillary services bid components.

The results of the Rhode Island indicative bids were filed with the Rhode Island Public Utilities Commission on April 2, 2020.

**5. Award of Final Bids**

Final bids were received on April 8, 2020 from [REDACTED] bidders.

The final bids were evaluated and ranked (see Exhibits 5 and 6). The retail prices for Rhode Island in Exhibit 6 were calculated by adjusting the wholesale prices in Exhibit 5 by the ratio of wholesale purchases to retail deliveries as calculated in Exhibit 6.

A summary of the number of conforming bids per block is provided in the following table:

<b>Block</b>	<b># of Bids</b>
A1	[REDACTED]
A2	[REDACTED]
B	[REDACTED]
C	[REDACTED]
D	[REDACTED]
E	[REDACTED]

**REDACTED DOCUMENT**

The lowest final bids for each load block were compared to National Grid’s estimate of expected bids based on the methodology described above (see Indicative Bids). The calculations of these expected prices can be found in Exhibit 7.

The RFP’s competitive bidding process identified the winning bids for the six blocks as shown in Exhibit 8. Exhibit 8 also provides the basis for the award. Exhibit 9 provides a bidder key to help identify bidders.

Exhibit 10 provides a bid premium estimate for all winning bids. The bid premium estimate is the difference between the Winning Bid Costs and the Market Component Costs. This difference includes:

- basis differential (the difference between the RI zonal price and hub price)
- volume risk premium - a premium associated with Est. MWh, On Peak % (loadshape), etc.
- migration risk premium
- price risk premium - premium associated with Ancillary Services costs, unexpected uplift costs, & electricity costs
- load shaping premium
- credit costs
- supplier margin

The results of the final bids were filed with the Rhode Island Public Utilities Commission on April 9, 2020.

**6. Description of Wholesale Markets Conditions**

The expected retail rates for the Industrial Group are based on the wholesale bids that were awarded supply in this RFP for July to September 2020. NYMEX electric futures provide an estimate of the power component of the Standard Offer Service winning bid prices. NYMEX electric futures are provided daily as monthly on-peak and off-peak prices.

Below is a comparison of the “round the clock” (“RTC”) NYMEX electric futures prices for the Industrial Group for April to June 2020 rate period (procured on January 8, 2020) and the July to September 2020 rate period:

	RTC Price		RTC Price
<u>Month</u>	<u>(\$/MWh)</u>	<u>Month</u>	<u>(\$/MWh)</u>
Apr-20	31.60	Jul-20	25.61
May-20	24.19	Aug-20	23.73
Jun-20	<u>25.02</u>	Sep-20	<u>21.50</u>
Straight Average:	26.94	Straight Average:	23.61

The RTC prices above are calculated for each month by utilizing the published on-peak and off-peak futures prices as of each RFP date and an estimate of the on-peak and off-peak usage for the Industrial Group.

**REDACTED DOCUMENT**

For the Industrial Group the table above demonstrates that futures prices decreased for the July to September 2020 rate period compared to the previous period. A straight average of the Industrial RTC prices shows a price change from \$26.94 to \$23.61, a 12.3% decrease.

Additionally, the NYMEX electric futures prices increased from the indicative bid date of April 1, 2020 to the final bid date of April 8, 2020 for the July to September 2020 period. The average on peak price increased from \$25.54 to \$27.01, a 5.7% increase, and the average off peak price increased from \$18.33 to \$19.02, a 3.8% increase.

Capacity costs are no longer included in the Standard Offer Service bids, but they are included in final SOS rates. The final capacity costs are determined using the Net Regional Clearing Price which is calculated after a month has occurred. Among other factors, the Net Regional Clearing Price includes the capacity clearing price and payment rate determined in the Forward Capacity Auction (FCA) for new and existing resources. The capacity clearing prices and payment rates are higher for the more recent capacity commitment periods compared to the first seven capacity commitment periods. However, the prices and rates have peaked in the ninth capacity commitment period and have decreased in subsequent auctions, though they are still higher than the first seven capacity commitment periods.

Capacity Commitment Period	(\$/kW-month)	
	New Resource	Existing Resource
June 1, 2016 to May 31, 2017 (FCA 7)	3.150	2.744
June 1, 2017 to May 31, 2018 (FCA 8)	15.000	7.025
June 1, 2018 to May 31, 2019 (FCA 9)	17.728	11.080
June 1, 2019 to May 31, 2020 (FCA10)	7.030	7.030
June 1, 2020 to May 31, 2021 (FCA11)	5.300	5.300
June 1, 2021 to May 31, 2022 (FCA12)	4.630	4.630

**7. Retail Rate**

The expected retail rates for the Industrial Group, excluding administrative cost adders and the Renewable Energy Standard Charge, were based on the wholesale bids that were awarded supply and capacity cost estimates.

For the Residential and Commercial Groups, this is the fourth of five RFPs to procure power to serve SOS customers for the October 2020 to March 2021 time period. SOS rates for October 2020 through March 2021 period will be created after the July RFP for the Residential and Commercial Groups. The July RFP’s costs will be weighted with previous RFPs, capacity cost estimates, and an estimate for the 10% spot market purchases to determine the final retail rates.

The Rhode Island retail rates were calculated by adjusting the wholesale contract prices using the ratio of wholesale kWh purchases to retail kWh deliveries as calculated in Exhibit 6.

A summary of the estimated retail rates for blocks A1 through E is provided in Exhibit 11.

**REDACTED DOCUMENT****EXHIBIT 1**  
**LOAD BLOCK DESCRIPTIONS**

<b>Load Block</b>	<b>Group</b>	<b>SMD Load Zone</b>	<b>Load Share</b>	<b>Type of Service</b>	<b>Period</b>
<b>A1</b>	Industrial	RI	50%	Standard Offer Service	07/01/2020 – 09/30/2020
<b>A2</b>	Industrial	RI	50%	Standard Offer Service	07/01/2020 – 09/30/2020
<b>B</b>	Residential	RI	20%	Standard Offer Service	10/01/2020 – 03/31/2021
<b>C</b>	Residential	RI	20%	Standard Offer Service	04/01/2021 – 09/30/2021
<b>D</b>	Commercial	RI	20%	Standard Offer Service	10/01/2020 – 03/31/2021
<b>E</b>	Commercial	RI	20%	Standard Offer Service	04/01/2021 – 09/30/2021



**REDACTED DOCUMENT**

**EXECUTION COPY**

**MASTER POWER AGREEMENT  
FORM OF CONFIRMATION**

This Confirmation shall confirm the Transaction agreed to on, and effective as of **April 8, 2020** between **THE NARRAGANSETT ELECTRIC COMPANY**, a Rhode Island corporation (“Buyer”) and [REDACTED] (“Seller”) regarding the sale/purchase of Standard Offer Service specified herein under the terms and conditions under the Master Power Agreement, dated April 1, 2016 (the “Master Power Agreement”) between Buyer and Seller, as specified and modified herein. It is the intent of Buyer and Seller that the Transaction shall meet the Commodity Futures Trading Commission's criteria for the forward contract exclusion, including that the Parties intend to physically settle the Transaction, and is therefore not subject to swap regulation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Power Agreement.

**1. Standard Offer Service Requirements Matrix**

Award Block	Customer Group	Load Zone	Load Responsibility	Commencement Date	Conclusion Date
A1	Industrial	RI	50%	07/01/20	09/30/20

[REDACTED]

[REDACTED]							
[REDACTED]							

**3. Load Asset Designation within the ISO Settlement Market System**

Award Block	Customer Group	Load Zone	Load Asset Number	Load Asset Name
A1	Industrial	RI	37765	NECO INDUSTRIAL SO LOAD_4005

**4. RES Requirement**

RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.



**REDACTED DOCUMENT**

[REDACTED]

[REDACTED]

[REDACTED]

**8. Confidentiality**

Articles 2 and 7 of this Confirmation are Confidential Terms within the meaning of Article 23 of the Master Power Agreement.

**9. Ratification of the Terms and Conditions of the Agreement**

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

**10. Counterparts**

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

*Remainder of Page Intentionally Left Blank*

**REDACTED DOCUMENT**

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

**THE NARRAGANSETT ELECTRIC COMPANY**

---

Name: Stephen McCauley  
Title: Authorized Signatory





**REDACTED DOCUMENT**

**3. Load Asset Designation within the ISO Settlement Market System**

<b>Award Block</b>	<b>Customer Group</b>	<b>Load Zone</b>	<b>Load Asset Number</b>	<b>Load Asset Name</b>
A1	Industrial	RI	37765	NECO INDUSTRIAL SO LOAD_4005
B	Residential	RI	37763	NECO RESIDENTIAL SO LOAD_4005
E	Commercial	RI	37764	NECO COMMERCIAL SO LOAD_4005

**4. RES Requirement**

Aggregate RES Requirement shall mean, for each calendar month during the term of this Transaction, zero.

**5. Amount Payable**

The amount payable by the Buyer to Seller in a month shall be:

- (i) The product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month plus,
- (ii) The Capacity Charges for the Residential Customer Group in the month plus,
- (iii) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month plus,
- (iv) The Capacity Charges for the Commercial Customer Group in the month plus,
- (v) The product of (a) the Delivered Energy for Standard Offer Service to the Industrial Customer Group in a month and (b) Industrial Contract Rate in the month plus,
- (vi) The Capacity Charges for the Industrial Customer Group in the month.

**6. Modifications to the Master Power Agreement**

None.

**7. Security**

**Calculation of Exposure**

Exposure shall be calculated in accordance with Paragraph 3 of the CSA, subject to the conditions and definitions below.

**Seller Independent Amount** means zero.

**REDACTED DOCUMENT**

**Expected Daily Load** means the average daily load based upon two years of available actual loads for a given month for the Residential and Commercial Customer Groups and one year of available actual loads for a given month for the Industrial Customer Group as specified in the following tables:

Award Block	Customer Group	Load Zone	July 2020	August 2020	September 2020
A1	Industrial	RI	450	425	360

Award Block	Customer Group	Load Zone	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021
B	Residential	RI	1262	1436	1630	1608	1584	1390

Award Block	Customer Group	Load Zone	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021
E	Commercial	RI	522	530	586	720	718	588

**Adjustment Factor** is 0.95.

**Reference New England Internal Hub Price** means the prices as specified in the following tables:

ISO New England Internal Hub Price	July 2020	August 2020	September 2020
Off-Peak	20.35	19.45	17.25
Peak	29.25	27.15	24.63
Reference New England Internal Hub Price**	24.75	22.93	20.69

ISO New England Internal Hub Price	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021
Off-Peak	18.90	28.85	38.55	51.62	47.68	34.75
Peak	24.13	34.80	46.93	59.16	56.34	39.85
Reference New England Internal Hub Price**	21.37	31.49	42.51	54.86	51.80	37.28

ISO New England Internal Hub Price	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021
Off-Peak	24.15	20.65	21.10	23.58	22.22	20.75
Peak	31.00	24.50	25.50	33.01	31.49	26.75
Reference New England Internal Hub Price**	27.50	22.31	23.25	27.84	26.61	23.55

\*\*The Reference New England Internal Hub price shall be calculated as  $((\text{Peak Price} \times \text{Peak Hours in the Month}) + (\text{Off-Peak Price} \times \text{Off-Peak Hours in the Month})) / (\text{Total Hours in the Month})$ , as applicable.

**REDACTED DOCUMENT**

**8. Delivery of Collateral**

Within five (5) Business Days after the execution of this Confirmation, the Parties shall provide any additional Eligible Collateral required as a result of entering into this Transaction in accordance with Paragraphs 3(a) and 3(b) of the Credit Support Annex of the Master Power Agreement.

**9. Confidentiality**

Article 2 of this Confirmation is Confidential Terms within the meaning of Article 23 of the Master Power Agreement.

**Ratification of the Terms and Conditions of the Agreement**

(a) Except as expressly amended or waived by this Confirmation, the terms, conditions, covenants, agreements, warranties and representations contained in the Master Power Agreement are in all respects ratified, confirmed and remade as of the date hereof and, except as amended or waived hereby, shall continue in full force and effect.

(b) Nothing in this Confirmation shall, or shall be construed to, alter or amend any other Confirmation.

**10. Counterparts**

This Confirmation may be executed in counterparts, all of which together shall constitute one and the same instrument.

This Confirmation constitutes part of and is subject to the terms and provisions of such Master Power Agreement.

*Remainder of Page Intentionally Left Blank*

**REDACTED DOCUMENT**

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Confirmation on their behalf as of the date first above written

**THE NARRAGANSETT ELECTRIC COMPANY**

---

Name: Stephen McCauley  
Title: Authorized Signatory





**REDACTED DOCUMENT****5. Amount Payable**

The amount payable by the Buyer to Seller in a month shall be:

- (i) The product of (a) the Delivered Energy for Standard Offer Service to the Commercial Customer Group in a month and (b) the Commercial Contract Rate in the month plus,
- (ii) The Capacity Charges for the Commercial Customer Group in the month.

**6. Modifications to the Master Power Agreement**

None.

**7. Security****A. Calculation of Exposure**

Exposure shall be calculated in accordance with Paragraph 3 of the CSA, subject to the conditions and definitions below.

**Seller Independent Amount** means zero.

**Expected Daily Load** means the average daily load based upon two years of available actual loads for a given month for the Commercial Customer Group as specified in the following table:

Award Block	Customer Group	Load Zone	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021
D	Commercial	RI	524	542	584	590	584	544

**Adjustment Factor** is 0.95.

**Reference New England Internal Hub Price** means the prices as specified in the following table:

ISO New England Internal Hub Price	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021
Off-Peak	18.90	28.85	38.55	51.62	47.68	34.75
Peak	24.13	34.80	46.93	59.16	56.34	39.85
Reference New England Internal Hub Price**	21.37	31.49	42.51	54.86	51.80	37.28

\*\*The Reference New England Internal Hub price shall be calculated as ((Peak Price x number of Peak Hours in the Month) + (Off-Peak Price x number of Off-Peak Hours in the Month))/(Total Hours in the Month), as applicable.

**REDACTED DOCUMENT**

**B. Delivery of Collateral**

Within five (5) Business Days after the execution of this Confirmation, Seller shall provide Collateral in accordance with Paragraph 3(a) of the Credit Support Annex of the Master Power Agreement, and in any of the forms specified in Paragraph 6 of the Credit Support Annex of the Master Power Agreement.

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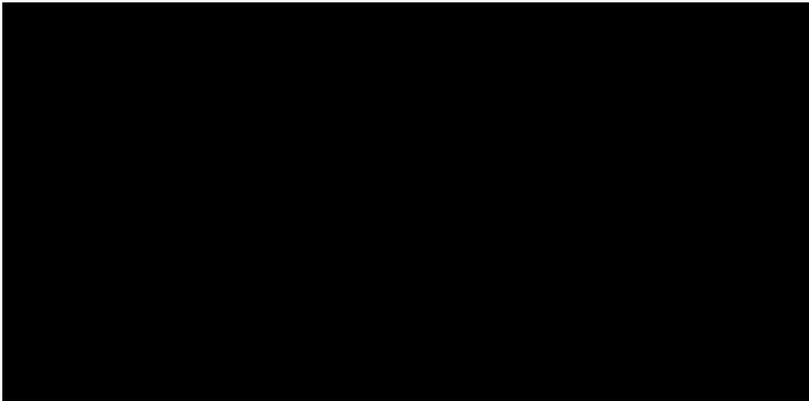
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**THE NARRAGANSETT ELECTRIC COMPANY**

---

Name: Stephen McCauley  
Title: Authorized Signatory





**REDACTED DOCUMENT****5. Amount Payable**

The amount payable by the Buyer to Seller in a month shall be:

- (i) The product of (a) the Delivered Energy for Standard Offer Service to the Residential Customer Group in a month and (b) the Residential Contract Rate in the month plus,
- (ii) The Capacity Charges for the Residential Customer Group in the month.

**6. Modifications to the Master Power Agreement**

None.

**7. Security****a. Calculation of Exposure**

Exposure shall be calculated in accordance with Paragraph 3 of the CSA, subject to the conditions and definitions below.

**Seller Independent Amount** means zero.

**Expected Daily Load** means the average daily load based upon two years of available actual loads for a given month for the Residential Customer Group as specified in the following table:

Award Block	Customer Group	Load Zone	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021
C	Residential	RI	1266	1238	1490	2318	2194	1542

**Adjustment Factor** is 0.95.

**Reference New England Internal Hub Price** means the prices as specified in the following table:

ISO New England Internal Hub Price	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021
Off-Peak	24.15	20.65	21.10	23.58	22.22	20.75
Peak	31.00	24.50	25.50	33.01	31.49	26.75
Reference New England Internal Hub Price**	27.50	22.31	23.25	27.84	26.61	23.55

\*\*The Reference New England Internal Hub price shall be calculated as ((Peak Price x number of Peak Hours in the Month) + (Off-Peak Price x number of Off-Peak Hours in the Month))/(Total Hours in the Month)), as applicable.

**REDACTED DOCUMENT**

**b. Delivery of Collateral**

Within five (5) Business Days after the execution of this Confirmation, Seller shall provide Collateral in accordance with Paragraph 3(a) of the Credit Support Annex of the Master Power Agreement, and in any of the forms specified in Paragraph 6 of the Credit Support Annex of the Master Power Agreement.

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Name: Stephen McCauley  
Title: Authorized Signatory

