Raquel J. Webster
Senior Counsel

September 17, 2020

VIA ELECTRONIC MAIL

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

RE: Docket 5043 - National Grid's Gas Long-Range Resource and Requirements Plan Forecast Period 2020/21 to 2024/25
Response to Division Data Requests – Set 2

Dear Ms. Massaro:

I have enclosed an electronic version of National Grid's[1] response to the Division of Public Utilities and Carriers' ("Division") Data Request 2-2 in the above-referenced docket.[2]

This filing also contains a Motion for Protective Treatment of Confidential Information in accordance with Rule 810-RICR-00-00-1.3(H) of the Public Utilities Commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). National Grid seeks protection from public disclosure of Attachment 3 to the Company's response to Division Data Request 2-2. Attachment 3 includes confidential gas pricing information. Accordingly, in accordance with Rule 1.3(H)(3), the Company has included a redacted public version and unredacted confidential version of Attachment 3 subject to this motion for protective treatment.

This transmittal completes the Company's responses to the Division's Second Set of Data Requests in this matter.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,

Raquel J. Webster

Enclosures
cc: Docket 5043 Service List
Leo Wold, Esq.
Al Mancini, Division
John Bell, Division

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

[2] Because of the COVID-19 Pandemic emergency period, the Company is providing a PDF version of the above-referenced transmittal. The Company is providing the PUC with one copy and, if needed, additional hard copies at a later date.

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

Gas Long-Range Resource and Requirements Plan Forecast Period 2020/21 to 2024/25	)	**Docket No. 5043**

MOTION OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION

Pursuant to Rule 810-RICR-00-00-1.3(H) (Rule 1.3(H)) of the Rhode Island Public Utilities Commission's ("PUC") Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B), National Grid[1] respectfully requests that the PUC grant protection from public disclosure certain confidential, competitively sensitive, and proprietary information submitted in the Company's response to Data Request 2-2in the Rhode Island Division of Public Utilities and Carriers' ("Division") Second Set of Data Requests directed to National Grid in the above-captioned matter. The Company also respectfully requests that, pending entry of that finding, the PUC preliminarily grant the Company's request for confidential treatment of the designated Data Request Responses. pursuant to Rule 1.3(H)(2).

I. BACKGROUND

On September 17, 2020, the Company filed its response to Division Data Request 2-2. Attachment 3 of the Company's response to Division Data Request 2-2 includes confidential gas pricing information. Accordingly, in accordance with Rule 1.3(H)(3), the Company has included

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

a redacted public version and unredacted confidential version of Attachment 3 subject to this motion for protective treatment.

II. LEGAL STANDARD

Rule 1.3(H) provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under the APRA, all documents and materials submitted in connection with the transaction of official business by an agency are deemed to be "public record[s]," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information as confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

> Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where the disclosure of information would be likely either (1) to impair the government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *Providence Journal*, 774 A.2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. *Providence Journal*, 774 A.2d at 47.

III. BASIS FOR CONFIDENTIALITY

The gas cost pricing information included in Attachment 3 of the Company's response to Division Data Request 2-2is confidential and privileged information of the type that National Grid would not ordinarily make public. As such, the information should be protected from public disclosure. Public disclosure of such information could impair National Grid's ability to obtain advantageous pricing or other terms in the future, thereby causing substantial competitive harm. Accordingly, National Grid respectfully requests that the PUC provide confidential treatment to the information.

IV. CONCLUSION

For the foregoing reasons, National Grid respectfully requests that the PUC grant its Motion for Protective Treatment of Confidential Information.

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID

By its attorney,

Raquel J. Webster (Bar #9064)
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Dated: September 17 2020

Division 2-2

Request:

Reference Section IV.C.10 of the Long-Range Plan. Please:

a) Provide a brief history as to why an interim solution was required to meet requirements in the Cumberland area;

b) Identify the daily volumes that can currently be received at the Scott Road take station and the daily volumes that will be received once the station is rebuilt;

c) Explain whether the Company will secure incremental capacity on Tennessee once the Scott Road take station is rebuilt. Identify the amount of incremental capacity;

d) Identify (in Dth) the anticipated hourly and daily, vaporization capability and the total storage capacity of the rebuilt LNG facility; and

e) Provide a copy of the analysis performed by the Company which led to the decision to rebuild the Scott Road take station and the LNG facility.

Response:

a) During a routine inspection in early spring of 2016, the Company's LNG operations identified a temperature anomaly at the bottom of the LNG tank. Out of an abundance of caution, and with safety as the top priority, the Company took the facility out of service for the 2016-17 winter season. The Cumberland tank historically provided up to 30,000 Dth per day and 80,000 Dth per season.

   After discovery of a temperature anomaly within the tank, the Company's engineering report concluded that water had infiltrated through the tank foundation and into the insulation blocks, creating a "cold spot." Although the tank was not leaking and the Company did not believe that the tank's integrity had been compromised, it was impossible to know whether there had been damage to the tank that could result in a future failure without visually inspecting the inside of the tank. Also, the manufacturer's engineering report suggested that decommissioning the tank to inspect it would likely compromise the tank's integrity. Therefore, inspecting and refilling the tank was considered a high-risk activity and not prudent. Based on this information, the Company made the decision to permanently remove the tank from service, with safety as its primary concern. The Company reviewed its plans for the decommissioning of the

Cumberland LNG tank with the Division at a meeting held on August 26, 2016, and, at that time, the Division concurred with the Company's approach.

The Cumberland LNG tank provided gas supplies to an isolated portion of the Company's distribution system, which is fed only by the Tennessee Pipeline and the Cumberland LNG tank. Without the Cumberland LNG tank, the only short-term options to feed this portion of the system were through the existing Tennessee citygate stations and/or portable LNG. Tennessee notified the Company of the availability of capacity from Dracut to the Company's Lincoln citygate for a volume of 24,000 Dth per day (Dth/day), and the Company made the decision to proceed with securing the capacity for winter 2016/17. Although the capacity of 24,000 Dth/day solved for the peak day need for the overall portfolio, it did not solve for the peak hour and peak day need for the immediate region fed only by the Company's Cumberland (aka Scott Road) citygate and the former Cumberland LNG tank. The Company implemented temporary portable LNG at the former Cumberland LNG facility as an interim solution to meet the peak hour and peak day needs along with managing the gas system to meet system pressure requirements while not exceeding supply contract maximum delivery hourly quantities (MDHQ) and maximum delivery daily quantities (MDQ)

b) The Company can currently receive an MDQ of 32,238 Dth/day. Based upon the current plans for the station's rebuild, upon completion of the rebuild the Company will be able to receive at least 53,000 Dth/day.

c) The Company will continue to engage Tennessee regarding the availability of primary firm capacity into Rhode Island as it finalizes design and permitting requirements of the Cumberland take station. The current incremental need to resolve the peak day shortfall is approximately 20,000 Dth/day.

d) The Company is in the process of developing the design requirements for the rebuild of the Cumberland LNG facility. At a minimum, the Cumberland LNG facility will meet the current estimated peak hour need (assuming the additional 20,000 Dth/day of Tennessee pipeline capacity is in place) of 420 Dth/hr, which equates to a daily vaporization capacity of 10,000 Dth/day.

e) The Company performed a hydraulic modeling analysis to determine the need for the immediate region fed only by the Company's Cumberland citygate and the former Cumberland LNG facility. The modeling incorporated the August 2019 forecast with system pressures set to maximum operating pressures and without any portable LNG.

Division 2-2, page 3

Please see Attachment DIV 2-2-1 for the design peak hour results of this analysis and Attachment DIV 2-2-2 for the design peak day results of this analysis. The design peak hour need for winter 2019/20 for the Cumberland citygate, was 1,078 Dth/hr and was projected to increase to 1,307 Dth/hr in winter 2028/29. The design peak day need for the Cumberland citygate for winter 2019/20 was 16,180 Dth/day and was projected to increase to 20,794 Dth/day in winter 2028/29. Although the design day need can be resolved by securing incremental capacity of 20,794 Dth/day from Tennessee, this volume would not resolve the design peak hour need since Tennessee contract maximum daily hourly quantities are $1/24^{th}$ of the maximum daily quantities for contract volumes (20,784/24=866 Dth/hr). The design peak hour need would be resolved by securing an incremental supply of 31,368 Dth/day, which is the design peak hour need of 1,307 Dth/hr multiplied by 24.

Until such time that the take station rebuild is complete, the Company will need to continue operating portable LNG in Cumberland. Continuing to operate portable LNG in Cumberland poses challenges as a long-term solution to support existing requirements or forecasted growth. Therefore, the Company decided to pursue rebuilding the Cumberland LNG facility to resolve the peak hour needs.

Attachment DIV 2-2-3 is a presentation of the Cumberland Long Term Solution prepared for internal purposes. The presentation provides an overview of the options considered to resolve the needs identified in the hydraulic modeling analysis. The Tennessee incremental capacity options described in the presentation included rebuilding of the Cumberland Take Station within Tennessee's scope of work. However, during negotiations with Tennessee, the Company could not reach an agreement with Tennessee on the commercial terms related to the agreement and cost of the facilities; the Company is, therefore, pursuing rebuild of the station on its own and will look to Tennessee for the upstream capacity upon completion of the rebuild.

Attachment DIV 2-2-3 contains confidential gas pricing information. The Company has supplied a redacted public version of the attachment and an unredacted confidential version subject to a motion for protective treatment.

RESULTS FOR WINTER 2019/20 WITHOUT PORTABLE LNG

Design Peak Hour Table

				2019/20			2028/29		
Pipeline/LNG	Lateral	Take Station	Meter No.	Total Supply Deliveries Company & Marketers (Dth/hr)	Total Firm Peak Hour Model Flow (DTH/hr)	Total Firm Peak Hour Balance ( ) = Shortfall (+) = Surplus (DTH/hr)	Total Supply Deliveries Company & Marketers (Dth/hr)	Total Firm Peak Hour Model Flow (DTH/hr)	Total Firm Peak Hour Balance ( ) = Shortfall (+) = Surplus (DTH/hr)
AGT	G	Barrington	00064	0	0	0	0	0	0
AGT	G	Warren	00012	812	771	40	770	823	-53
AGT		Burrillville	00044	0	29	-29	0	31	-31
AGT	G	Crary St	00842	0	3,536	-3,536	0	3,817	-3,817
AGT	G	Dey St	00004	5,502	2,066	3,436	5,518	2,249	3,268
AGT	G	Cumberland	00083	42	49	-7	42	49	-8
AGT	G	Portsmouth	00013	1,045	1,197	-152	1,045	1,230	-184
AGT	G	Tiverton	00033	56	66	-10	56	72	-17
AGT	G	E Providence	00010	1,698	1,192	506	1,698	1,409	289
AGT	E	Westerly	00008	144	128	16	144	138	6
AGT		Montville	00059	208	219	-11	208	244	-35
TGP	Cranston	Cranston	420750	3,570	2,205	1,365	3,802	2,816	986
TGP	Cranston	Lincoln	420758	1,283	1,133	150	1,283	1,225	58
TGP	Cranston	Smithfield	420910	450	1,594	-1,144	450	1,722	-1,272
TGP		Cumberland	420135	1,343	2,421	-1,078	1,343	2,650	-1,307
PORTABLE LNG		Portsmouth		0	0	0	0	0	0
LNG		Exeter		1,000	1,000	0	1,000	1,000	0
LNG (incl. KLNG)		Providence		3,958	3,958	0	3,958	3,958	0
PORTABLE LNG		Cumberland		0	0	0	0	0	0
			Total:	21,112	21,566	-454	21,317	23,433	-2,116

Note - The above analysis is based on August 2019 forecast.

Design Peak Day Table

				2019/20			2028/29		
Pipeline/LNG	**Lateral**	**Take Station**	**Meter No.**	**Total Supply Contract Deliveries Company & Marketers (Dth/d)**	**LNG Adjusted Total Firm Peak Day Model Flow (DTH/d)**	**Peak Day Total Deliveries Balance w/ LNG Undertake (-) = Shortfall (+) = Surplus (Dth/d)**	**Total Supply Contract Deliveries Company & Marketers (Dth/d)**	**LNG Adjusted Total Firm Peak Day Model Flow (DTH/d)**	**Peak Day Total Deliveries Balance w/ LNG Undertake (-) = Shortfall (+) = Surplus (Dth/d)**
AGT	G	Barrington	00064	0	0	0	0	0	0
AGT	G	Warren	00012	16,587	15,425	1,162	16,587	16,453	134
AGT		Burrillville	00044	0	581	-581	0	624	-624
AGT	G	Providence	00842	0	70,725	-70,725	0	76,330	-76,330
AGT	G	E Providence	00004	106,130	41,315	64,815	106,449	44,984	61,465
AGT	G	Cumberland	00083	1,000	989	11	1,000	989	11
AGT	G	Portsmouth	00013	22,089	23,946	-1,857	22,089	24,590	-2,501
AGT	G	Tiverton	00033	1,261	1,324	-63	1,261	1,449	-188
AGT	G	E Providence	00010	29,544	8,001	21,543	29,544	12,340	17,204
AGT	E	Westerly	00008	2,795	2,559	236	2,795	2,756	39
AGT		Montville	00059	5,000	4,377	623	5,000	4,875	125
TGP	Cranston	Cranston	420750	80,402	40,109	40,293	85,880	52,323	33,557
TGP	Cranston	Lincoln	420758	30,800	22,662	8,138	30,800	24,503	6,297
TGP	Cranston	Smithfield	420910	10,800	31,882	-21,082	10,800	34,437	-23,637
TGP		Cumberland	420135	32,238	48,418	-16,180	32,238	53,002	-20,764
PORTABLE LNG		Portsmouth		0	0	0	0	0	0
LNG		Exeter		24,000	24,000	0	24,000	24,000	0
LNG (incl. KLNG)		Providence		95,000	95,000	0	95,000	95,000	0
PORTABLE LNG		Cumberland		0	0	0	0	0	0
			Total:	457,646	431,313	26,333	463,443	468,657	-5,214

Note - The above analysis is based on August 2019 forecast.

Discussion of Long-Term Solutions for Cumberland, RI

July xx, 2019

DRAFT

nationalgrid

REDACTED

The Narragansett Electric Company
d/b/a National Grid
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OPTIONS FOR LONG-TERM SOLUTION & BENEFITS/RISKS

OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5
Do Nothing/Status Quo of Continue to Operate Portable LNG	**Incremental 20K TGP Capacity w/ Peaking Supply & Portable LNG - Execute August 2019**	**Incremental 30K TGP Capacity w/Peaking Supply - Execute August 2019**	**Build New LNG Facility in Cumberland, RI**	**Build New LNG Facility in Burrillville, RI**
Benefits: • No additional costs above short-term solution. Risk: • Load growth will outgrow the current short- term solution which inevitably leads to a permanent moratorium on new gas services in Cumberland/Pawtucket area. • Continuation of operational reliability risk with 3rd party temporary portable LNG equipment which requires real time dependency on LNG deliveries during harsh winter conditions.	Benefits: • In-service date of 2020 for pipeline capacity and Cumberland take station rebuild. Risks: • Load growth may outgrow the solution and lead to a permanent moratorium on new gas services in Cumberland/Pawtucket area. • Continuation of operational reliability risk with 3rd party temporary portable LNG equipment which requires real time dependency on LNG deliveries during harsh winter conditions. • Pipeline path originates at Dracut, MA, which can be ill-liquid during periods of peak demand.	Benefits: • Eliminates operational reliability risk with 3rd party temporary portable LNG equipment. Risks: • In-service date of 2021 will likely result in the need to invoke a temporary moratorium on new larger gas services in the Cumberland/Pawtucket area. • Pipeline path originates at Dracut, MA, which can be ill-liquid during periods of peak demand.	Benefits: • Operational flexibility to dispatch hourly supply when needed. • Re-use existing LNG facility. Risk: • In-service date of 2024 will likely result in temporary moratorium on new gas services for a minimum of 5 years until construction is complete. • Project may be significantly delayed or cancelled due to local/political opposition. • Continuation of operational reliability risk with 3rd party temporary portable LNG equipment which requires real time dependency on LNG deliveries during harsh winter conditions.	Benefits: • Operational flexibility to dispatch hourly supply when needed Risk: • Cost is more expensive than alternative solutions; time to build will result in temporary moratorium on new gas services for a minimum of 5 years until construction is complete. • Project may be significantly delayed or cancelled due to local/political opposition. • Requires 18.5 miles of new main installation to connect to Cumberland/Pawtucket area. • Continuation of operational reliability risk with 3rd party temporary portable LNG equipment which requires real time dependency on LNG deliveries during harsh winter conditions.

REDACTED

OPTIONS FOR LONG-TERM SOLUTION COSTS

Just double-checking on these costs: are these intial costs or year to year?

Need on-system costs for LNG needed over the 20,000/833.

Option	(1) Do Nothing/Status Quo of Continue to Operate Portable LNG	(2) Incremental 20K TGP Capacity with Peaking Supply & Portable LNG - Execute August 2019	(3) Incremental 30K TGP Capacity with Peaking Supply - Execute August 2019	(4) Build New LNG Facility in Cumberland, RI	(5) Build New LNG Facility in Burrillville, RI
In-Service Date	-	Nov-2020	Nov-2021	Nov-2024	Nov-2024
Incremental Capacity (dt/day)		20,000	30,000		
Incremental Capacity (dt/hr)		833	1,250		
Seasonal Capacity (dt)				74,000	74,000
Estimated TGP Fixed Cost/dt	$ -	$ 0.50	$ 0.85	$ -	$ -
Estimated O&M for 3rd Party Portable LNG Equipment	$ [redacted]	$ -	$ -	$ -	$ -
Estimated Supplier Fixed Cost/dt	$ -	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Annual Fixed Cost (TGP Fixed Cost+ Supplier Fixed Cost)	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Commodity Cost/dt	$ -	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Annual Commodity Cost	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Subtotal Annual Gas Cost	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Annual Revenue Requirement	$ -	$ -	$ -	$ [redacted]	$ [redacted]
TOTAL Annual Cost to Customers	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]

Note:
- A For all options, the current cost of TGP capacity (24,000 dt/day) remains in place at $[redacted] per yer ($[redacted] fixed + $[redacted] commodity)
- B All options are based on June 2018 forecasted customer requirements.
- C Options 2 and 3: Peaking supply cost based on proposal from 2017 summer proposals. Supplier Fixed Cost and Commodity based on Henry Hub Index (HH) for 20 days.
- D Options 2 and 3: TGP estimated fixed cost include rebuild of Cumberland Take Station. TGP contract term is twenty years.
- E Option 4: Reflect building a new LNG facility at the existing Cumberland site (Project cost range: [redacted]. Annual requirement range: $[redacted]).
- F Option 5: Alternate location for building a new LNG facility at Company owned property on Wallum Lake Rd in Burrillville will be used for the new LNG facility. For distribution back to the Cumberland region, installation of approximately 18.5 miles of 20in 99 psig steel pipe is required (Project cost range: $[redacted] Annual requirement range: [redacted].

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REDACTED

The Narragansett Electric Company
d/b/a National Grid
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