280 Melrose Street Providence, RI 02907 Phone 401-784-7288



June 7, 2022

VIA ELECTRONIC MAIL

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

RE: Docket 5011 – The Narragansett Electric Company Review of PPA with Gravel Pit Solar II, LLC – Notice of Termination

Dear Ms. Massaro:

Enclosed for filing on behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the "Company") in the above-referenced docket is a copy of a Termination Agreement and Release ("Termination Agreement") executed by the Company and Gravel Pit Solar II, LLC ("Gravel Pit") that terminates the Power Purchase Agreement ("PPA") between the Company and Gravel Pit with respect to Gravel Pit's Gravel Pit's 50 MW solar photovoltaic generating facility that was approved by the Public Utilities Commission ("Commission") on March 30, 2020 (written order issued on May 11, 2020). As more particularly set forth in the Termination Agreement, Gravel Pit failed to satisfy certain Critical Milestones, which constituted Events of Default under the PPA.

The Company is filing the Termination Agreement with the Commission pursuant to Section 6 of the Termination Agreement. No action is required by the Commission regarding the Termination Agreement.

Pursuant to 810-RICR-00-00-1.3(H)(3) and R.I. Gen. Laws 38-2-2(4)(B), the Company respectfully requests that the Commission treat the information redacted in the public version as confidential. In support of this request, the Company has enclosed a Motion for Confidential Treatment. In accordance with 810-RICR-00-00-1.3(H)(2), the Company requests that the Commission make a preliminary finding that the information redacted in the public version is exempt from the mandatory public disclosure requirements of the Rhode Island Access to the Public Records Act.

Thank you for your attention to this matter.

Very truly yours,

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Jennifer Brooks Hutchinson

cc: Docket 5011 Service List (updated list enclosed) John Bell, Division

STATE OF RHODE ISLAND RHODE ISLAND PUBLIC UTILITIES COMMISSION

PETITION OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A RHODE ISLAND ENERGY FOR APPROVAL OF PROPOSED POWER PURCHASE AGREEMENTS PURSUANT TO R.I. GEN. LAWS § 39-26.1	DOCKET NO. 5011
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RHODE ISLAND ENERGY'S MOTION FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION

Pursuant to R.I. Gen. Laws § 38-2-2(4)(B) and 815-RICR-00-00-1.3(H) ("Rule 1.3(H")), The Narragansett Electric Company d/b/a Rhode Island Energy ("Rhode Island Energy" or the "Company") hereby requests that the Rhode Island Public Utilities Commission (the "Commission") provide confidential treatment to and grant protection from public disclosure certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.3(H) and R.I. Gen. Laws § 38-2-1, *et seq.* Rhode Island Energy requests that, pending entry of findings pursuant to these provisions, the Commission preliminarily grant Rhode Island Energy's request for confidential treatment pursuant to Commission Rule 1.3(H)(2).

I. Background

On June 7, 2022, Rhode Island Energy is filing with the Commission a copy of a Termination Agreement and Release ("Termination Agreement") executed by the Company and Gravel Pit Solar II, LLC ("Gravel Pit") that terminates the Power Purchase Agreement ("PPA") between the Company and Gravel Pit with respect to Gravel Pit's 50 MW solar photovoltaic generating facility that was approved by the Commission on March 30, 2020 (written order issued on May 11, 2020). Specifically, the Company is seeking confidential treatment of certain commercially sensitive financial and banking information contained within the Termination Agreement.

II. Legal Standard

The Commission's 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 APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," 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). Therefore, to the extent that information provided to the Commission falls within one of the designated exceptions to the definition of public records under APRA, the Commission has the authority to deem such information to be 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 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 Company v. Convention Center Authority*, 774 A.2d 40 (R.I.2001). This test is satisfied when information is voluntarily provided to a 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.

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III. Basis for Confidential Treatment

The Termination Agreement is the result of arms-length negotiations between the Company and Gravel Pit with respect to Gravel Pit's failure to meet certain Critical Milestone Dates set forth in the PPA, which constituted Events of Default under the PPA resulting in a Termination Payment to the Company. The Company is filing the Termination Agreement with the Commission to notify the Commission of the termination of the PPA. The Termination Agreement includes the amount of the Termination Payment, as well as the banking, account number, and wire transfer information for payment, as well as the bank name and account number for the letter of credit. This information is the type of information that the Company is voluntarily sharing with the Commission but ordinarily would not make available to the public. Public disclosure of the financial and banking information contained in the Termination Agreement could put Gravel Pit at a competitive disadvantage and does not serve any countervailing public interest. Moreover, public release of this information could damage the business position of the affected entities, by subjecting them to potential fraud, theft and other abuses. The Company takes all reasonable measures to keep bank account and tax information, and those of its vendors, out of the public domain. Therefore, it is not a public record under APRA and should be protected from public disclosure. See Providence Journal, 774 A.2d at 47.

IV. Conclusion

Accordingly, for the reasons set forth in this motion, the Company respectfully requests that the Commission grant protective treatment to the commercially sensitive, financial and banking information contained in the Termination Agreement.

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Respectfully submitted, **RHODE ISLAND ENERGY** By its attorney,

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Jennifer Brooks Hutchinson #6176 Senior Counsel Office of the General Counsel PPL Services Corporation 280 Melrose Street Providence, RI 02907 Tel. (401) 784-7288 Email: JHutchinson@pplweb.com

Dated: June 7, 2022

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

<u>June 7, 2022</u> Date

Joanne M. Scanlon

Docket No. 5011 – The Narragansett Electric Co. d/b/a Rhode Island Energy Review of PPA w/ Gravel Pit Solar II, LLC Service List updated 6/7/2022

Name/Address	E-mail Distribution	Phone
The Narragansett Electric Company d/b/a		617-951-1354
Rhode Island Energy	Jhabib@keeganwerlin.com;	
John K. Habib, Esq.		
Keegan Werlin LLP	jhutchinson@pplweb.com	
99 High Street, Suite 2900 Boston, MA 02110		_
Boston, MA 02110	<u>cobrien@pplweb.com;</u>	
Jennifer Brooks Hutchinson, Esq.	JScanlon@pplweb.com;	
PPL Services Corporation		
	beschuster@rienergy.com	
National Grid	Stephen.mccauley@nationalgrid.com;	
Stephen McCauley	Katherine.wilson@nationalgrid.com;	_
Jon Hagopian, Esq.	Jon.hagopian@dpuc.ri.gov;	401-784-4775
Division of Public Utilities & Carriers	John.bell@dpuc.ri.gov;	
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Warwick, RI 02888	Joel.munoz@dpuc.ri.gov;	
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Daniel Majcher, Esq.	nancy.russolino@doa.ri.gov;	
Carol Grant, Commissioner	Christopher.Kearns@energy.ri.gov;	
Christopher Kearns, OER		
Nicholas Ucci, OER	Nicholas.Ucci@energy.ri.gov;	

	Carrie.Gill@energy.ri.gov;	
Gravel Pit Solar II, LLC	jkeoughjr@keoughsweeney.com;	401-724-3600
Joseph A. Keough, Jr., Esq.	desri-notices@world.deshaw.com;	
Keough & Sweeney	Hy.Martin@deshaw.com;	_
41 Mendon Ave.	· · · · · · · · · · · · · · · · · · ·	_
Pawtucket, RI 02861	aaron@nleservices.com;	
File an original & 9 copies w/:	Luly.massaro@puc.ri.gov;	401-780-2017
Luly E. Massaro, Commission Clerk		
Patricia Lucarelli, Commission Counsel	Alan.nault@puc.ri.gov;	
Public Utilities Commission	Todd.bianco@puc.ri.gov;	
89 Jefferson Blvd.	Patricia.lucarelli@puc.ri.gov;	
Warwick, RI 02888	Cynthia.WilsonFrias@puc.ri.gov;	
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Jim Kennerly	jkennerly@seadvantage.com	
Stuart Wise	swise@institutionalinvestor.com;	
Jeff Wright, BIUD		

REDACTED VERSION

TERMINATION AGREEMENT AND RELEASE

This TERMINATION AGREEMENT AND RELEASE (this "<u>Termination</u> <u>Agreement</u>") is made and entered into as of the 24th day of May 2022, by and between The Narragansett Electric Company d/b/a National Grid ("<u>Buyer</u>") and Gravel Pit Solar II, LLC ("<u>Seller</u>" and together with Buyer, the "<u>Parties</u>" and each a "<u>Party</u>").

RECITALS

A. Buyer and Seller are parties to that certain Power Purchase Agreement dated as of December 20, 2019 (the "<u>Agreement</u>"). Terms not otherwise defined herein have the meanings assigned to such terms in the Agreement.

B. Seller failed to satisfy the Critical Milestone for the acquisition of real property rights to the Facility substation that is the Interconnection Point and point of change of ownership under the Interconnection Agreement under Section 3.1(a)(ii)(B) of the Agreement and the Critical Milestone for the closing of the Financing or other demonstration of financial capability under Section 3.1(a)(iii) of the Agreement (the "Initial Critical Milestone Default").

C. On April 8, 2022, Buyer notified Seller in writing that the Initial Critical Milestone Default is an Event of Default under Section 9.2(e) of the Agreement.

D. Seller has also failed to satisfy the Critical Milestone for the receipt of all Permits set forth in Exhibit B, Part 2 of the Agreement under Section 3.1(a)(i)(B) of the Agreement, which is also an Event of Default under Section 9.2(e) of the Agreement (together with the Initial Critical Milestone Default, the "<u>Critical Milestone Defaults</u>").

D. As a result of the Critical Milestone Defaults, Buyer and Seller have agreed to terminate the Agreement, as provided in Section 9.3(b) of the Agreement and upon the terms and conditions provided in this Termination Agreement.

AGREEMENT

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. <u>Termination Agreement</u>. The Parties mutually agree that, effective upon the date Buyer receives \$990,000.00 (the "<u>Termination Payment</u>") from Seller, including as provided in Section 3 below (the "<u>Effective Date</u>"), the Agreement is terminated, and that, except as set forth in Section 7 of this Termination Agreement, all rights and obligations of the Parties thereunder are hereby mutually terminated on the Effective Date. Seller shall disburse the Termination Payment to Buyer by wire transfer of immediately available funds to the following account:

REDACTED VERSION

Bank Name Beneficiary Acct No: Fed ABA: Reference:			

2. <u>No Outstanding Obligations</u>. The Parties hereby mutually agree and acknowledge that upon receipt of the Termination Payment by Buyer, each Party will have received all payments due from the other Party under the Agreement and that there are no other outstanding obligations or liabilities under the Agreement of the date hereof.

3. <u>Letter of Credit</u>. In the event that the Effective Date does not occur by , Buyer shall draw on the Letter of Credit of

for the account of Seller in favor of Buyer (the "Letter of Credit") in the amount of the Termination Payment. Within thirty (30) days after Buyer's receipt of the Termination Payment and provided that the Letter of Credit was not previously furnished to

in connection with a draw thereunder, the Letter of Credit will be returned by Buyer at the following address:



Notwithstanding the foregoing, the failure by Buyer to return the Letter of Credit as provided in this Section 3 shall not affect the termination of the Agreement or any other rights and obligations under this Termination Agreement. Upon Buyer's receipt of the amount of the Termination Payment from the following Buyer's draw on the Letter of Credit, the Effective Date shall be deemed to have occurred for the purposes of this Termination Agreement.

4. <u>Termination Agreement Self-Executing</u>. The Parties further agree that this Termination Agreement shall be self-executing upon the Effective Date and the transactions contemplated herein shall be effected on the Effective Date without the need for further documentation.

5. <u>Mutual Release</u>

(a) Effective upon the Effective Date, Buyer releases and discharges absolutely and forever Seller and its present and former parents, subsidiaries, affiliates, divisions, stockholders, members, partners, predecessors, successors, agents, directors, sureties, officers, employees, representatives, attorneys and accountants (collectively, the "<u>Seller Parties</u>"), from any and all claims, obligations and liabilities of every kind and nature whatsoever which now exist or heretofore have existed in favor of Buyer against any of the Seller Parties which relate in any way to the Agreement or which arise out of or have been or could have been asserted with respect to the matters addressed in the Agreement.

(b) Effective upon the Effective Date, Seller releases and discharges absolutely and forever Buyer and its present and former parents, subsidiaries, affiliates, divisions, members, managers, stockholders, partners, predecessors, successors, agents, directors, sureties, officers, employees, representatives, attorneys and accountants (collectively, the "<u>Buyer Parties</u>" and together with the Seller Parties, the "<u>Released Parties</u>" and each a "<u>Released Party</u>"), from any and all claims, obligations and liabilities of every kind whatsoever which now exist or heretofore have existed in favor of Seller against any of the Buyer Parties which relate in any way to the Agreement or which arise out of or have been or could have been asserted with respect to the Agreement.

(c) As used in paragraphs (a) and (b), the term "claims, obligations and liabilities" includes, but is not limited to, (i) all claims of any kind, whether known or unknown, anticipated or unanticipated, past or present, contingent or fixed, direct or indirect, secured or unsecured, (ii) all claims for alleged breach of contract, fraud, indemnification, goods or services had and received, or open account, (iii) all claims for breach of the covenant of good faith and fair dealing, interference with contract, interference with prospective business advantage, negligence, or foreclosure, or for any violation of any statute, ordinance, or regulation relating in any way to the Agreement, and (iv) all claims for attorneys' fees and costs in connection with any of the foregoing.

(d) Notwithstanding paragraphs (a) and (b) above, the releases described herein shall not affect the obligations of Buyer or Seller under this Termination Agreement, which obligations shall survive the Effective Date to the extent provided herein.

(e) Each Party hereby covenants, warrants and represents that it will not bring suit, assert, file any action with respect to or in any way pursue against any Released Party any claims, demands, causes of action, or matters of any nature described and released herein on and after the Effective Date; and each Party hereby agrees to indemnify and hold harmless the Released Parties against any and all liability, cost, judgment, and future costs or expenses (including interest, court costs and attorneys' fees), resulting from any and all claims, demands, or causes of action, of every nature and kind whatsoever, based upon, connected with, or arising out of the breach of any covenants, warranties, or representations stated in this Termination Agreement.

(f) Each Party hereby covenants, warrants and represents that it has not assigned, transferred or purported to transfer or assign and it will not assign, transfer or purport to assign or transfer, voluntarily or involuntarily, or by operation of law, any claims, demands, or causes of action described herein, or any portion or part thereof; and each Party hereby agrees to indemnify, defend, and hold harmless the Released Parties against any and all liability, cost, judgment, and future costs or expenses (including interest, court costs, and attorneys' fees), resulting from any and all claims, demands, or causes of action, of every nature and kind whatsoever, based upon, connected with, or arising out of the breach of any covenants, warranties or representations stated in this paragraph.

(g) This Agreement is not intended to be and shall not be construed as an admission by either Party of any liability, including whether an event of default has occurred with respect to either Party, by any Released Party.

(h) Each Party acknowledges that it has had the opportunity to be represented by counsel of its choice throughout the negotiations which preceded the execution of this Termination Agreement, and in connection with the preparation and execution of this Agreement. Each Party acknowledges that it has executed this Agreement voluntarily, without coercion or duress of any kind, and on the advice of its counsel. Neither Party, nor any person acting on behalf of either Party has made any statement or representation to any other Party regarding any fact relied upon in entering into this Termination Agreement, and neither Party relies upon any statement, representation, or promise of the other Party, or any person acting on behalf of the other Party, in executing this Termination Agreement, or in making the releases provided for herein, except as expressly stated herein.

(i) Each Party has made such investigation of the facts pertaining to this Termination Agreement, and of all matters pertaining hereto, as it deems necessary. Each Party has read this Termination Agreement and understands its contents. In executing this Termination Agreement, each Party assumes the risk of any misrepresentation, concealment, or mistake. If either Party should subsequently discover that any fact relied upon by it in entering into this Termination Agreement was untrue, or that any fact was concealed from it, or that its understanding of the facts below is incorrect, such Party shall not be entitled to any relief in connection therewith, including without limitation on the generality of the foregoing, any alleged right or claim to set aside or rescind this Agreement. This Termination Agreement is intended to be and is final and binding, regardless of any claims of misrepresentation, concealment of fact, or mistake of law or fact.

(j) Each Party has cooperated in the drafting and preparation of this Termination Agreement. Hence, the same shall not be construed against either Party.

6. <u>Disclosure</u>. Seller agrees that, notwithstanding the provisions of Article 12 of the Agreement (Confidentiality), Buyer may disclose to and discuss with each of Block Island Utility District, Pascoag Utility District, the Rhode Island Public Utilities Commission, the Rhode Island Department of Public Utilities and Carriers and the Rhode Island Office of Energy Resources the facts and circumstances related to the Critical Milestone Defaults, each of the Parties' actions with respect to the Critical Milestone Defaults, and the terms and conditions of this Termination Agreement, including any non-public information related thereto, provided that Buyer shall have no obligation to make any such disclosure or have any such discussion. Without limiting the generality of the foregoing, Seller acknowledges that Buyer may file a copy of this Termination Agreement with the Rhode Island Public Utilities Commission without a protective order or non-disclosure agreement related thereto. Seller further ratifies that the

provisions of this Section 6 apply equally to all disclosures and discussions occurring prior to, on and after the date hereof.

7. <u>Survival</u>. Article 13 of the Agreement (Indemnification) shall survive the termination of the Agreement according to the terms thereof.

8. <u>Representations and Warranties</u>. Each Party represents and warrants to the other Party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary to perform this Termination Agreement.

(b) The execution, delivery and performance of this Termination Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms or conditions in its governing documents or any contract to which it is a party or any law, rule, regulation, order, writ, judgment, decree or other legal or regulatory determination applicable to it.

(c) This Termination Agreement constitutes a legal, valid and binding obligation of such Party enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws affecting creditor's rights generally, and with regard to equitable remedies, to the discretion of the court before which proceedings to obtain same may be pending.

(d) There are no suits, proceedings, judgments, rulings or orders by or before any court or any governmental authority that materially adversely affect its ability to perform this Termination Agreement.

9. <u>Governing Law</u>. This Termination Agreement shall be governed by and construed in accordance with the laws of the state of Rhode Island, without regard to the conflicts of laws rules thereof.

10. <u>Amendment</u>. Neither this Termination Agreement nor any provision hereof may be amended, waived, discharged or terminated except by an instrument in writing signed by the Parties.

11. <u>Counterparts; Facsimile Signatures</u>. This Termination Agreement may be executed in any number of counterparts, and upon execution by the Parties, each executed counterpart shall have the same force and effect as an original instrument and as if the Parties had signed the same instrument. Any signature page of this Termination Agreement may be detached from any counterpart of this Termination Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Termination Agreement identical in form hereto but having attached to it one or more signature pages. Facsimile and portable document format (.pdf) signatures on this Termination Agreement shall be deemed to be original signatures and shall have the same force and effect as such original signatures.

12. <u>Severability</u>. In the event that any of the terms, covenants or conditions of this Termination Agreement, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants or conditions of this Termination Agreement and their application shall not be affected thereby, but shall remain in force and effect unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Termination Agreement.

13. <u>Third Party Beneficiaries</u>. This Termination Agreement shall not be construed to create any rights in, or to grant remedies to, any other third party as a beneficiary of this Termination Agreement or the Agreement or of any duty, obligation or undertaking established herein or therein.

14. <u>Headings</u>. The headings contained in this Termination Agreement are solely for the convenience of the Parties and should not be used or relied upon in any manner in the construction or interpretation of this Termination Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Termination Agreement to be executed by their duly authorized representatives as of the date first written above.

THE NARRAGANSETT ELECTRIC COMPANY, d/b/a NATIONAL GRID

By: Janus Holoddly Name: JAMES HOLODAR TR Title: VICE PRESCDENT

GRAVEL PIT SOLAR II, LLC

By:

Name: Title:

[Signature Page to Termination Agreement and Release] IN WITNESS WHEREOF, the Parties have caused this Termination Agreement to be executed by their duly authorized representatives as of the date first written above.

THE NARRAGANSETT ELECTRIC COMPANY, d/b/a NATIONAL GRID

By:

Name:

Title:

GRAVEL PIT SOLAR II, LLC

By:_

Name: David Zwillinger Title: Authorized Signatory

[Signature Page to Termination Agreement and Release]