

STATE OF RHODE ISLAND
ENERGY FACILITY SITING BOARD

In re The Narragansett Electric Company :
(Aquidneck Island Gas Reliability Project : Docket No. SB-2021-04
Old Mill Lane, Portsmouth, RI) :

APPLICATION OF
THE NARRAGANSETT ELECTRIC COMPANY
FOR LICENSE TO CONSTRUCT AND ALTER
MAJOR ENERGY FACILITIES

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April 2022

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INTRODUCTION

The Narragansett Electric Company (“TNEC” or “Applicant”), 280 Melrose Street, Providence, Rhode Island 02907, hereby submits this application to the Energy Facility Siting Board (the “Board” or “EFSB”) for a license to construct and alter major energy facilities within the State of Rhode Island, pursuant to the applicable provisions of Rhode Island General Laws §§ 42-98-1, et seq. and the EFSB Rules of Practice and Procedure, as amended (“EFSB Rules”). Specifically, TNEC requests the issuance by the Board of a license for the conversion and storage of liquified natural gas (“LNG”) using portable equipment at property located on Old Mill Lane, Portsmouth, Rhode Island (the “Project”). See R.I.G.L. § 42-98-3(d) (definition of major energy facility), § 42-98-4 (license requirement), and EFSB Order 142. This application is the supplemental application required by EFSB Order 150.

TNEC is filing herewith and incorporates herein a siting report on the Project entitled Aquidneck Island Gas Reliability Project, Old Mill Lane, Portsmouth, RI (April 2022) (the “Siting Report”) in accordance with the procedures established by the Board. (In re AES/Riverside, Inc., Docket No. SB-88-1, Preliminary Decision and Order, pp. 12-14 (Order No. 8, March 13, 1989)). This application follows the organization of § 1.6(B) of the EFSB Rules.

1. The exact legal name of the applicant, if the applicant is a corporation, trust, association or other organized group, the State or territory under the laws of which the applicant was created or organized, the location of applicant’s principal place of business, and the names of all states where the applicant is authorized to do business.

The Narragansett Electric Company, a Rhode Island chartered public utility.

Principal place of business:

280 Melrose Street
Providence, RI 02907

Authorized to do business in Rhode Island.

2. The name, title and post office address of one person to whom correspondence or communication in regard to the application is to be addressed.

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with a copy to:

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3. Identification of the proposed owner(s) of the facility, including identification of all affiliates of such proposed owners, as such term is defined in R.I.G.L. § 39-3-27.

The proposed owner of the facility is The Narragansett Electric Company, a Rhode Island chartered public utility, with its principal place of business at:

280 Melrose Street
Providence, RI 02907

The affiliates of The Narragansett Electric Company include its parent, National Grid USA and the National Grid (US) Holdings Ltd companies. The corporate relationships among the National Grid (US) Holdings Ltd companies are shown on Exhibit A, attached. A listing of non-US affiliates is available upon request.

4. A detailed description of the proposed facility, including its function and operating characteristics, and complete plans as to all structures, including where applicable, underground construction, transmission facilities, cooling systems, pollution control systems and fuel storage facilities associated with the proposed facility.

The Project is described in detail in § 3 of the Siting Report.

5. Site plan for each proposed location for the facility.

The Project site location is Figure 3-1 and the site plan is Figure 3-2 of the Siting Report.

6. Total land area involved.

A parcel of land in Portsmouth totaling 5± acres and is owned in fee by TNEC.

7. Project cost.

The Project will have a construction cost of approximately Fifteen Million Dollars (\$15,000,000) and an annual operation and maintenance cost of approximately One Million Five Hundred Thousand Dollars (\$1,500,000). This estimate does not include the refueling costs which will vary depending on the amount of vaporization needed (See § 3.5 of the Siting Report).

8. Proposed dates for beginning of construction, completion of construction and commencement of service.

The Project consists of portable equipment that is owned and operated by the Applicant or the Applicant's selected vendor, which will be mobilized during the winter season as a backup supply to the natural gas distribution system and to perform peak shaving to the natural gas distribution system. Activity at the site will commence each November and conclude by the end of each following April. The Project may also be mobilized as needed in the event of potential natural gas supply disruptions to Aquidneck Island.

As summarized in § 4 of the Siting Report, the Project is the preferred location for providing emergency backup and peak-shaving support to the Aquidneck Island natural gas distribution system.

9. Where applicable, estimated number of facility employees.

The Project will be staffed by a security officer whenever the equipment is present on the site. The Project will also be staffed by at least one TNEC operator whenever LNG is stored on site.

10. Proposed financing for construction and operation of the facility.

TNEC plans to provide the funds needed to operate the Project from internal sources.

11. Where applicable, required support facilities, e.g., road, gas, electric, water, telephone and an analysis of the availability of the facilities and/or resources to the project.

The Project will utilize existing roadways and utility connections to the existing electric, natural gas, and telephone infrastructure located at the property.

12. A detailed description and analysis of the impact, including cumulative impact for facilities other than transmission lines, of the proposed facility on the physical and social environment on and off site, together with a detailed description of all environmental characteristics of the proposed site and a summary of all studies prepared and relied upon in connection therewith. In the case of transmission facilities, such description and analysis shall include a review of the current independent scientific research pertaining to electromagnetic fields (EMF) and

shall provide data on the anticipated levels of EMF exposure and potential health risks associated with this exposure.

The environmental characteristics of the Project site are described in §§ 5 (Natural Environment) and 6 (Social Environment) of the Siting Report, and the impacts of the Project are described in § 7 of the Siting Report.

13. All studies and forecasts on which the applicant intends to rely regarding the need for the proposed facility, under the statewide master construction plan submitted annually including all information, data, methodology and assumptions on which such studies and forecasts are based.

The need for the Project is explained in § 2 of the Siting Report.

14. Complete detail as to the estimated construction costs of the proposed facility, the projected maintenance and operation costs, the estimated unit cost of energy to be produced by the proposed facility, where applicable, and the expected methods of financing the facility. For transmission lines, the applicant shall also provide estimated costs to the community such as safety and public health issues, storm damage and power outages, and estimated costs to businesses and homeowners due to power outages.

The estimated construction costs as well as the annual operation, and maintenance cost of the Project is stated in item 7, above, and summarized in § 3.5 of the Siting Report. Financing methods are found in item 10, above. “Unit costs of energy to be produced” is not applicable to the Project because it provides backup natural gas supply to the natural gas distribution system during periods where local demand is greater than the natural gas capacity or during periods of a supply disruption. The annual energy cost will vary based on periods of operation.

15. A complete life cycle management plan for the proposed facility, including measures for protecting the public health and safety and the environment during the facility’s operations and plans for the handling and disposal of wastes from the facility, at the end of its useful life.

Presently, the Project components are provided by a third-party contractor. Therefore, the life cycle is not controlled by the Applicant. The safety and public health considerations are summarized in § 3.2 of the Siting Report. Information regarding the selection of the vendor responsible for the equipment is found in § 3.2.4 of the Siting Report. Measures for protecting the public health, safety and the environment during operation of the facility are also discussed in § 7.13.3 of the Siting Report.

The operation of the Project is not expected to create any waste. At the end of the winter season, all stored LNG will be vaporized into the natural gas distribution system before the equipment is removed from the property.

The LNG equipment is portable and will be removed from the property when it is not in use. Any equipment that has reached the end of its useful life will be the responsibility of the equipment owner.

16. A study of alternatives to the proposed facility, including alternatives as to energy sources, methods of energy production and transmission and sites for the facility, together with reasons for the applicant's rejection of such alternatives. The study shall include estimates of facility costs and unit energy costs of each alternative considered.

Proposed alternatives and reasons for rejecting the alternatives are discussed in § 4 of the Siting Report.

Unit energy costs are not relevant for the Project or its alternatives.

17. Identification of Federal agencies which may exercise licensing authority over any aspect of the facility.

None.

18. Identification of state and local governmental agencies which may exercise licensing authority over any aspect of the facility or which could exercise licensing authority over any aspect of the facility absent the Act.

State and local agencies having licensing authority over the Project are identified in § 9 of the Siting Report.

19. Identification of foreign governmental agencies which must issue licenses that may affect any aspect of the facility.

There are no foreign licenses required for the Project.

20. All pertinent information regarding filings for licenses made with federal, state, local and foreign governmental agencies including the nature of the license sought, copies of the applicable statutes or regulations, and copies of all documents filed in compliance with the National Environmental Policy Act, the date of filing and the expected date of decision.

The applicable statutes and regulations (including local zoning ordinances) are voluminous and will be provided to the EFSB upon request. Local applications will be filed shortly after filing this Application.

CONCLUSION

This application, the Siting Report which is filed herewith and incorporated herein, and the other supporting material clearly demonstrate that, as required by R.I.G.L. § 42-98-11(B):

- The Project is necessary to meet the need of maintaining a reliable natural gas distribution system on Aquidneck Island;
- The Project is cost-justified and can be expected to support the natural gas distribution system at the lowest reasonable cost to the consumer consistent with the objective of ensuring the operation of the Project in compliance with applicable laws and regulations;

- The construction and operation of the Project will not cause unacceptable harm to the natural or social environment and will enhance the socioeconomic fabric of the state; and
- The Project will enhance the socioeconomic fabric of Aquidneck Island by maintaining the reliability of the natural gas distribution system during the winter months and during periods of pipeline inspection and maintenance.

For the reasons stated herein, The Narragansett Electric Company requests that the Energy Facility Siting Board grant to it, pursuant to R.I.G.L. § 42-98-1, et seq., a license to operate the Project.

Respectfully submitted,

The Narragansett Electric Company

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