

The Narragansett Electric Company  
d/b/a Rhode Island Energy

APPLICATION FOR APPROVAL  
OF A CHANGE IN ELECTRIC AND  
GAS BASE DISTRIBUTION RATES

Rebuttal Testimony of:

Thomas Camara

Topic: Facilities

Book 9 of 20

May 11, 2026

Submitted to:  
Rhode Island Public Utilities Commission  
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Submitted by:



**Rhode Island Energy™**  
a PPL company

**Rebuttal Testimony of  
Thomas Camara**

**PRE-FILED REBUTTAL TESTIMONY**

**OF**

**THOMAS CAMARA**

**Topic: Facilities**

**May 11, 2026**

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**SUMMARY**

Thomas Camara submits rebuttal testimony responding to criticisms raised by Division witnesses Matthew Wood, William Watson, and Dante Mugrace regarding the Company's Facilities Plan. Camara explains why the Company's \$87.5 million Dexter Street renovation cost estimate is well-supported by qualified third-party assessments and demonstrates that the Johnston Plan, at approximately \$92.6 million over five years, is significantly more cost-effective than the alternatives, including the \$224 million Warwick Expansion and the \$241 million Dexter Plan. He rebuts Mr. Wood's favorable comparison of the MetLife building lease rate to the Company's lease at 1301 Atwood Avenue, explaining that the MetLife building was available only as a short-term sublease and that the Company conducted a thorough competitive evaluation before selecting Atwood Avenue. Mr. Camara further responds to Dr. Watson's and Mr. Mugrace's recommendations and demonstrates that the relocation of the Electric Distribution Control Center from Lincoln to Cumberland is not a transition cost but rather reflects ordinary post-transition operational needs and that the Company's 10% contingency is a reasonable, industry-standard budgeting practice for a multi-year capital program at this stage of design.

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1 **I. Introduction**

2 **Q. Please state your full name and business address.**

3 A. My name is Thomas Camara, and my business address is 280 Melrose Street, Providence,  
4 RI 02907.

5  
6 **Q. Have you previously submitted direct testimony in this proceeding?**

7 A. Yes. On behalf of the “Company”, I submitted pre-filed direct testimony on  
8 November 26, 2025.

9  
10 **Q. On whose behalf are you submitting this rebuttal testimony?**

11 A. I am submitting this rebuttal testimony on behalf of the Company.  
12

13 **II. Purpose and Organization of Rebuttal Testimony**

14 **Q. What is the purpose of your rebuttal testimony?**

15 A. This rebuttal testimony responds to the Division’s positions, as set forth in the Direct  
16 Testimony of Matthew Wood, William F. Watson, and Dante Mugrace.

17  
18 **Q. How does your testimony respond to Mr. Wood’s testimony?**

19 A. I am responding to Mr. Wood’s testimony regarding the Company’s Facilities Plan,  
20 including (1) the estimated cost of renovating the Dexter Street facility; (2) the  
21 Company’s evaluation and rejection of 700 Quaker Lane (the “MetLife building”) in  
22 Warwick; (3) the decision to lease space at 1301 Atwood Avenue in Johnston; and (4) the

1 adequacy of the Company's procurement and evaluation process. My rebuttal testimony  
2 addresses each of these criticisms and demonstrates that they are based on incomplete  
3 information, flawed assumptions, and a fundamental misunderstanding of the Company's  
4 operational requirements.

5  
6 **Q. How does your testimony respond to Dr. Watson's testimony?**

7 A. I am responding to Dr. Watson's testimony regarding recovery of the marginal costs to  
8 relocate the Electric Distribution Control Center ("EDCC") from the Lincoln facility to  
9 the Cumberland facility. My rebuttal testimony demonstrates that the relocation is not a  
10 transition cost because the Company already fulfilled its transition obligations by  
11 establishing Lincoln as the Rhode Island-based EDCC, that facility has been fully  
12 operational for approximately four years, and the investment need is driven by ordinary  
13 operational conditions, including aging equipment, rising maintenance costs, and  
14 inefficient use of space. These needs would have arisen regardless of the  
15 National Grid-to-PPL transaction.

16  
17 **Q. How does your testimony respond to Mr. Mugrace's testimony?**

18 A. I respond to Mr. Mugrace's testimony regarding recovery of the 10% contingency costs.  
19 My rebuttal testimony demonstrates that the 10% contingency is reasonable and should  
20 be allowed because it reflects industry-standard practice for projects at this stage of  
21 design, it is consistent with the level of cost uncertainty inherent in a multi-year,

1 multi-facility capital program, and it is supported by the Company's historical experience  
2 with construction and renovation projects of similar scope and complexity.

3  
4 **Q. How is your rebuttal testimony organized?**

5 A. Section I is the Introduction. Section II presents the Purpose and Organization of my  
6 rebuttal testimony. Section III responds to Mr. Wood's criticisms regarding the cost of  
7 renovating the Dexter Street facility and his claim that it should be retained as a  
8 long-term facility. Section IV addresses Mr. Wood's comparison of the MetLife building  
9 at 700 Quaker Lane in Warwick to the Company's lease at 1301 Atwood Avenue in  
10 Johnston. Section V responds to Mr. Wood's claim that the Company failed to conduct  
11 competitive bidding or engage cost consultants. Section VI responds to Dr. Watson's  
12 recommendation regarding EDCC marginal costs. Section VII responds to Mr. Mugrace's  
13 recommendation regarding the 10% contingency cost. Section VIII is the Conclusion.

14  
15 **III. The Dexter Street Renovation Cost Estimate**

16 **Q. Before responding to the Division's specific comments and recommendations**  
17 **provided by Mr. Wood, are there any overall comments you wish to make regarding**  
18 **Mr. Wood's analysis of the Dexter Street renovation and the Company's Facilities**  
19 **Plan?**

20 A. Yes. Based on my review of Mr. Wood's testimony and the accompanying report, it is  
21 clear that Mr. Wood did not undertake a comprehensive and holistic review of the

1 Company's Facilities Plan, but instead focused on the limited portions of it related to the  
2 cost of moving the Dexter Street facility and operations. This narrow focus caused him to  
3 fundamentally misunderstand the purpose and rationale of the Johnston Plan. The  
4 Johnston Plan is not simply about isolated considerations regarding what to do with the  
5 Dexter Street facility or where to lease office space. It is a comprehensive, statewide plan  
6 that addresses critical deferred maintenance across all nine of the Company's facilities,  
7 optimizes the Company's use of its existing properties, reduces the Company's overall  
8 footprint by approximately 30,000 square feet, and lowers long-term operation and  
9 maintenance expenses. Each component of the Johnston Plan is integral to achieving  
10 those objectives and cannot be meaningfully evaluated in isolation.

11  
12 Mr. Wood's analysis focused narrowly on isolated cost comparisons without  
13 understanding how those elements fit into the broader statewide plan. As I will explain  
14 throughout this testimony, each of the considerations Mr. Wood raises reflects issues that  
15 the Company comprehensively evaluated and addressed through the Facilities Statewide  
16 Program Study ("Study").

17  
18 **Q. Mr. Wood criticizes the Company's renovation cost estimate for the Dexter Street**  
19 **facility as excessive. How do you respond?**

20 **A.** Mr. Wood's criticism is misleading for several reasons. First, the Company's estimate is  
21 not an unsupported lump-sum figure; it reflects a comprehensive, line-item cost estimate

1 derived from the findings of multiple qualified third-party consultants regarding the  
2 conditions of the Dexter Street facility. *See* Attachment DIV 17-12-1 (Bureau Veritas  
3 assessment) at Bates pages 42, 48, 88-89; Attachment DIV 17-12-2 (Building Enclosure  
4 Science, LLC assessment) at Bates pages 45-46; Attachment DIV 17-12-3 (GZA  
5 GeoEnvironmental, Inc. Assessment) at Bates pages 103-04, 139-40. Second,  
6 Mr. Wood's simple per-square-foot calculation ignores the extraordinary scope of work  
7 required at the Dexter Street facility. Third, Mr. Wood's benchmarks for construction  
8 costs are inapposite because (1) they describe new construction or standard renovation  
9 scenarios, not the comprehensive remediation of a facility with more than 100 years of  
10 deferred maintenance and (2) they fail to account for the specialized construction and  
11 resilient materials needed for a utility operations facility.

12  
13 **Q. Starting with your first point, can you describe the basis for the Company's Dexter**  
14 **Street facility renovation estimate?**

15 A. The Company's estimate for addressing all deferred maintenance at the Dexter Street  
16 facility, as detailed in Schedule TC-1 to my Pre-Filed Direct Testimony, totals  
17 approximately \$87.5 million. It is built from a comprehensive, line-item cost estimate  
18 derived from the findings of multiple third-party consultants, which are reflected in the  
19 line items of Schedule TC-1. Each line item on Schedule TC-1 identifies the specific  
20 repair or renovation, the base estimate, design and management costs, and overhead, as  
21 well as the primary and additional sources for the estimate. Thus, contrary to Mr. Wood's

1 assertions, the Company prepared a detailed, line-item cost justification for its estimate,  
2 and Mr. Wood's claims about the reliability of that estimate are unsupported and should  
3 be disregarded.

4  
5 **Q. What third-party consultants were involved in the Company's cost estimates for the**  
6 **Dexter Street facility renovation?**

7 A. The Company's cost estimates for the Dexter Street facility were informed by  
8 assessments from multiple third-party consultants, including Bureau Veritas, GZA  
9 GeoEnvironmental, Inc., and Building Enclosure Science, LLC. *See* Attachment DIV 17-  
10 12-1 (Bureau Veritas assessment) at Bates pages 42, 48, 88-89; Attachment DIV 17-12-2  
11 (Building Enclosure Science, LLC assessment) at Bates pages 45-46; Attachment DIV  
12 17-12-3 (GZA GeoEnvironmental, Inc. Assessment) at Bates pages 103-04, 139-40. Each  
13 third-party consultant performed an assessment of the Dexter Street facility and identified  
14 needed repairs and improvements, as well as the estimated costs associated with each  
15 item.

16  
17 **Q. Turning to your second point, why should Mr. Wood's per-square-foot calculation**  
18 **be considered unreliable?**

19 A. Mr. Wood's simple per-square-foot calculation—dividing the total cost by the estimated  
20 buildable area—completely ignores the poor condition and extraordinary scope of work  
21 required at the Dexter Street facility. This facility is not an ordinary commercial building

1 requiring a standard renovation. It originally was constructed in or around 1920 and has  
2 been in continuous use for more than 100 years with only limited maintenance and capital  
3 investment. To continue to operate it, the necessary renovation includes, among other  
4 things: a complete façade repair (the single largest line item, estimated at more than \$46.7  
5 million including design, management, and overhead); window replacements; security  
6 and life safety upgrades; complete replacement of the plumbing system; complete  
7 replacement of the HVAC system including ductwork and hydronic piping; full electrical  
8 system upgrade; lighting replacement; elevator renovations; fire alarm and sprinkler  
9 system installation; ADA accessibility improvements; and parking lot reconstruction.

10  
11 It is precisely because the Dexter Street renovation would be so extraordinarily expensive  
12 that the Company rejected the Critical Deferred Maintenance + Dexter Overhaul  
13 alternative (“Dexter Plan”) and instead determined that the Johnston Plan, at a total cost  
14 of approximately \$92.6 million for all facilities statewide, was a more compelling and  
15 cost-effective alternative.

16  
17 **Q. Finally, why are Mr. Wood’s construction cost benchmarks inappropriate**  
18 **comparisons?**

19 A. Mr. Wood’s benchmarks for construction costs—ranging from \$125 to \$500 per square  
20 foot depending on the type and quality of construction—are inappropriate comparisons  
21 because they relate to new construction or standard renovation scenarios, not the

1 comprehensive remediation of a facility with more than 100 years of deferred  
2 maintenance, significant structural deterioration, environmental concerns, and specialized  
3 utility operational requirements such as a warehouse, fleet maintenance garage, and  
4 industrial HVAC equipment. Comparing a comprehensive façade repair of a historic  
5 masonry industrial building to generic “Class A office renovation” costs is not a  
6 meaningful comparison. The façade repair alone accounts for more than half of the total  
7 estimate, reflecting the extraordinary scope of work required to address decades of  
8 deterioration to the building’s masonry envelope—an item that would not exist in new  
9 construction or standard renovation.

10  
11 **Q. Mr. Wood suggests that a “properly scoped” renovation of the Dexter Street facility**  
12 **could be completed at less than the \$87.5 million estimate. Do you agree?**

13 A. No. Mr. Wood’s suggestion that the renovation could be “properly scoped” at a lower  
14 cost is speculative and unsupported. His cost-per-square-foot renovation estimates are not  
15 based on any cost estimating by qualified consultants, but rather on his general  
16 “experience” and “internal database,” and it is entirely unclear what costs are included in  
17 the per-square-foot figure. *See* RIE 1-10. Mr. Wood has not engaged third-party  
18 consultants to develop his own alternative cost estimate. His suggestion amounts to  
19 nothing more than an assertion that the Company’s costs seem high based on generic,  
20 market-wide benchmarks that do not account for the specific conditions at the Dexter  
21 Street facility. Further, he provides no information about what he would consider a

1 “properly scoped” renovation to entail, *see* RIE 1-9, or how the Company’s needs for  
2 utility operations support would be satisfied through a renovation different in scope from  
3 what the Company analyzed.

4  
5 In contrast, the Company’s cost estimate was developed over the course of two years  
6 through a comprehensive process involving multiple expert consultants who physically  
7 inspected the building and assessed its condition system by system. The property  
8 condition assessments were performed by various consultants in accordance with industry  
9 standards and included field observations by a registered engineer. The façade assessment  
10 was performed by Gale Associates, a firm specializing in building enclosure systems. The  
11 Company also relied on Vision 3 Architects to produce programming assessments of each  
12 of the departmental needs. *See* Attachment DIV 17-10 and Attachment DIV 17-13-1  
13 through Attachment DIV 17-13-4. The Company commissioned these assessments to  
14 ensure that the facility’s operational spaces would be efficiently programmed to the needs  
15 of the Company and provide the necessary support and functionality for its operations in  
16 providing safe and reliable gas and electric distribution service to customers.

17  
18 **Q. Turning to the Company’s \$87.5 million estimate, please explain what that estimate**  
19 **includes.**

20 A. The estimate represents the **total** project cost to address all deferred maintenance at the  
21 Dexter Street facility. Mr. Wood’s benchmark of \$275 per square foot for a Class A

1 office renovation, on the other hand, captures only the basic construction costs—walls,  
2 paint, carpet, lighting—and does not include the full scope of costs necessary to make a  
3 facility operational for a gas and electric utility. In contrast, the Company’s \$800 per  
4 square foot figure reflects the total project cost, which includes multiple categories of  
5 expenditure beyond basic construction.

6  
7 **Q. Please explain the components included in the Company’s \$800 per square foot cost**  
8 **estimate for the Dexter Street facility renovation?**

9 A. It includes (1) basic construction cost, which covers the physical renovation of the  
10 building envelope, interiors, and base building systems; (2) design, programming, and  
11 engineering costs, which account for approximately ten percent of total project costs and  
12 cover the professional services necessary to scope, plan, and oversee the renovation; and  
13 (3) build-out beyond basic construction, including furniture, task chairs, audio-visual  
14 equipment, monitor arms, and specialized construction using resilient materials suitable  
15 for utility operations, such as epoxy flooring and heavy-duty fixtures. This third category  
16 of costs is particularly important because a utility’s facilities are not standard office or  
17 industrial buildings. They must house specialized operations, including gas and electric  
18 distribution control centers, training facilities, weld shops, tool shops, fleet repair  
19 operations, warehouse storage for construction materials such as utility poles, cable reels,  
20 and transformers, and areas for managing contaminated equipment and clothing. Utility  
21 facilities also require resilient construction materials—epoxy floors rather than carpet,

1 heavy-duty showers and restrooms to accommodate workers who deal with  
2 contamination, industrial-grade fixtures that can withstand hard use—and specialized  
3 infrastructure such as stand-by generators, uninterruptible power supplies, and critical  
4 communications systems. These requirements fundamentally change the cost profile of  
5 any renovation or build-out as compared to a standard commercial office space, and Mr.  
6 Wood’s cost benchmarks do not account for these differences.

7  
8 The cost estimate also includes project management and oversight costs necessary to  
9 manage and oversee the construction and environmental concerns, including health and  
10 safety plans, abatement of hazardous materials, and disposal of contaminated materials.  
11 When all of these costs are taken into account, the Company’s \$800 per-square-foot  
12 figure is consistent with the scope and complexity of the work required.

13  
14 **Q. Even at Mr. Wood’s lower cost estimate, would it be cost-effective to retain the**  
15 **Dexter Street facility?**

16 A. No. Even at Mr. Wood’s suggested renovation costs, retaining the Dexter Street facility  
17 does not make economic sense for the Company or its customers. Mr. Wood’s analysis  
18 evaluates the cost of renovating Dexter Street in isolation, without considering how it fits  
19 into the Company’s statewide facilities portfolio.

1 **Q. Please explain why the Dexter Street renovation cannot be viewed in insolation.**

2 A. Under the Johnston Plan, the Company will invest approximately \$92.6 million over five  
3 years to address deferred maintenance and optimize operations across all nine of its  
4 facilities, while reducing its footprint by 30,000 square feet and lowering annual  
5 facilities-related O&M expenses upon completion. If the Company were to retain and  
6 renovate Dexter Street as Mr. Wood suggests, the Company would still need to address  
7 deferred maintenance at all of its other facilities.

8  
9 Moreover, the Dexter Plan, which the Company evaluated as part of the Study, would  
10 have cost approximately \$241 million over five years. Thus, even accepting Mr. Wood's  
11 conservative \$33 million Dexter Street renovation estimate, that would reduce the cost of  
12 the Dexter Plan to only \$186 million, in addition to estimated annual O&M expenses of  
13 approximately \$5.8 million after completion. Comparably, the Johnston Plan costs \$92.6  
14 million and approximately \$5.0 million in annual O&M, resulting in a plan that is  
15 significantly less expensive than the Dexter Plan and accomplishes everything the Dexter  
16 renovation would accomplish, plus much more, for less money.

17

18 **Q. Are there additional reasons why retaining the Dexter Street facility is not in**  
19 **customers' interests?**

20 A. Yes. Beyond the cost analysis, the Dexter Street facility presents significant operational  
21 challenges that Mr. Wood did not consider. The site lacks adequate highway access,

---

1 which is critical for a utility that must dispatch crews quickly to respond to emergencies  
2 across the state. Every day, approximately 140 to 160 operational personnel enter and  
3 exit that facility, operating heavy vehicles, hauling long pipes, and maneuvering large  
4 equipment through a residential neighborhood that is not suitable for that level of  
5 commercial and industrial activity.

6  
7 Additionally, if the Company were to undertake a full renovation of the Dexter Street  
8 facility, it would need to relocate those 140 to 160 operational employees to temporary  
9 facilities for the duration of the construction, estimated at approximately two years.  
10 Those temporary facilities would need to satisfy the Company's operational needs,  
11 including warehouse space, a mechanic garage, parking, and shower facilities. The cost  
12 of establishing suitable temporary facilities for that duration, and then moving employees  
13 back, would be substantial, yet none of that cost is captured in Mr. Wood's cost  
14 benchmarks. The Johnston Plan avoids this disruption entirely. By establishing the  
15 Johnston facility first, the Company can relocate personnel from the Melrose Street  
16 facility, thereby freeing Melrose Street for renovation without any operational  
17 interruption. The Company can then consolidate operations at the Melrose Street facility,  
18 which the Company already owns and must continue to maintain in perpetuity due to its  
19 environmental remediation obligations.

1 Finally, retaining and renovating the Dexter Street facility also would result in greater  
2 ongoing costs. Operating an additional aging facility means more maintenance  
3 expenditures, more routine O&M, more roofs to repair, more lots to plow, and more  
4 building systems to service—costs that consolidation into fewer, modern, renovated  
5 locations would eliminate.

6  
7 **Q. Mr. Wood identifies several property sales that he claims are viable alternatives and**  
8 **demonstrate that the Company’s proposed costs for renovating the Dexter Street**  
9 **facility are not reliable. Is that a valid argument?**

10 A. No. The sale prices for the properties identified by Mr. Wood, *i.e.*, 231 Ferris Avenue,  
11 East Providence; 1 Kenney Drive, Cranston; and 528 Main Street, Coventry, are not  
12 suitable comparisons for the cost of renovating the Dexter Street facility.

13  
14 Mr. Wood has not demonstrated that any of the identified properties would, in their  
15 present condition, meet the Company’s operational requirements in terms of layout,  
16 environmental conditions, access to the service territory, or the extensive list of  
17 specialized operational functions that the Dexter Street facility currently supports,  
18 including engineering, asset management, construction and maintenance crews, the  
19 Company’s tool shop, pipeline safety operations, and vehicle and equipment storage.

20 Mr. Wood admits that he did not analyze the costs to prepare those facilities to meet the

1 Company's needs. *See* RIE 1-8. Thus, the sale prices of these properties are entirely  
2 irrelevant to the determination of the proper cost of renovating the Dexter Street facility.  
3

4 **Q. Did the Company already review alternative properties?**

5 **A.** Yes. The Company already conducted an extensive review of alternative properties. As I  
6 described in my Pre-Filed Direct Testimony, the Company evaluated numerous  
7 properties across Rhode Island, including properties in Lincoln, Warwick, Woonsocket,  
8 Providence, Cumberland, Riverside, Cranston, and Smithfield, and rejected them because  
9 they lacked sufficient square footage, required significant upgrades, required significant  
10 build-out, were too expensive, or some combination of these factors. Moreover, unlike  
11 Mr. Wood's analysis, which was nothing more than a desktop review, the Company's  
12 evaluation involved site visits, architectural test-fit plans, and mechanical, electrical,  
13 plumbing, and HVAC evaluations.  
14

15 **Q. Do you have any other comments about Mr. Wood's evaluation of the Dexter Street**  
16 **facility renovation cost?**

17 **A.** Yes. It is important to understand that the Johnston facility is not replacing the Dexter  
18 Street facility. Johnston is not an operations facility; it is an office consolidation that  
19 moves approximately 430 office employees from the Melrose Street and Dexter Street  
20 facilities to an office building, freeing up space at the Melrose Street facility so that the  
21 Company's Providence-area gas and electric operations can be consolidated into a single

1 operations center at Melrose, which the Company already owns and cannot sell.

2 Mr. Wood completely failed to acknowledge or discuss this key point: selling Dexter  
3 Street and leasing Johnston office space are complementary components of a single  
4 statewide plan, not isolated decisions.

5  
6 **IV. The MetLife Building**

7 **Q. Mr. Wood contends that the MetLife building was available at a significantly lower  
8 lease rate than 1301 Atwood Avenue. Please respond.**

9 A. Mr. Wood's comparison between the MetLife building and 1301 Atwood Avenue is  
10 misleading for several reasons.

11  
12 First, Mr. Wood characterizes the Company's lease at 1301 Atwood Avenue as "\$28.00  
13 per square foot NNN." This is incorrect. The lease at 1301 Atwood Avenue is \$28 per  
14 square foot net electric, *see* Attachment DIV 17-20-1 Confidential—meaning the base  
15 rent is inclusive of all costs except electricity—not "NNN," which would require the  
16 tenant to pay all utilities, taxes, and operating expenses in addition to the base rent. Under  
17 a true NNN lease, the Company would bear all operating costs, which would significantly  
18 increase the total occupancy cost. Under the Company's actual lease structure at 1301  
19 Atwood Avenue, these costs are included in the base rent, making the effective cost  
20 substantially lower than a NNN comparison would suggest.

1 Second, at the time the Company was evaluating options, space in the MetLife building  
2 listed on the market was a sublease rate available only through December 31, 2027—a  
3 term of approximately two to three years, far shorter than the ten-year lease the Company  
4 secured at 1301 Atwood Avenue. This is the \$17 per square foot rate that Mr. Wood  
5 cites. As is typical with subleases, minimal concessions such as tenant improvements  
6 would have been provided, and the below-market rental rate was offered specifically to  
7 attract a tenant willing to accept the short term and lack of concessions. A sublease of this  
8 nature would not provide the stability or the tenant improvement allowances necessary  
9 for a utility to invest in a long-term build-out of its facilities.

10  
11 **Q. Does Mr. Wood’s suggestion that the Company should have leased space at the**  
12 **MetLife building undermine the Johnston Plan?**

13 A. Not at all. In addition to the limitations noted in the preceding response, Mr. Wood’s  
14 suggestion that the Company should have leased space at the MetLife building at \$17 per  
15 square foot ignores the fact that the Company’s lease at 1301 Atwood Avenue is only one  
16 component of the Johnston Plan. The Johnston Plan is a comprehensive strategy that is  
17 not reducible to a single lease decision. The Company cannot simply substitute a different  
18 office lease and achieve the same operational outcomes. The Company designed the  
19 Johnston Plan holistically to consolidate office functions at one location while retaining  
20 and optimizing operational functions at the Company’s existing facilities in Providence,  
21 Lincoln, and elsewhere. Comparing the lease rate at 700 Quaker Lane to 1301 Atwood

1 Avenue in isolation ignores the total cost picture. The Warwick Expansion alternative,  
2 which included use of the MetLife building, had a total five-year cost of approximately  
3 \$224 million. The Johnston Plan, which includes the Atwood Avenue lease, has a total  
4 five-year cost of approximately \$92.6 million. The savings to customers from the  
5 Johnston Plan are substantial, and they are not captured by a simplistic comparison of  
6 per-square-foot lease rates at two different buildings in two fundamentally different  
7 strategic scenarios.

8  
9 **Q. Could the Company have relocated its office functions only to the MetLife building**  
10 **and left its operational facilities intact?**

11 A. No. First, the MetLife Building was not available to the Company for long-term lease and  
12 thus was not included in the potential lease options to support the Johnston Plan. *See*  
13 *Attachment DIV 17-15.*

14  
15 Second, Mr. Wood's suggestion that the Company could have relocated only its office  
16 functions to the MetLife building, while leaving its operational facilities intact, ignores  
17 the rationale for the Warwick Expansion alternative. That alternative was designed to  
18 consolidate the Company's Providence-area operations, including operations currently  
19 housed at the Dexter Street and Melrose Street facilities, at a single location in Warwick.  
20 An office-only move would not have addressed the deferred maintenance at Dexter  
21 Street, would not have resolved the operational inefficiencies the Johnston Plan is

---

1 designed to remedy, and would have left the Company carrying the full ongoing cost of  
2 its existing operational facilities while adding new O&M expenses on top. In other  
3 words, an office-only relocation to the MetLife building would have produced none of  
4 the consolidation benefits of the Warwick Expansion alternative, while still incurring the  
5 lease cost, build-out cost, and operational disruption associated with relocating office  
6 employees.

7  
8 **Q. Could the Company have leased the MetLife building rather than purchasing it?**

9 A. No. Mr. Wood's suggestion that the Company could simply lease a portion of the  
10 MetLife building, as it is doing at 1301 Atwood Avenue, ignores the fundamental  
11 difference between the Warwick Expansion alternative and the Johnston Plan. The  
12 Warwick Expansion alternative was designed to centralize the Melrose Street, Dexter  
13 Street, and North Kingstown operations at a single location. This required the Company  
14 to have control over the entire property, not merely a portion of leased office space,  
15 because the Company needed to construct garage and storage buildings on site to  
16 accommodate its fleet vehicles, gas construction equipment, and materials—none of  
17 which can be accommodated in standard office lease space.

1 **Q. Mr. Wood criticizes the Company's estimated costs for the Warwick Expansion**  
2 **alternative, including the cost to purchase the MetLife building and to construct a**  
3 **garage. Are those criticisms valid?**

4 A. No. The MetLife building at 700 Quaker Lane is a ±370,298 square foot, five-story,  
5 reinforced concrete Class A suburban office property situated on approximately 98 acres.  
6 As explained above, the Company would have had to purchase the property. The  
7 Company estimated a purchase price of approximately \$76 million, which reflects the  
8 scale of the asset and the costs that would be incurred to acquire the entire building and  
9 site.

10

11 As for the garage construction cost, the Company's estimate reflected the need to  
12 construct specialized facilities to house its fleet of utility vehicles and store gas and  
13 electric construction equipment and materials. These are not standard parking structures;  
14 they are specialized utility operational buildings. Mr. Wood's dismissal of this cost  
15 without providing any alternative estimate or demonstrating an understanding of what the  
16 Company actually needs to house in these structures is unsupported.

17

18 **Q. Did the Company conduct a competitive evaluation of alternative buildings,**  
19 **including the MetLife building, before selecting 1301 Atwood Avenue?**

20 A. Yes. The Company retained Hayes & Sherry to represent the Company in its search for  
21 office space and to facilitate a competitive evaluation of lease alternatives. Hayes &

1 Sherry distributed formal Requests for Proposal to three properties that were identified as  
2 potentially meeting the Company's requirements: 1301 Atwood Avenue in Johnston,  
3 315 Iron Horse Way in Providence, and 25 Blackstone Valley Place in Lincoln. For each  
4 of these three locations, the Company performed site visits, prepared architectural test-fit  
5 plans, conducted mechanical, electrical, plumbing, and HVAC evaluations, and  
6 performed a cost-benefit analysis.

7  
8 The Company selected 1301 Atwood Avenue because it offered the best combination of  
9 continuity of space, competitive pricing for both the lease and the fit-out, adequate square  
10 footage, and a sufficient parking ratio. The other two options were not viable: 25  
11 Blackstone Valley Place lacked sufficient square footage and required costly mechanical  
12 upgrades, and 315 Iron Horse Way had a higher lease cost, lack of continuity in the  
13 spaces, and a higher fit-out cost. Hayes & Sherry also prepared a Lease Proposal Analysis  
14 comparing the three locations, which was provided to the Division as Attachments DIV  
15 17-15-1 through DIV 17-15-3 and Attachment DIV 17-15-4 Confidential.

16  
17 **Q. Did the Company reject the MetLife building alternative solely on the basis of cost?**

18 A. No. As I explained in my Direct Testimony, the Company rejected the entire Warwick  
19 Expansion alternative, which included the MetLife building, for three distinct reasons.  
20 First, the Warwick Expansion alternative required closing or selling the Melrose Street  
21 facility, which is not feasible because of the environmental status of that property. The

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1 Company has a regulatory environmental obligation to oversee the remediation of the  
2 Melrose Street property in perpetuity. Even if the Company sold the Melrose Street  
3 facility, it would retain this ongoing obligation. The Company therefore concluded that, if  
4 it must continue investing in remediation at Melrose Street regardless of whether it owns  
5 or uses the facility, then it is most cost-effective to retain that property and continue using  
6 it. Mr. Wood does not address this critical environmental constraint.

7  
8 Second, the Company was concerned that moving all gas and electric operations away  
9 from Providence would negatively affect operational efficiency because most of the  
10 service calls the Company responds to originate in the greater Providence area.

11 Relocating all operations to Warwick would increase travel time for employees from their  
12 home-base facility to field-work locations, decreasing efficiency and increasing customer  
13 response times. Under the Johnston Plan, by contrast, gas and electric operations remain  
14 at the Melrose Street facility in Providence, preserving the Company's responsiveness to  
15 its customers. This operational consideration is not reflected in Mr. Wood's analysis,  
16 which focuses exclusively on lease rates without any consideration of operational  
17 efficiency or customer service.

18  
19 Third, the total cost of the Warwick Expansion alternative was approximately \$224  
20 million over five years—more than double the \$92.6 million cost of the Johnston Plan.  
21 More than half of that cost was attributable to the purchase and build-out of the MetLife

1 building, including approximately \$76 million for the purchase of the building,  
2 approximately \$43 million to construct garage and storage buildings, and approximately  
3 \$6 million to build out the interiors.

4  
5 **V. Competitive Bidding and Cost Verification**

6 **Q. Mr. Wood recommends that the Company should have retained a construction cost**  
7 **consultant to review the Dexter Street renovation budget and commissioned a real**  
8 **estate market study. Has the Company taken these steps?**

9 A. Yes. The Company has taken each of these steps, and the record reflects that the  
10 Company's cost estimates are well-supported and its procurement processes are sound.  
11 With respect to cost verification, the Company engaged multiple qualified consultants to  
12 assess the condition of the Dexter Street facility and develop cost estimates. These  
13 include Bureau Veritas, which performed property condition assessments; GZA  
14 GeoEnvironmental, Inc., which performed assessments in accordance with industry  
15 standards using a registered engineer; Building Enclosure Science, LLC, which assessed  
16 the building enclosure; and Gale Associates, which assessed the façade. Schedule TC-1 to  
17 my Pre-Filed Direct Testimony identifies the source of each line-item cost estimate. The  
18 suggestion that the Company developed the \$87.5 million estimate without third-party  
19 expert input is simply incorrect.

1 With respect to the Company's real estate strategy, the Company did conduct a  
2 comprehensive real estate market study. As I described in my Pre-Filed Direct Testimony  
3 and above, the Company worked with Hayes & Sherry to identify and evaluate  
4 alternative properties across Rhode Island. The Company evaluated more than a dozen  
5 properties and conducted detailed analyses—including site visits, architectural test-fit  
6 plans, and cost-benefit analyses—of the three most promising lease candidates. Vision 3  
7 Architects also evaluated the Company's use of existing space and identified  
8 consolidation opportunities.

9  
10 **Q. Mr. Wood also states that the Company should have produced competitive bidding**  
11 **documentation for the proposed renovation work at the Dexter Street facility. How**  
12 **do you respond?**

13 A. Mr. Wood is conflating two different things. The cost estimates for the Dexter Street  
14 repairs referenced in my Pre-Filed Direct Testimony are planning-level estimates used to  
15 compare alternative facilities investment plans. Competitive bidding documentation does  
16 not exist for the Dexter Street facility because such documentation is generated only  
17 when a project is actually moving forward to execution, not at the planning stage. The  
18 Dexter Street estimates were developed for purposes of evaluating and comparing  
19 investment alternatives, and it would be neither standard practice nor prudent to solicit  
20 competitive bids for a project that has not yet been approved for construction.

1 The absence of competitive bidding documents is, however, immaterial to the reliability  
2 of the estimates, as they were prepared by third-party consultants. *See* Attachment  
3 DIV 17-12-1 (Bureau Veritas assessment) at Bates pages 42, 48, 88-89; Attachment  
4 DIV 17-12-2 (Building Enclosure Science, LLC assessment) at Bates pages 45-46;  
5 Attachment DIV 17-12-3 (GZA GeoEnvironmental, Inc. Assessment) at Bates pages 103-  
6 04, 139-40.

7  
8 When it comes to actually executing projects under the Johnston Plan, the Company  
9 competitively bids each project. The budgetary estimates were used for planning and  
10 comparison purposes; the actual project costs are determined through competitive  
11 procurement. This is a standard and prudent approach in the construction and facilities  
12 management industry.

13  
14 **VI. Relocation of the EDCC**

15 **Q. Is the relocation of the EDCC from the Lincoln facility to the Cumberland facility a**  
16 **transition cost?**

17 **A.** No. The proposed relocation of the EDCC from Lincoln to Cumberland is not a transition  
18 cost for the following reasons:

19  
20 **1. The Company fulfilled its transition obligation with respect to the Lincoln EDCC.**

21 As set forth in the Company's Pre-Filed Rebuttal Testimony of David J. Bonenberger in

1 Docket No. D-21-09, Pages 31-32, and the Company's response to AG RR 4 in Docket  
2 No. D-21-09, establishing Lincoln as the Rhode Island-based control center constituted a  
3 transition cost. During the transition period, National Grid's Northborough facility served  
4 as backup to Lincoln. The Company was required to provide a control center capable of  
5 delivering EDCC services at least equivalent to those previously provided through  
6 Northborough and did so. The Company performed all work necessary to bring Lincoln  
7 up to that standard and to operate it as the primary EDCC providing all the functionalities  
8 that previously had been performed under National Grid at Northborough. That work, and  
9 the costs associated with it, constituted transition costs, which the Company has not  
10 charged to customers.

11  
12 **2. The Lincoln EDCC has been fully operational for approximately four years,**  
13 **confirming that the transition obligation was met.** The Company has operated the  
14 Lincoln EDCC as its primary control center for nearly four years, and it has performed  
15 the functions it was built to perform. The successful, sustained operation of the facility  
16 over that period demonstrated that the Company completed the transition from National  
17 Grid ownership to PPL Rhode Island ownership using the Lincoln location as the EDCC.

18  
19 **3. The proposed relocation reflects the Company's ongoing operational obligations**  
20 **as a PPL-owned entity - not its transition obligation.** The move to Cumberland is not  
21 about delivering to customers what they previously received from National Grid. It is  
22 about continuing to operate the business and provide reliable electric distribution service

1 as an ongoing enterprise under PPL ownership. This is the ordinary work of maintaining  
2 and adapting operational facilities as business needs evolve.

3  
4 **4. The cost drivers for this investment are independent of the transition.** The need to  
5 upgrade and renovate the Company's primary EDCC exists regardless of whether the  
6 Company renovates Lincoln or relocates to Cumberland. The cost analysis showing  
7 Cumberland is approximately \$4.8 million less expensive demonstrates why relocation is  
8 preferable to renovating Lincoln in place. In either scenario, the underlying need for  
9 investment is not a transition cost. It is the product of ordinary operational and facilities  
10 planning conducted after the completed transition to PPL ownership.

11  
12 **Q. Would the conditions driving the need for investments in the EDCC facility have**  
13 **arisen regardless of the National Grid-to-PPL transaction and, if so, what are those**  
14 **conditions?**

15 A. Yes, the conditions now driving the need for investment in the EDCC facility are  
16 conditions that would have arisen regardless of the National Grid-to-PPL transaction  
17 because they are the natural consequence of the passage of time:

- 18 • Equipment, workstations, and furnishings are outdated. The operational equipment,  
19 desks, and furnishings at Lincoln have aged and need replacement.
- 20 • Support infrastructure is aging, increasing O&M costs. While reliable, the existing  
21 support infrastructure at Lincoln is generating increasing operations and maintenance  
22 costs that any renovation would need to address.

- 
- 1           • Inefficient use of space and limited worker amenities. The Lincoln facility lacks the  
2           updated workspace design and amenities found in modern control centers, which  
3           negatively affects operational efficiency and employee retention.

4

5   **Q.    Is the relocation of the EDCC necessitated by the Acquisition?**

6   A.    No. As explained above, the relocation of the EDCC from Lincoln to Cumberland is  
7   being driven by ordinary operational and facilities-planning considerations that exist  
8   regardless of the Acquisition. The Lincoln facility's equipment, workstations, and  
9   furnishings are aging and require replacement, its support infrastructure is generating  
10  rising O&M costs, and its workspace design and amenities no longer reflect modern  
11  control center standards. Each of these conditions would have arisen at this point in the  
12  facility's life cycle regardless of the Acquisition. The Company's analysis of renovation  
13  versus relocation, which showed that relocating to Cumberland is approximately \$4.8  
14  million less expensive than renovating Lincoln in place, addresses how best to meet that  
15  ongoing investment need. It does not transform an ordinary operational investment into a  
16  transition cost.

1 **Q. Please reconcile the Company’s decision not to seek recovery of the expenses of**  
2 **upgrading and establishing its gas distribution control center (“GDCC”) with its**  
3 **decision to seek recovery of the marginal cost of relocating the EDCC.**

4 A. These decisions are entirely consistent. During the transition, the Company relocated  
5 both the GDCC (from Northborough, Massachusetts, to Cumberland, Rhode Island) and  
6 the EDCC (to Lincoln, Rhode Island) and did not seek recovery for either relocation. The  
7 key distinction is that there was no existing gas distribution control infrastructure in  
8 Rhode Island—the GDCC had been located in Northborough for an extended period, and  
9 the Company had no control over local infrastructure and security—so the Company was  
10 required to build the GDCC from the ground up at substantial expense. By contrast, when  
11 the EDCC was moved to Lincoln, an EDCC facility already existed at the Lincoln facility  
12 that provided the necessary infrastructure, including the data center, wiring,  
13 communications systems, radio tower, and all backup equipment. The EDCC has  
14 operated successfully in that manner for the past four years.

15  
16 The Company is now seeking recovery of the marginal cost of upgrading the EDCC by  
17 moving it to the Cumberland facility. This is not a request to establish a brand-new  
18 facility from scratch, as was the case with the GDCC. Rather, the Company seeks  
19 recovery only of the incremental costs necessary to bring the EDCC to the level required  
20 for continued reliable operation. The Company’s positions are fully reconcilable: where  
21 existing infrastructure was adequate, the Company did not seek recovery; where no

1 infrastructure existed, the Company absorbed those build-out costs as part of the  
2 transition; and now, where previously adequate infrastructure requires investment, the  
3 Company appropriately seeks recovery of those incremental costs.

4  
5 **VII. Contingency Costs**

6 **Q. What are contingency costs?**

7 A. Contingency costs are amounts included in a project budget to account for cost  
8 uncertainty and risks that are known to exist but cannot be precisely quantified at the time  
9 the budget is developed. In construction and facilities investment programs, contingency  
10 is a standard budgeting tool used to address risks such as price escalation in materials and  
11 labor, unforeseen site conditions discovered during construction, design refinements that  
12 occur as a project moves forward, and other items that cannot reasonably be predicted  
13 with precision at the planning stage.

14  
15 **Q. How was the Company's 10% contingency cost estimated?**

16 A. The Company's 10% contingency cost was developed based on industry standards and  
17 the Company's own experience with construction and renovation projects of comparable  
18 scope. At the planning and budgetary-estimating stage, before detailed design documents  
19 and competitive bids are in hand, a contingency in the range of 10% to 20% of base  
20 project costs is widely recognized as appropriate. The Company elected to apply a 10%  
21 contingency, which sits at the conservative end of that range, reflecting its judgment that

1 the underlying line-item estimates are well-supported by the third-party assessments and  
2 historical cost data, while still allowing a reasonable cushion to absorb the cost  
3 uncertainties inherent in a multi-year, multi-facility program.

4  
5 **Q. Is the appropriateness of the contingency cost affected by the fact that the**  
6 **Company's facilities investment plan will take place over the next five years?**

7 A. Yes. The five-year duration of the Johnston Plan increases, rather than decreases, the  
8 appropriateness of a 10% contingency. Over a five-year construction and renovation  
9 program, the Company faces meaningful exposure to cost escalation in materials and  
10 labor, supply-chain disruptions, sequencing and scheduling risks across multiple  
11 facilities, and design refinement that emerge as projects move from planning to  
12 execution. A 10% contingency is sized to address these issues and, if anything,  
13 conservative given the duration and complexity of the work to be performed under the  
14 Johnston Plan.

15  
16 **VIII. Conclusion**

17 **Q. Please summarize your rebuttal testimony.**

18 A. Mr. Wood's testimony raises several criticisms of the Company's Facilities Plan, but  
19 each of those criticisms is based on incomplete information, unsupported assumptions, or  
20 a failure to account for the full range of factors the Company considered. The Company's  
21 Dexter Street renovation cost estimate is supported by detailed, line-item assessments

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1 from multiple qualified consultants who physically inspected the building, not the generic  
2 market benchmarks Mr. Wood relies upon. The alternative properties Mr. Wood  
3 identifies have not been evaluated for their ability to meet the Company's complex  
4 operational requirements. The Company's rejection of the MetLife building and the  
5 Warwick Expansion alternative was based on sound operational, environmental, and  
6 financial considerations that Mr. Wood does not address. And the Company's process for  
7 evaluating its facilities and selecting the Johnston Plan was comprehensive, involved  
8 multiple expert consultants and advisors, and resulted in a plan that is approximately  
9 \$131 million less expensive over five years than simply maintaining the status quo and  
10 renovating all existing facilities.

11  
12 The Johnston Plan is the most cost-effective, operationally sound, and prudent approach  
13 to addressing the Company's facilities needs, and it is appropriate for the Company to  
14 recover those costs through base distribution rates.

15  
16 Dr. Watson's testimony erroneously concludes that the relocation of the EDCC from  
17 Lincoln to Cumberland is a transition cost. The Company's transition obligation was  
18 fully satisfied when Lincoln was established and operated as the primary Rhode  
19 Island-based EDCC for approximately four years. The proposed relocation reflects  
20 ordinary, post-transition operational and facilities-planning needs, including aging  
21 equipment, rising O&M costs at Lincoln, and inefficient use of existing space. These

1 conditions would have existed regardless of the Acquisition. Relocating to Cumberland is  
2 approximately \$4.8 million less expensive than renovating Lincoln in place, and the  
3 resulting marginal cost is appropriately recovered through base distribution rates.

4 Mr. Mugrace's testimony baselessly recommends disallowance of the Company's 10%  
5 contingency costs. However, the contingency reflects industry-standard practice for  
6 capital projects at this stage of design, is supported by the Company's historical cost  
7 experience, and is appropriately sized for a five-year, multi-facility program. Allowing  
8 the 10% contingency provides a reasonable cushion against the cost uncertainties  
9 inherent in a program of this scope and duration, while still falling within the  
10 conservative end of the range commonly applied at the planning stage.

11

12 **Q. Does this conclude your rebuttal testimony?**

13 A. Yes, it does.

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

APPLICATION OF THE NARRAGANSETT ELECTRIC :  
COMPANY d/b/a RHODE ISLAND ENERGY FOR :  
APPROVAL OF A CHANGE IN ELECTRIC AND GAS : RIPUC Docket No. 25-45-GE  
BASE DISTRIBUTION RATES PURSUANT TO :  
R.I. GEN. LAWS §§ 39-3-10 AND 39-3-11 :

**AFFIDAVIT OF THOMAS CAMARA**

Thomas Camara does attest and swear to the following:

I, Thomas Camara, certify that the attached pre-filed rebuttal testimony, submitted on behalf of The Narragansett Electric Company d/b/a Rhode Island Energy, which bear my name, were prepared by me or under my supervision and control and are true and accurate to the best of my knowledge and belief.

Signed under the pains and penalties of perjury this 9 day of May, 2026.

Thomas J Camara

Digitally signed by Thomas J Camara  
DN: C=US, E=T.JCamara@RIEnergy.com,  
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