

February 10, 2009

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02889

**RE: Docket 4012 - 2008 Renewable Energy Procurement Plan - Testimony of John D. Warshaw
Amended Page 5**

Dear Ms. Massaro:

I have enclosed an amended page 5 to the testimony of John D. Warshaw in the above-referenced docket. The correction is highlighted in redline, and it corrects a typographical error at line 14 of page 5. The correction does not alter any calculations or conclusions contained in Mr. Warshaw's testimony.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosure

cc: Paul Roberti, Esq.
Steve Scialabba, Division

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Q. Did National Grid purchase RES obligations with its Last Resort Service procurements?

A. No and Yes. Consistent with the approved 2008 RES Plan, National Grid requested bidders to provide a price for meeting the RES obligations for Last Resort Service in both RFPs. The price provided by the winning suppliers of Last Resort Service in the February 2008 RFP was higher than National Grid’s average cost to meet the RES obligation in its RES RFPs . As a result, National Grid did not purchase RES obligations with its supply for Last Resort Service in March 2008. The price provided by the winning suppliers of Last Resort Service in the August 2008 RFP was lower than National Grid’s average cost to meet the RES obligation in its RES RFPs. As a result, National Grid purchased RES obligations with its supply for Last Resort Service in September 2008.

Q. Did National Grid contract for the purchase of RECs in 2008?

A. Yes. National Grid purchased a total of ~~222,700~~^{422,700} RECs having an aggregate expected cost of \$5.1million as a result of the solicitations. The number of RECs from existing resources versus new resources and by vintage year is as follows:

Year	NEPOOL GIS RECs From Existing Energy Resources	NEPOOL GIS RECs From New Energy Resources
2007	0	12,000
2008	72,700	54,600
2009	41,700	41,700