

November 9, 2016

VIA OVERNIGHT COURIER AND ELECTRONIC MAIL

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

**Re: Docket 4610 – Electric Environmental Response Fund
Request to Propose an Addition to the List of Sites**

Dear Ms. Massaro:

On behalf of National Grid,¹ I am submitting this request for PUC approval of the proposed Environmental Response Fund Provision, RIPUC No. 2173, to include an additional environmental site to the list of environmental sites included in the Company's currently-effective Environmental Response Fund tariff at RIPUC No. 2164, which provides that:

Narragansett shall have the right to propose additions to the list of sites by including the request to include additional sites at the time that Narragansett files its annual report under subparagraph (C) below, provided that the inclusion of the Environmental Response Costs associated with additional sites to be charged to the fund shall be subject to the approval of the Commission.

As described more fully below, National Grid requests to include the Admiral Street Site to the list of environmental sites contained in the Environmental Response Fund tariff that would provide for recovery of eligible Environmental Response Costs, as defined in the Company's tariff, through the fund. Accompanying this request is National Grid's Environmental Response Cost Report for the period April 1, 2015 through March 31, 2016 (fiscal year 2016).

In addition, pursuant to Commission Rule 1.9(c), I have enclosed ten (10) copies of National Grid's proposed Environmental Response Fund Provision, RIPUC No. 2173, in which the Company is proposing to include the additional site proposed to be added to the current list of sites contained in the currently-effective tariff, RIPUC No. 2164. The proposed revision reflects the addition of the Admiral Street Site to the list. The proposed electric tariff with the appropriate tariff page marked to identify the revision to the electric tariff currently in effect, is contained in this filing as Attachment 1. A clean copy of the amended tariff is attached as Attachment 2.

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

The Admiral Street Site

The Admiral Street Site (the Site) is an electric cable termination yard located at 129 Admiral Street in Providence, Rhode Island. In November 2011, Company personnel identified a release of no-polychlorinated biphenyl (no-PCB) cable oil that occurred from three cable oil reservoirs at the Site. Remediation activities were performed in November 2011, with follow-up remediation conducted in March 2012. Because of structural concerns associated with presence of cable foundations, the cleanup could not be completed.

In accordance with the Rhode Island Department of Environmental Management (RIDEM) *Rules and Regulations for the Investigation and Remediation of Hazardous Material Releases* (Remediation Regulations) and *Oil Pollution Control Regulations* (OPC Regulations), the Company provided RIDEM with a written notification of the release on December 9, 2011.

In September 2014, the Company conducted excavation activities at the Site to install a subsurface electrical conduit. Sampling of the excess soil stockpile indicated that concentrations of total petroleum hydrocarbons (TPH) were identified in excess of the RIDEM Method 1 Soil Objectives. In addition, polychlorinated biphenyls (PCBs) were identified requiring the stockpile to be disposed of as “PCB remediation waste” pursuant to 40 CFR 761.61.

Subsequent site characterization activities conducted between September 2014 and August 2016 identified additional PCB remediation waste on-site, and at concentrations in excess of the RIDEM Method 1 Soil Objectives for PCBs. In addition, lead and polycyclic aromatic hydrocarbons (PAHs), likely associated with historic fill from the construction of the cable termination yard, were identified.

As PCB concentrations were identified in excess of the RIDEM Method 1 Soil Objective, the Company submitted a Release Response and Site Characterization Summary Report and Release Notification to RIDEM on March 15, 2016. RIDEM issued a Letter of Responsibility to the Company on March 17, 2016. A Site Investigation Work Plan detailing the proposed delineation and characterization activities at the Site was submitted to RIDEM on April 19, 2016. Following additional delineation and characterization activities performed at the Site, a Site Investigation Report was submitted to RIDEM on October 11, 2016.

In accordance with the Site Investigation Report, additional assessment and remediation is required at the Site to achieve regulatory closure. The selected remedial alternative includes the continued delineation of PCB, lead, and PAH concentrations at the Site. Following delineation activities, closure activities shall include the completion of a Self-Implementing Cleanup in accordance with 40 CFR 761.61(a); the performance of a Risk Assessment to evaluate the exposure risk of the TPH, lead, and PAH concentrations at the Site; the implementation of physical controls or barriers to eliminate exposure to contaminated soil as deemed necessary; and the implementation of a Soil Management Plan (SMP) and the recording of an Environmental Land Usage Restriction (ELUR) and/or low-occupancy usage restriction for the Site. The SMP and

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ELUR will be recorded to ensure proper management of affected soil that may be disturbed in the future and that Site uses will remain consistent with exposure scenarios such that no adverse effects to public health or the environment occur.

Given the nature of the Site and the cleanup costs, the Company believes that it would be appropriate to include the Admiral Street Site in the list of environmental sites contained in the Fund. Through this filing, the Company seeks to include the remediation costs for the Admiral Street Site through the Environmental Response Fund beginning with the current fiscal year 2017. The Company is not seeking to recover prior spending. To date, the Company has incurred \$74,897 regarding this Site in fiscal year 2017.

As described above, in accordance with the applicable tariff, National Grid requests to include the Admiral Street Site in the list of environmental sites covered by the Environmental Response Fund.

Thank you for your attention to this filing. Please contact me at (781) 907-2153 if you have any questions concerning this matter.

Very truly yours,



Celia B. O'Brien

Enclosures

cc: Docket 4610 Service List
Leo Wold, Esq.
Steve Scialabba, Division

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 delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers by overnight courier.



Celia B. O'Brien

November 9, 2016

Date

**Docket No. 4610 – National Grid – Electric Environmental Response Fund
Service List as of 5/11/16**

Name/Address	E-mail	Phone
Celia O'Brien, Esq. National Grid 280 Melrose St. Providence, RI 02907	Celia.obrien@nationalgrid.com ;	401-784-7288
	Elizabeth.greene@nationalgrid.com ;	
	Joanne.scanlon@nationalgrid.com ;	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence RI 02903	Lwold@riag.ri.gov ;	401-222-2424
	Steve.scialabba@dpuc.ri.gov ;	
	dmacrae@riag.ri.gov ;	
	Jmunoz@riag.ri.gov ;	
File an original & nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Cynthia.WilsonFrias@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	

The Narragansett Electric Company
Environmental Response Fund Provision

The Environmental Response Fund shall fund the recovery of Environmental Response Costs, as defined below.¹

(A) Definition of Environmental Response Costs

Environmental Response Costs are all the reasonable and prudently incurred costs associated with remedial and clean-up obligations of Narragansett Electric (Narragansett or Company), or its predecessor companies, arising out of (i) Narragansett's or its predecessors' utility-related ownership and/or operation of manufactured gas plants and sites associated with the operation and disposal activities from such gas plants; and (ii) electric operations other than electricity generation² of Narragansett or its predecessor companies that gave rise to deposits or waste, which are regulated under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), Resource Conservation and Recovery Act (RCRA), Rhode Island General Laws 23-19.14, or any other laws regulations, or orders by courts or governmental authorities, now located on Company property or on property to which the deposits may have migrated, or on any off-site location at which the deposits or waste may have been deposited and to sites to which such material may have migrated. A list of the known locations of manufactured gas waste sites and other sites containing material subject to this section is provided in section (D) below. Narragansett shall have the right to propose additions to the list of sites by including the request to include additional sites at the time that Narragansett files its annual report under subparagraph (C) below, provided that the inclusion of the Environmental Response Costs associated with additional sites to be charged to the fund shall be subject to the approval of the Commission. In addition to actual remedial and clean-up costs, Environmental Response Costs also include costs of acquiring property associated with the clean up of such sites as well as litigation costs, claims, judgments, and settlements associated with such sites. The Company will use best efforts to satisfy its obligation to minimize the Environmental Response Costs charged to the fund consistent with applicable regulatory requirements and sound environmental policies and to minimize litigation costs that may arise. Any applicable insurance proceeds and any net gains (after transaction costs) associated with the sale or lease of land listed in section (D) shall be credited to the fund. To the extent the Company incurs any other extraordinary environmental liability of which it is not aware as of March 14, 2000, the date the fund was established, the Company has the right to request the Commission to allow such costs incurred in connection with such extraordinary events to be included as Environmental Response Costs.

(B) Funding

Interest shall accrue, for the benefit of customers, on any credit balances in the fund at the

¹ The Environmental Response Fund was established in Docket No. 2930 (2000).

² The environmental response costs associated with generation are recovered under Narragansett's restructuring settlement with New England Power Company, approved by FERC in Docket Nos. ER97-678-000 and 97-680-000.

REDLINED VERSION

RIPUC No. ~~21732164~~
Canceling RIPUC No. ~~21642126~~
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The Narragansett Electric Company
Environmental Response Fund Provision

customer deposit rate. No interest shall accrue on debit balances. Any cash expenditures shall be charged to the fund as long as the costs that are or have been incurred are Environmental Response Costs, as defined above. The fund shall be credited at the annual amount of \$3,078,000 or \$256,500 per month.

(C) Annual Reports

The Company will file an annual report with the Commission providing a summary and accounting of all costs incurred during such year which have been applied to the fund. Such costs are subject to review to ensure they fall within the definition of Environmental Response Costs, as defined above.

(D) List of Eligible Sites

Washington Street, Bristol

Thames Street, Bristol

Main Street, Warren

Canal Street, Westerly

Industrial Drive, Westerly

Tidewater Street, Pawtucket

Exchange Street, Pawtucket

High Street, Central Falls

Hamlet Ave, Woonsocket

Pond Street, Woonsocket

Cumberland (remote disposal location)

Lawn Street, Attleboro, MA

Mendon Road, Attleboro, MA

Melrose Street, Providence

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The Narragansett Electric Company
Environmental Response Fund Provision

J.M. Mills Landfill Site

Quonset Point Site

Great Lakes Container Corporation Superfund Site, Coventry, Kent County, Rhode
Island

Kyan Street, Lowell, MA (Chandonnet Site)

[Admiral Street, Providence](#)

Effective Date: [January 1, 2017](#)~~[October 1, 2016](#)~~

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