

May 11, 2016

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4610 – Environmental Response Fund Provision, RIPUC No. 2164  
Responses to PUC Data Requests – Set 1**

Dear Ms. Massaro:

On behalf of National Grid<sup>1</sup>, I enclose ten (10) copies of the Company's responses to the first set of data requests issued by the Rhode Island Public Utilities Commission in the above-referenced docket.

Please be advised that the Company is seeking protective treatment of Attachment PUC 1-3b, as permitted by PUC Rule 1.2(g) and by R.I. Gen. Laws § 38-2-2(4)(B).

This filing also contains a Motion for Protective Treatment in accordance with PUC Rule 1.2(g) and R.I. Gen. Laws § 38-2-2(4)(B). In compliance with Rule 1.2(g), National Grid is providing one (1) complete, unredacted copy of the confidential version of Attachment PUC 1-3b in a sealed envelope marked, "**Contains Privileged and Confidential Materials – Do Not Release.**"

Thank you for your attention to this transmittal. If you have any questions concerning this filing, please contact me at 781-907-2153.

Very truly yours,



Celia B. O'Brien

Enclosures

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

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

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.



\_\_\_\_\_  
Joanne M. Scanlon

May 11, 2016  
Date

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

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

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**  
**RHODE ISLAND PUBLIC UTILITIES COMMISSION**

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<b>In Re: Review of The Narragansett Electric Company</b>	)	
<b>d/b/a National Grid's Environmental Response Fund</b>	)	<b>Docket No. 4610</b>
<b>Provision, RIPUC No. 2164</b>	)	
	)	

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**MOTION OF THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid<sup>1</sup> hereby requests that the Rhode Island Public Utilities Commission (PUC) provide confidential treatment and grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by PUC Rule 1.2(g) and R.I. Gen. Laws § 38-2-2(4)(B). National Grid also hereby requests that, pending entry of that finding, the PUC preliminarily grant National Grid's request for confidential treatment pursuant to Rule 1.2(g)(2).

**I. BACKGROUND**

On March 31, 2016, the Company filed a request for PUC approval of the proposed Environmental Response Fund Provision, RIPUC No. 2164, to include an additional environmental site—the Chandonnet site located in Lowell, Massachusetts (the Site)—to the list of environmental sites included in the Company's currently-effective Environmental Response Fund tariff at RIPUC No. 2126. On May 11, 2016, the Company

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

filed with the PUC its responses to the PUC's first set of data requests in this docket. Data request PUC 1-3 requests evidence and supporting calculations that support the Company being responsible for 11.57% of the total response cost for the Site. In its response to PUC 1-3, National Grid has submitted a confidential document regarding the sharing of costs associated with the remediation of the Site with other National Grid USA affiliates and other utility companies. This confidential document is herein designated in this docket as Confidential Attachment PUC 1-3b. Confidential Attachment PUC 1-3b contains the following confidentiality provision:

7.8 Confidentiality. Except in confidential communication with such Party's attorneys, accountants, insurers or its present or former trustees, officers, directors, agents, affiliates and consultants, or as otherwise required by this Agreement, applicable law, or by a court or governmental authority of competent jurisdiction, no Party hereto will at any time publish, disseminate or communicate to any third party, directly or indirectly, any information relating to the terms of this Agreement.

The cost sharing provisions of this agreement are the result of arms-length contract negotiations among the parties thereto and constitutes confidential, commercially sensitive, and proprietary financial information that warrants protection from disclosure under R.I. Gen. Laws § 38-2-2(4)(B). In addition, public disclosure of the terms of Confidential Attachment PUC 1-3b except as expressly permitted by Section 7.8 of the agreement set forth above would constitute a breach of the agreement by the Company. Therefore, the Company seeks protection of Confidential Attachment PUC 1-3b in its entirety and does not intend to file a public version of Attachment PUC 1-3b.

## II. LEGAL STANDARD

The PUC's Rule 1.2(g) 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). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information 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).

The first prong of the test assesses whether the information was voluntarily provided to the governmental agency. Providence Journal, 774 A.2d at 47. If the answer to the first question is affirmative, then the question becomes whether the information is

“of a kind that would customarily not be released to the public by the person from whom it was obtained.” Id.

In addition, the Court has held that the agencies making determinations as to the disclosure of information under APRA may apply the balancing test established by the Court in Providence Journal v. Kane, 577 A.2d 661 (R.I.1990). Under this balancing test, the PUC may protect information from public disclosure if the benefit of such protection outweighs the public interest inherent in disclosure of information pending before regulatory agencies.

### **III. BASIS FOR CONFIDENTIALITY**

The Company seeks protective treatment of the Company’s Confidential Attachment PUC 1-3b provided to the PUC. Confidential Attachment PUC 1-3b is a confidential cost sharing agreement among National Grid USA affiliates, including the Company, and other utility companies regarding the allocation of costs associated with remediation activities at the Site and requires the Company to treat the terms of the agreement as confidential except as expressly provided therein. The public disclosure of the terms of this agreement in violation of Section 7.8 of the agreement would be a breach of the agreement, could disadvantage the Company and its affiliates and ultimately its customers in a future litigation, and should be granted protective treatment by the PUC under its rules.

Accordingly, the Company requests that the PUC grant protective treatment to Confidential Attachment PUC 1-3b submitted to the PUC in its entirety.

**IV. CONCLUSION**

In light of the foregoing, the Company respectfully requests that the PUC grant its Motion for Protective Treatment as stated herein.

Respectfully submitted,

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

By its attorney,



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Celia B. O'Brien, Esq. (RI Bar #4484)  
National Grid  
40 Sylvan Road  
Waltham, MA 02451  
(781) 907-2153

Dated: May 11, 2016

PUC 1-1

Request:

Please provide a list of all the PRPs identified in 1986 by the MassDEP for the Chandonnet Site.

Response:

The original notice of responsibility, dated March 28, 1985, that the Massachusetts Department of Environmental Quality Engineering (predecessor to the Massachusetts Department of Environmental Protection) (MassDEP), sent to New England Electric System (NEES)<sup>1</sup> identified the following “waste generators” as Potentially Responsible Parties (PRPs), based on information provided by “facility owner/operator”<sup>2</sup>:

Boston Edison  
Commonwealth Electric  
New England Electric System  
Concord Municipal Light Department  
Reading Municipal Light Company  
Consolidated Edison  
Central Maine Power  
Public Service Company of New Hampshire  
Concord Electric  
Exeter & Hampton Electric Company  
Blackstone Valley Electric

A copy of the March 28, 1985 notice of responsibility is provided as Attachment PUC 1-1. In its March 31, 2016 request to propose the addition of the Chandonnet Site to the list of sites included in the Company's currently-effective Environmental Response Fund tariff (RIPUC No. 2126), the Company incorrectly stated that the PRPs were identified in 1986. The correct year that the PRPs were identified was 1985, as evidenced by Attachment PUC 1-1.

Subsequent to the MassDEP's identification of the PRPs in 1985, additional PRPs were identified. However, those parties were determined to be de minimis sources of contamination to the site or were “orphan” shares as described in the Company's response to PUC 1-3.

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<sup>1</sup> NEES was a public utility holding company under the Public Utility Holding Company Act of 1935 and was the parent company of The Narragansett Electric Company and other NEES electric distribution operating companies.

<sup>2</sup> Edward Chandonnet was the facility owner/operator at the time.





S. RUSSELL SYLVA  
Commissioner

935-2160

# *The Commonwealth of Massachusetts*

*Department of Environmental Quality Engineering  
Metropolitan Boston - Northeast Region*

*5 Commonwealth Avenue  
Woburn, Massachusetts 01801*

March 28, 1985

New England Electric  
25 Research Drive  
Westboro, MA 01582

RE: LOWELL - Chandonnet Property  
1 Kyan street

Dear Sirs:

This letter is in regard to a condition of soil and groundwater contamination at the subject site as determined from the results of an investigation conducted by GHR Environmental Inc., as reported in a document entitled, "Preliminary Site Assessment, Chandonnet Property, Kyan Street, Lowell, MA".

This report, dated January 1985, outlined a condition of soil contamination with polychlorinated biphenyls (PCB's) and groundwater contamination with volatile organic compounds (VOC's) including Benzene, Toluene, Ethylbenzene, and Chlorobenzene. Such conditions constitute a "release" of hazardous materials as governed by the Massachusetts General laws (MGL) Chapter 21E, the "Massachusetts Oil and Hazardous Material Release and Response Act".

Information available to the Department indicates that the scrap metal reclamation facility has been operated at the Kyan Street site since 1952. From 1962 to 1984, electrical equipment including transformers obtained from utility companies were brought to the site by scrap metal brokers.

Be advised that Section 5 (a)(3) of MGL Chapter 21E identifies as responsible parties "any person who by contract, agreement, or otherwise, directly or indirectly, arranged for the transport, disposal, storage or treatment of hazardous materials to or in a site or vessel from or at which there is or has been a release or threat of release of hazardous material". Pursuant to MGL Chapter 21E, responsible parties are liable, without regard to fault, for all costs of assessment, containment, and removal of hazardous materials at the site of a release. The nature of this liability is joint and several.

Be further advised that information obtained from the 1 Kyan Street facility owner/operator indicates your company has in the past been the source of transformers and other equipment recycled/stored at the subject site. Such an action would mean that your company could be a responsible party as defined by MGL Chapter 21E. As a result of site activities, including storage and dismantling operations, soil and groundwater contamination exists at the site and may be moving off-site towards the Pawtucket Canal.

RE: LOWELL - Chandonnet Property  
March 28, 1985  
Page 2.

Concentrations of polychlorinated biphenyls (PCB) up to 551 mg/kg were documented within the top 7 feet of soil over an approximately 2000 ft<sup>2</sup> area on the south/southwest section of the fenced property. The GHR report further indicates the presence of a surficial soil "hot spot" southeast of the fenced property between Kyan Street and the Pawtucket Canal, where a PCB concentration of 200 mg/kg was recorded.

Further investigation is needed to adequately define the extent of soil and groundwater contamination, and to determine appropriate site remedial actions. While the area of known soil contamination is relatively small and enclosed by a 6 foot chain-link fence, potential adverse human health impacts could result from direct human contact and/or prolonged inhalation of PCB contaminated soil. For this reason, the following initial remedial/site security measures must be immediately implemented:

Immediate Measures

- (1) Contaminated soil in the south/southwest section of the fenced property, in the vicinity of GHR borings B-3, B-4, B-5, and B-8, shall be covered to preclude direct human contact and prevent dust generation. Such a cover shall be either a 4-6 inch layer of clean, granular soil; an appropriately placed and maintained synthetic membrane, or a bituminous concrete pavement structure.
- (2) Discolored/oily soil immediately outside of the 6 foot chain-link fence, or as well as soil identified as PCB contaminated by GHR in an area southeast of the fenced property between Kyan Street and the Pawtucket Canal, shall be excavated and removed from the site by a licensed hazardous waste cleanup contractor.
- (3) Pursuant to 310 CMR 30.000, the "Massachusetts Hazardous Waste Regulations", the facility operator is prohibited from receiving, storing, or handling transformers or related electrical components which contain fluids contaminated with greater than 50 ppm polychlorinated biphenyls.
- (4) The facility incinerator shall not be operated without the expressed written permission of the Department. Operation of this unit will not be allowed unless proof is presented that PCB contaminants will not be released to the atmosphere and that the operation will conform to all existing Massachusetts Hazardous Waste and Air Quality laws and regulations.
- (5) The facility operator shall continue to maintain site security; the facility gate shall be kept locked to prevent trespassing during non-business hours, and unauthorized site access shall otherwise be prevented.

RE: LOWELL - Chandonnet Property  
March 28, 1985  
Page 3.

Concurrent with and/or following the implementation of immediate site actions, the responsible party(s) shall engage the services of a professional environmental engineering consulting firm to further define: (1) the extent of on and off-site contamination, (2) the nature, extent, and source(s) of on-site groundwater contamination, (3) the impacts of pollution on nearby receptors, including the Pawtucket Canal, and (4) determine, evaluate, and propose appropriate remedial/clean up actions to mitigate conditions of soil/groundwater contamination.

This letter is intended to 1) inform you of the Department of Environmental Quality Engineering's determination that, pursuant to MGL Chapter 21E, Section 5A you are responsible for the release; 2) provide you an opportunity to immediately accept such responsibility; and 3) advise you of the potential consequences of your failure to accept such responsibility.

Your acceptance of responsibility for such release means that you will (1) take immediate action to prevent human exposure by performing the steps outlined above; (2) engage the services of an environmental/engineering consultant to conduct a site assessment as outlined above; (3) based upon the information obtained from the site assessment, implement those remedial actions deemed appropriate by the Department; and (4) pay for all damages, for any injury to or destruction or loss of natural resources or personal property due to such release of hazardous materials(s).

Should you fail to accept responsibility for such release, the Department will, pursuant to MGL Chapter 21E, Section 4, take or arrange for any necessary response actions relative thereto, and the Commissioner of the Department will, pursuant to MGL Chapter 21E, Section 11, request the Attorney General of the Commonwealth of Massachusetts to bring a civil and/or criminal action against you under MGL Chapter 21E. Specifically, the statute subjects any person who is responsible for a release/threat of release of oil/hazardous material to the following civil liability and penalties and criminal fines and sanctions:

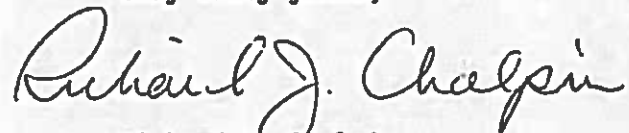
- (1) civil liability for (a) all response costs incurred by the Department of Environmental Quality Engineering due to such release/threat of release and (b) all damages of any injury to or destruction or loss of natural resources or personal property due to such release.
- (2) civil liability for up to three (3) times the amount of your liability for costs and damages described in paragraph (1) above. Such treble liability is imposed jointly and severally upon persons who are responsible for such release (MGL Chapter 21E, Section 5(a) and
- (3) civil penalty of up to twenty-five thousand dollars (\$25,000.00) per day and/or imprisonment for up to five (5) years for each day you violate MGL Chapter 21E or any other issued or regulation adopted thereunder (MGL Chapter 21E, Section 11).

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March 28, 1985  
Page 4.

The Department requires that you notify this office within five (5) days of receipt of this letter of your intention to comply with the provisions of this correspondence.

If you have any questions regarding this matter, please contact Rodene DeRice or John Fitzgerald, P.E. of my staff at the letterhead address or phone 935-2160. For your information, a list of responsible parties, as alleged by the facility owner/operator, is appended.

Very truly yours,



Richard J. Chalpin  
Acting Regional  
Environmental Engineer

RJC/RD/gg

cc: Lowell Health Department  
JFK Civic Center  
Room 206  
Lowell, MA 01852

Assistant City Manager  
James Campbell  
City Hall  
Lowell, MA 01852

Department of Env. Qual. Eng.  
Division of Solid and Hazardous Waste  
One Winter Street - 5th Floor  
Boston, MA 02108

Attention: Bill Cass

cc: A. G. Desautels  
J. Dennard/C. Marsh  
S. Huntington  
J. F. Kaslow  
E. E. Mulligan  
R. G. McLaughry  
C. H. Powars  
G. P. Sardi  
F. W. Varney  
R. A. Yanco

**LIST OF WASTE GENERATORS  
SUPPLIED BY FACILITY OWNER/OPERATOR**

Boston Edison  
800 Boylston Street  
Boston, Ma. 02199

Consolidated Edison  
4 Irving Place  
New York, N.Y. 10003

Mr. Jeremiah V. Donovan, Pres.  
Commonwealth Electric  
2421 Cranberry Highway  
Wareham, Ma. 02571

Central Maine Power  
162 Canco Rd.  
Portland, Me. 04103

New England Electric  
25 Research Drive  
Westboro, Ma. 01582

Public Service Co.  
1000 Elm St.  
Manchester, N.H. 03101

Concord Municipal Light Dept.  
135 Keyes Rd.  
Concord, Ma. 01742

Concord Electric  
1 McGuire St.  
P.O. Box 1338  
Concord, N.H. 03301

Reading Municipal Light Co.  
25 Haven St.  
Reading, Ma. 01867

Exeter & Hampton Electric Co.  
225 Water St.  
Exeter, N.H. 03833

Blackstone Valley Electric  
P.O. Box 1111  
Washington Highway  
Lincoln, RI 02865

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4610  
In Re: Electric Environmental Response Fund  
Responses to Commission's First Set of Data Requests  
Issued April 19, 2016

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PUC 1-2

Request:

Is there any evidence that transformers owned by The Narragansett Electric Company were ultimately purchased by Edward Chandonnet and delivered to his Kyan Street property in Lowell, Massachusetts?

Response:

Yes. There is extensive evidence in the form of shipping orders, sale receipts, and the like that Edward Chandonnet ultimately purchased and received at his Kyan Street property used electrical equipment including transformers that The Narragansett Electric Company (the Company) previously owned. In most instances, the Company did not sell equipment it removed from service directly to Mr. Chandonnet. Rather, the Company sold equipment as scrap to a broker, Myer Butter & Son, operating out of Chelsea, Massachusetts. This broker in turn sold the equipment to Mr. Chandonnet and arranged for the equipment to be transported to him at his property at 1 Kyan Street in Lowell, Massachusetts.

PUC 1-3

Request:

Please provide the evidence and supporting calculations that support The Narragansett Electric Company being responsible for 11.57% of the total response cost.

Response:

The Narragansett Electric Company's (the Company) share of 11.57% is calculated based on the National Grid USA operating companies' share of the site through the former New England Electric System (NEES) operating companies (i.e., 63.558%) and the Company's corresponding share of this liability (i.e., 18.2%) as follows:

$$63.558\% \times 18.2\% = 11.57\%$$

Please note that the Company's percentage share of the total response costs changed over time, as summarized in the table below:

<b>Timeline</b>	<b>NEES Operating Companies' Liability</b>	<b>The Company's share of NEES Operating Companies' Liability</b>
1986- cost sharing agreement	60.6%	16%
1991- PRPs absorb orphan shares	62.2%	16%
2000- Blackstone Valley Electric Company merger with and into the Company	64.2%	18%
2012- Divestiture of Granite State Electric Company	63.6%	18.2%

More specifically, NEES was a public utility holding company under the Public Utility Holding Company Act of 1935. New England Power Service Company (NEPSCO), in its role as the service company subsidiary for the NEES subsidiary operating companies, initially handled administrative issues that NEES subsidiary operating companies faced for the Chandonnet Site. The original NEES subsidiary operating companies with liability for environmental contamination at the Chandonnet Site consisted of Massachusetts Electric Company (MEC), the Company, Granite State Electric Company (GSEC), and New England Power Company (NEP).

PUC 1-3, page 2

The collective original share of the NEES operating companies for the site was based on a 1986 indemnification agreement among the Potentially Responsible Parties (PRPs) at the site, a copy of which is provided as Attachment PUC 1-3a. The cost allocation among the PRPs was established based on an estimate of the transformers sold to Mr. Chandonnet through a broker. In accordance with this cost sharing agreement, the total NEES operating companies' share was 60.6%. The allocation of this liability among the four NEES operating companies was based on the number of transformers sold, and the size of the transformers. The Company's share of the total NEES operating companies' liability was estimated to be 16%.

In 1991, the NEES operating companies' share of the site was amended to 62.2% to include "orphan" shares (i.e., the share of liability that would otherwise have been paid by responsible parties that were insolvent or no longer in business and that accordingly could not financially contribute to response costs that were incurred at the site). Under the Massachusetts Superfund statute, Massachusetts General Laws Chapter 21E, Section 5(a), the PRPs are jointly and severally liable for remediation costs, and it is not uncommon for PRPs to absorb the costs of such orphan shares.

In 2000, National Grid USA became the successor in interest to NEES and the parent holding company of MEC, the Company, GSEC, and NEP.

Also, in 2000, National Grid USA acquired Eastern Utilities Associates (EUA), and EUA's Rhode Island electric subsidiary, Blackstone Valley Electric Company (BVEC), was merged into the Company. Therefore, the former NEES operating companies' share of the liability for environmental contamination at the Chandonnet Site was further amended to 64.2% when the BVEC share of 2% was incorporated into the Company's share. This was documented in a 2010 confidential cost sharing agreement among the parties, a copy of which is provided as Attachment PUC 1-3b.

Finally, in 2012, National Grid USA sold GSEC to Liberty Utilities. GSEC's 1% share of the Chandonnet Site environmental liability remained with the divested GSEC entity and was not retained by National Grid USA or its subsidiaries. Accordingly, the portion of the Chandonnet Site environmental liability for which National Grid USA subsidiaries are responsible decreased by 0.642% (1% of 64.2%) to 63.558%. The internal allocation among the remaining three National Grid USA subsidiaries increased, but this reallocation did not change each subsidiary's overall share of the Chandonnet Site. MEC's internal allocation of the National Grid portion increased by 0.6%, NEP's by 0.2%, and the Company's by 0.2%.



INDEMNIFICATION AGREEMENT

Chandonnet Site, Lowell, Massachusetts

THIS AGREEMENT is entered into as of the 9th day of September, 1986, by and among New England Power Service Company (NEPSCO); and Boston Edison Company, Central Maine Power Company, Commonwealth Electric Company (acting on its own behalf and on behalf of Cambridge Electric Light Company), and Blackstone Valley Electric Company (collectively, the Indemnifying Parties).

WHEREAS, the companies and persons listed on Exhibit A and others have been named by the Massachusetts Department of Environmental Quality Engineering (DEQE) as potentially responsible parties in connection with the alleged release of hazardous materials and resultant soil and groundwater contamination at the Chandonnet property located at One Kyan Street in Lowell, Massachusetts (the site); and

WHEREAS, certain of the potentially responsible parties, including NEPSCO and the Indemnifying Parties, have organized the Chandonnet Site Steering Committee for the purpose of coordinating their efforts in communicating with DEQE and in contracting for the performance of investigative or remedial work at the site; and

WHEREAS, the Chandonnet Site Steering Committee intends to engage E. C. Jordan Company of Portland, Maine, to perform a site assessment as approved by DEQE to determine the existence,

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source, nature and extent of contamination by PCBs and organics at or near the site and to develop alternatives and recommendations for remedial action; and

WHEREAS, the Chandonnet Site Steering Committee has requested the potentially responsible parties to contribute toward the cost of the site assessment the amounts set forth opposite their respective names on Schedule A; and

WHEREAS, certain of the potentially responsible parties, including NEPSCO and the Indemnifying Parties, have made or are expected to make payments to NEPSCO to be applied toward the cost of the site assessment; and

WHEREAS, NEPSCO has created a special internal account to which it has credited or will credit all such payments (including its own payments); and

WHEREAS, NEPSCO has agreed, subject to the terms and conditions set forth herein, to enter into a contract with E. C. Jordan Company in the form of Exhibit B (the Jordan Contract) for performance of the site assessment, and to use funds in the special account (to the extent they are available) to make payments to E. C. Jordan Company under the Jordan Contract;

NOW, THEREFORE, in consideration of the mutual agreements and covenants, the parties agree as follows:

1. Each of the Indemnifying Parties shall indemnify and hold harmless NEPSCO and its affiliates, officers, directors and employees from and against any and all liabilities, costs, losses and damages, including reasonable attorneys' fees and

-3-

court costs, incurred in connection with NEPSCO's receipt, holding and disbursement of funds paid by potentially responsible parties for application toward the cost of the site assessment, or arising out of or relating to the Jordan Contract, unless such liabilities, costs, losses or damages are due to the gross negligence or willful misconduct of NEPSCO or its affiliates, officers, directors or employees, in an amount equal to the Indemnifying Party's proportionate share determined in accordance with paragraph 2.

2. The proportionate shares of the respective Indemnifying Parties shall be determined by applying the percentages set forth opposite their respective names below to the amount of the liabilities, costs, losses and damages incurred by NEPSCO and its affiliates, officers, directors and employees.

Boston Edison Company	12.7%
Central Maine Power Company	11.9%
Commonwealth Electric Company	10.4%
Blackstone Valley Electric Company	2.0%

3. NEPSCO shall not, without the prior consent of the Indemnifying Parties, authorize E. C. Jordan Company to perform any services which would cause NEPSCO to incur aggregate payment obligations under the Jordan Contract in excess of the then current balance in the special account.

4. NEPSCO shall not seek indemnification under this Agreement to the extent that funds are available in the special account for application toward the relevant liabilities, costs, losses or damages.

5. NEPSCO will promptly notify each Indemnifying Party of any amounts due under this Agreement.

6. This Agreement may be executed in any number of counterparts and shall be enforceable by NEPSCO against each Indemnifying Party who has executed and delivered a counterpart, regardless of whether other Indemnifying Parties have executed and delivered similar counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

NEW ENGLAND POWER SERVICE COMPANY

By   
Title: Director of Environmental Affairs

BOSTON EDISON COMPANY  
Legal Department  
APPROVED AS TO FORM

BOSTON EDISON COMPANY

By   
Title: Vice President - Engineering  
and Distribution

CENTRAL MAINE POWER COMPANY

By \_\_\_\_\_  
Title:

COMMONWEALTH ELECTRIC COMPANY

By \_\_\_\_\_  
Title:

BLACKSTONE VALLEY ELECTRIC COMPANY

By \_\_\_\_\_  
Title:

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5. NEPSCO will promptly notify each Indemnifying Party of any amounts due under this Agreement.

6. This Agreement may be executed in any number of counterparts and shall be enforceable by NEPSCO against each Indemnifying Party who has executed and delivered a counterpart, regardless of whether other Indemnifying Parties have executed and delivered similar counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

NEW ENGLAND POWER SERVICE COMPANY

By *Arden Aitken*  
Title: Director of Environmental Affairs

BOSTON EDISON COMPANY

By \_\_\_\_\_  
Title:

CENTRAL MAINE POWER COMPANY

By *William A. Leubens*  
Title: Counsel

COMMONWEALTH ELECTRIC COMPANY

By \_\_\_\_\_  
Title:

BLACKSTONE VALLEY ELECTRIC COMPANY

By \_\_\_\_\_  
Title:

-4-

5. NEPSCO will promptly notify each Indemnifying Party of any amounts due under this Agreement.

6. This Agreement may be executed in any number of counterparts and shall be enforceable by NEPSCO against each Indemnifying Party who has executed and delivered a counterpart, regardless of whether other Indemnifying Parties have executed and delivered similar counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

NEW ENGLAND POWER SERVICE COMPANY

By *Andrew Pitkin*  
Title: Director of Environmental Affairs

BOSTON EDISON COMPANY

By \_\_\_\_\_  
Title: \_\_\_\_\_

CENTRAL MAINE POWER COMPANY

By \_\_\_\_\_  
Title: \_\_\_\_\_

COMMONWEALTH ELECTRIC COMPANY

By \_\_\_\_\_  
Title: \_\_\_\_\_

BLACKSTONE VALLEY ELECTRIC COMPANY

By *William P. Brown*  
Title: *President*

CHANDONNET SITE  
ALLOCATION OF COST OF  
ENVIRONMENTAL ASSESSMENT

<u>POTENTIALLY RESPONSIBLE PARTY</u>	<u>PERCENTAGE ALLOCATION</u>	<u>COST ALLOCATION</u>
<u>Generators of Electrical Equipment</u>		
New England Electric System companies	60.6%	\$39,176
Boston Edison Company	12.7	8,210
Central Maine Power Company	11.9	7,693
Commonwealth Electric Company/ Cambridge Electric Light Company	10.4	6,723
Blackstone Valley Electric	2.0	1,293
Reading Municipal Light Department	.9	582
Concord Electric Company	.5	323
Concord Municipal Light	*	250
Public Service Company of New Hampshire	*	250
Consolidated Edison Company of New York, Inc.	*	250
Exeter & Hampton Electric Company	*	250
Fitchburg Gas & Electric Light Company	*	250
Norwood Municipal Light Company	*	250
Wakefield Municipal Light Company	*	250
Westinghouse Electric Corporation	*	250
General Electric Company	*	<u>250</u>
		\$66,250**

\*Less than 0.5%

\*\*Bid price of environmental assessment (\$53,000) plus 25% allowance for price escalation and additional costs and expenses

**Redacted**  
**Attachment PUC 1-3b**



The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4610  
In Re: Electric Environmental Response Fund  
Responses to Commission's First Set of Data Requests  
Issued April 19, 2016

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PUC 1-4

Request:

For any National Grid affiliate, please provide an itemization by affiliate, with totals where appropriate, of amounts paid out in relation to the Chandonnet Site.

Response:

Please see Attachment PUC 1-4 for an itemization by National Grid affiliate, with totals where appropriate. The costs shown are for the period beginning April 1, 2004 through March 31, 2016 for all companies except for Massachusetts Electric Company for which additional information is available for pre-April 1, 2004 costs.

Chandonnet Site Spend By Companies

<u>Company</u>	<u>4/1/2004 - 3/31/2016</u>	
	<u>Cost Type</u>	<u>Total</u>
<u>Massachusetts Electric Company [1]</u>	Consultants	\$802,295.57
	Contractors	\$53,481.63
	Other Expenses [2]	(\$83,474.30)
	Labor	\$60,935.43
<b>Massachusetts Electric Company Total</b>		<b>\$833,238.33</b>
<u>New England Power Company</u>	Consultants	\$257,353.83
	Contractors	\$22,050.03
	Other Expenses [2]	(\$57,383.68)
<b>New England Power Company Total</b>		<b>\$222,020.18</b>
<u>Granite State Electric Company</u>	Consultants	\$1,975.85
	Contractors	\$195.90
	Other Expenses	\$214.93
<b>Granite State Electric Company Total</b>		<b>\$2,386.68</b>
<u>The Narragansett Electric Company</u>	Consultants	\$220,920.32
	Contractors	\$16,058.29
	Other Expenses [2]	(\$2,834.72)
<b>The Narragansett Electric Company Total</b>		<b>\$234,143.89</b>
<b>Grand Total</b>		<b>\$1,291,789.08</b>

Notes:

[1] The Massachusetts Electric Company costs also include pre-4/1/2004 costs.

[2] Negative values reflect payments received from the other PRPs per settlement agreement.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4610  
In Re: Electric Environmental Response Fund  
Responses to Commission's First Set of Data Requests  
Issued April 19, 2016

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PUC 1-5

Request:

Please explain why The Narragansett Electric Company is legally responsible for an environmental remediation site outside of Rhode Island.

Response:

The Narragansett Electric Company (the Company) has such responsibility under Massachusetts General Laws Chapter 21E, Section 5(a)(3), which imposes liability for environmental remediation costs on “any person who by contract, agreement, or otherwise, directly or indirectly, arranged for the transport, disposal, storage or treatment of hazardous materials to or in a site . . . from or at which there is or has been a release or threat of release of hazardous materials.” The Company meets these statutory criteria in that the Company arranged for the transport and disposal of used electrical equipment including transformers containing PCBs (a hazardous material) by selling the equipment as scrap to a broker (Myer Butter & Sons). This broker in turn sold the equipment to Edward Chandonnet, the operator of the site where the equipment was ultimately transported and thereafter PCBs from the equipment were released into the environment.