

April 13, 2017

Luly E. Massaro, Clerk
RI Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

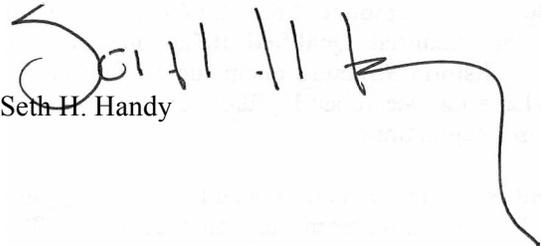
Re: Docket 4636 - Joint Petition of ISM Solar Development, LLC and The Pascoag Utility Distric

Dear Ms. Massaro:

I have enclosed an executed settlement agreement in this matter for the Commission's review and approval. Please schedule this matter for the Commission's decision as soon as possible.

Thank you for your assistance with these filings.

Sincerely,



Seth H. Handy

Enc.

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

JOINT PETITION OF ISM SOLAR :
DEVELOPMENT, LLC, and : **DOCKET NO. 4636**
THE PASCOAG UTILITY DISTRICT :

**PROPOSED SETTLEMENT AGREEMENT
APRIL 11, 2017**

This proposed Settlement Agreement is presented by and between the Pascoag Utility District (PUD) and ISM Solar Development, LLC or its successors or assigns (“ISM”) for Commission approval. National Grid (NGrid) has informed the parties that they prefer not to be a party to this Settlement and remain neutral with regard to it just as they were neutral on the original petition. In summary, NGrid will interconnect the project and ISM will be eligible to participate in programs eligible to facilities in NGrid service territory. ISM will make negotiated contractual payments to PUD. NGrid will modify existing interconnection application materials and results to be consistent with current system design and configuration and ISM asks the Commission to expedite its interconnection process to allow ISM to participate in the earliest possible Renewable Energy Growth program enrollment. ISM will pursue a location incentive from the Distributed Generation Board and requests Commission endorsement of that application.

RECITALS

WHEREAS, ISM is pursuing interconnection service for a solar system planned for installation adjacent to 600 Broncos Highway in Burrillville, Rhode Island (the “Project”).

WHEREAS, ISM applied to NGrid to interconnect the Project and NGrid accepted the application as complete. On September 25, 2014, NGrid issued a pre-application report designed to identify their feeders and system constraints or other issues that might impact the Project. The report identified the opportunity for interconnection from feeder 53-127W41, serviced from NGrid's Nasonville substation.

WHEREAS, ISM paid NGrid for a Feasibility Study. The Feasibility Study application signed by ISM and NGrid indicated that the intent of the study was to form the basis for the customer's proposed use of NGrid's EPS. In the Feasibility Study, dated May 20, 2015, NGrid identified the 53-127W41 feeder from NGrid's Nasonville substation and noted the availability of that feeder from the Project's location on Bronco Highway. The photo attached to the Feasibility Study labeled the NGrid electric power system (EPS) on the left side of the screen (without any indication of specific location) and indicated the proposed point of interconnection on Bronco Highway, just down from NGrid's Nasonville substation.

WHEREAS, ISM then invested in an interconnection impact study. The Impact Study Agreement signed by ISM and NGrid on June 15, 2015, stated that the study was intended to "form the basis for the customer's proposed use of the Company's EPS." While conducting the Impact Study, NGrid determined after confirmation with PUD, that the Project could not be interconnected to the Company EPS because the Project is in PUD's service territory. NGrid then informed ISM of their findings.

WHEREAS, ISM relied on NRGID's indication that it could interconnect to their system and committed significant project design and implementation costs for the Project.

WHEREAS, ISM counsel consulted with Commission staff and was advised that the Commission is not aware of any maps or other documentation that clearly designates the NGrid and PUD service territories.

WHEREAS, the Parties have met and corresponded and reached a mutually acceptable resolution that will allow interconnection and development of the Project.

WHEREAS, the Parties agree that a single interconnection to NGrid, with a regular payment to PUD would be the simplest settlement option to administrate for all parties.

NOW THEREFORE:

1. The Parties support the Project's interconnect with NGrid's distribution system so that the Project may be enrolled in NGrid programs.
2. As consideration for that agreement, ISM will make a fixed annual payment to PUD of \$39,600 each year, in monthly installments of \$3,300, for every month that the project is in operation over a 20 year term from the commencement of commercial operation (defined, for this agreement, as the time at which the Project begins generating electricity) with ISM's option for three five year renewals.
3. Given the history of interconnection activity with regard to this Project, and its burden to ISM, ISM appeals to the Commission to order NGrid to expedite the Project's Interconnection review process so that the Project can participate in the earliest possible Renewable Energy Growth program enrollment.

4. ISM also asks the Commission's Order to support its appeal to the Distributed Generation Board for a reasonable locational incentive of \$.03/kWh for the Project's participation in the Renewable Energy Growth program pursuant to R.I. Gen. Laws §39-26.6-22.
5. PUD agrees to assist the Project in obtaining permission to trim the large trees along Broncos highway to decrease shading.
6. The Parties may assign their interests in this agreement upon thirty (30) days prior notice.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized representatives.

ISM SOLAR DEVELOPMENT, LLC

By: _____

Gregory Lucini

Name: _____

Gregory Lucini

Title: _____

CEO

PASCAOG UTILITY DISTRICT

By: _____

William J. Guertin

Name: _____

William J. Guertin

Title: _____

Assistant General Manager