

July 27, 2021

**VIA ELECTRONIC MAIL**

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

**RE: Docket 5043 - National Grid's Gas Long-Range Resource and Requirements Plan  
Forecast Period 2021-22 to 2025-26  
Response to Division Data Requests – Set 3**

Dear Ms. Massaro:

I have enclosed an electronic version of National Grid's<sup>1</sup> responses to the Division of Public Utilities and Carriers' ("Division") Third Set of Data Requests in the above-referenced docket.<sup>2</sup>

This filing also contains a Motion for Protective Treatment of Confidential Information in accordance with Rule 810-RICR-00-00-1.3(H) of the Public Utilities Commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). National Grid seeks protection from public disclosure of Excel Attachments DIV 3-4a through DIV 3-4c as those attachments contain confidential gas pricing information.

Accordingly, in accordance with Rule 1.3(H)(3), the Company is seeking confidential treatment of these confidential Excel Attachments DIV 3-4a through DIV 3-4c.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 5043 Service List  
Al Mancini (w/confidential Excel files, Egress Switch)  
Jerry Mierzwa (w/confidential Excel files, Egress Switch)

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

<sup>2</sup> Because of the COVID-19 Pandemic emergency period, the Company is providing a PDF version of the above-referenced transmittal. The Company is providing the PUC with five (5) copies and, if needed, additional hard copies at a later date.

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.



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

July 27, 2021

Date

**Docket No. 5043 – National Grid’s Gas Long-Range Resource Plan  
Service List as of 7/23/2020**

<b>Name/Address</b>	<b>E-mail</b>	<b>Phone</b>
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<b>File an original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Margaret Hogan, Commission Counsel 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
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STATE OF RHODE ISLAND

RHODE ISLAND PUBLIC UTILITIES COMMISSION

_____	)	
	)	
<b>Gas Long-Range Resource and Requirements</b>	)	
<b>Plan Forecast Period 2020/21 to 2024/25</b>	)	<b>Docket No. 5043</b>
	)	
	)	
_____	)	

**MOTION OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

Pursuant to Rule 810-RICR-00-00-1.3(H) (Rule 1.3(H)) of the Rhode Island Public Utilities Commission’s (“PUC”) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B), National Grid<sup>1</sup> respectfully requests that the PUC grant protection from public disclosure certain confidential, competitively sensitive, and proprietary information submitted in the Company’s response to Data Request 3-4 in the Rhode Island Division of Public Utilities and Carriers’ (“Division”) Third Set of Data Requests directed to National Grid in the above-captioned matter. The Company also respectfully requests that, pending entry of that finding, the PUC preliminarily grant the Company’s request for confidential treatment of the designated Data Request Responses. pursuant to Rule 1.3(H)(2).

**I. BACKGROUND**

On July 27, 2021, the Company filed its response to Division Data Request 3-4. Attachments 3-4a, 3-4b and 3-4c (the “Confidential Excel Attachments”) of the Company’s response to Division Data Request 3-4 includes confidential gas pricing information.

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

Accordingly, in accordance with Rule 1.3(H)(3), the Company has included the unredacted, Confidential Excel Attachments of the Company's response to Data Request 3-4 subject to this motion for protective treatment.

## **II. LEGAL STANDARD**

Rule 1.3(H) 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 the APRA, all documents and materials submitted in connection with the transaction of official business by an agency are deemed to be "public record[s]," 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 as 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 the 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*, 774 A.2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. *Providence Journal*, 774 A.2d at 47.

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

The gas cost pricing information included in the Confidential Excel Attachments to the Company's response to Division Data Request 3-4 is confidential and privileged information of the type that National Grid would not ordinarily make public. As such, the information should be protected from public disclosure. Public disclosure of such information could impair National Grid's ability to obtain advantageous pricing or other terms in the future, thereby causing substantial competitive harm. Accordingly, National Grid respectfully requests that the PUC provide confidential treatment to the information.

### **IV. CONCLUSION**

For the foregoing reasons, National Grid respectfully requests that the PUC grant its Motion for Protective Treatment of Confidential Information.

[SIGNATURE ON NEXT PAGE]

Respectfully submitted,

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

By its attorney,

A handwritten signature in blue ink that reads "Raquel Webster". The signature is fluid and cursive, with the first name "Raquel" being more prominent than the last name "Webster".

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Raquel J. Webster (Bar #9064)  
National Grid  
40 Sylvan Road  
Waltham, MA 02451  
Tel. 781-907-2121  
[Raquel.webster@nationalgrid.com](mailto:Raquel.webster@nationalgrid.com)

Dated: July 27, 2021

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
In Re: Gas Long-Range Resource and Requirements Plan  
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Responses to the Division's Third Set of Data Requests  
Issued on July 9, 2021

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Division 3-1

Request:

Please explain in detail why it is reasonable for National Grid to use a more conservative design day criteria for its Rhode Island gas operations (occurrence of 1 in 58.92 years per page 4 of the Long-Range Plan) than it does for its Massachusetts' gas operations (occurrence of 1 in 35.32 years per D.P.U. 20-132, Long-Range Resource and Requirements Plan, page 4). Why didn't the Company re-evaluate its Rhode Island design day criteria as it did for Massachusetts?

Response:

The Rhode Island design day of 68 heating degree days was determined in Docket No. 3766 (2006) by choosing a probability of occurrence of 1-in-100 at the time of the analysis. The Massachusetts design day of 78 effective degree days was determined in D.P.U. 97-81 (1997) using a cost-benefit methodology as specified by the Massachusetts Department of Public Utilities.

In Section III.E.2. ('Design Year and Design Day Planning Standards') of the Company's 2018 Gas Long-Range Resource and Requirements Plan (Docket 4816), the Company used the same cost-benefit methodology and Rhode Island-specific data to confirm 68 HDD as its design day standard with a probability of occurrence of once-in-58.92 years.

To date, the Company has not found it necessary to revise the value of either design day in terms of HDD in Rhode Island or EDD in Massachusetts. The cost-benefit analysis is no longer required as part of the biannual Massachusetts Long-Range Resource and Requirements Plan submission.

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Division 3-2

Request:

Please provide a copy of the daily weather data utilized by the Company to evaluate its design day planning criteria and the analyses relied upon to select its current criteria in Excel format.

Response:

In Section III.E.2.a of the Company's 'Long-Range Resource and Requirements Plan for the Forecast Period 2021/22 to 2025/26', the Company describes its statistical analysis and its cost/benefit analysis that it had performed in 2018 to support its Design Day standard of 68 heating degree days (HDD).

Refer to Attachment DIV 3-2-1 for the Excel spreadsheet used to support its Design Day standard.

Refer to Attachment DIV 3-2-2 which is a copy of the Company's response to Data Request DIV-1-12 in Docket 4816 which describes the Company's statistical analysis. Refer to Attachment DIV 3-2-3 for a copy of Chart III-E-1 referred to in Attachment DIV 3-2-2.

Also, refer to Attachment DIV 3-2-4 which is a copy of the Company's response to Data Request DIV-1-13 in Docket 4816 and its Attachments therein which describe the Company's assumptions regarding damage costs used in its Design Day cost/benefit analysis.

These four attachments were previously filed in Docket 5043 as attachments to the Company's response to Data Request DIV 1-1.

Refer to Attachment DIV 3-2-5 for the Excel spreadsheet containing the weather data used to support the Company's Design Day standard.

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Attachment DIV 3-2-1

Please refer to the Excel version of Attachment DIV 3-2-1

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Division 1-12

Request:

With respect to Chart III-E-1 in the March 30, 2018 LRP, please:

- a. Provide the workpapers, data, analyses, and assumptions upon which the Company has relied to assess the "Cumulative Probability of Occurrence (p)" for each HDD level shown.
- b. If the Company assumes that HDDs are normally distributed around the computed mean value, provide the workpapers, data, analyses, and assumptions upon which the Company has relied to assess the distribution of actual Peak Day HDD measures have the characteristics of a normally distributed variable.
- c. Given that the Company's planning is based on being able to meet its Design Peak Day requirements, please document and explain the analyses and rationales upon which the Company relies to measure the probability of a shortage on its Mean Peak Day.
- d. Identify each historical year (on a planning year basis) for which the Company actually experienced a shortfall of supply on its Annual Peak Day, provide:
  - i. Provide the HDDs associated with the Annual Peak Day for each year identified;
  - ii. Provide the magnitude of the MMBtu shortfall experienced.
- e. Identify each historical year (on a planning year basis) for which the Company actually experienced a weather-related supply shortfall on a day for which its record degree days were below its Design Peak Day HDDs.
  - i. Provide the HDDs associated for each day on which such a supply shortfall was experience;
  - ii. Provide the magnitude of the MMBtu shortfall for each day on which such a supply shortfall was reported.

Response:

- a. In Chart III-E-1 in the Company's Long-Range Plan filing, the column labeled "Cumulative Probability of Occurrence (p)" contains the Excel NORMDIST function for calculating the probability of the peak day being at or less than the "HDD [heating

Prepared by or under the supervision of: Theodore E. Poe, Jr. and Elizabeth D. Arangio

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Division 1-12, page 2

degree day] Level" value based on the mean peak day and standard deviation of peak day listed in the chart, assuming normal distribution.

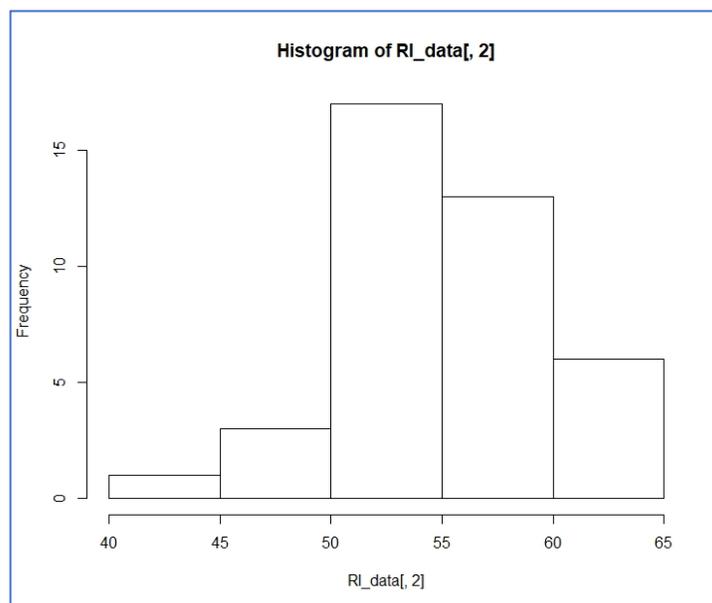
- b. In previous Long-Range Plan filings, the Company had used the coldest day in each of the most recent 40 years to determine the mean and standard deviation statistics for its design day distribution. In reviewing the data for the current filing, the Company noted that the distribution was considered normally-distributed based on the Shapiro-Wilk test ( $p\text{-value} > 0.05$ ):

Shapiro-Wilk normality test

```
data: RI_data[, 2]
```

```
W = 0.96664, p-value = 0.2803
```

However, the data was becoming more skewed, as seen in the histogram in Figure 1 below and the normal Q-Q plot in Figure 2 below.



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Division 1-12, page 3

Figure 1

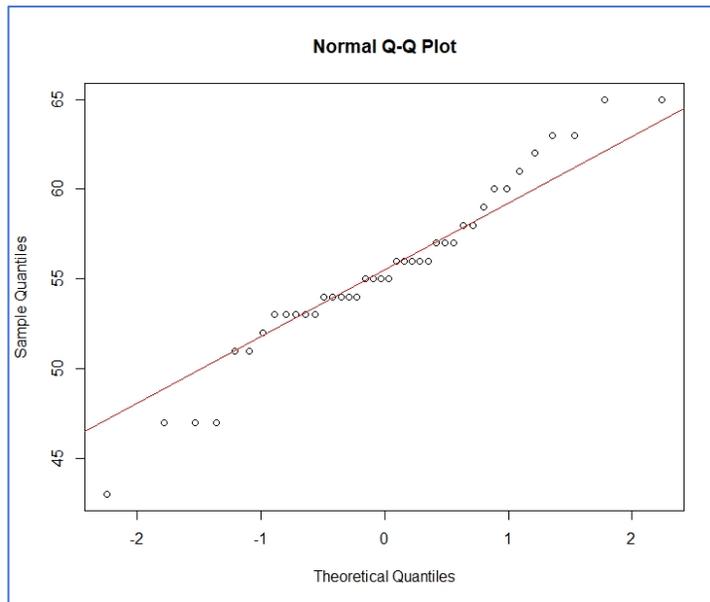


Figure 2

As noted in the Company's Long-Range Plan filing, the Company used recorded daily HDD values based on 6,040 observations at the T.F. Green weather site for the November through March periods of 1977/78 through 2016/17. Using its new methodology, the Company found that the 6,040 data points had a mean of 55.00 HDD and a standard deviation of 6.13 HDD.

The Shapiro-Wilk test for normality cannot be used for data sets with more than 5,000 observations because, for large amounts of data, even very small deviations from normality can be detected, leading to rejection of the null hypothesis even though for practical purposes the data is essentially normal. The Company did use the Kolmogorov-Smirnov test on its data and found that it also rejected normality:

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Division 1-12, page 4

One-sample Kolmogorov-Smirnov test

```
data: RI_data[, 4]
```

```
D = 0.99897, p-value < 2.2e-16
```

```
alternative hypothesis: two-sided
```

Examining the normal Q-Q plot (Figure 3 below), the Company accepted the data as normally distributed.

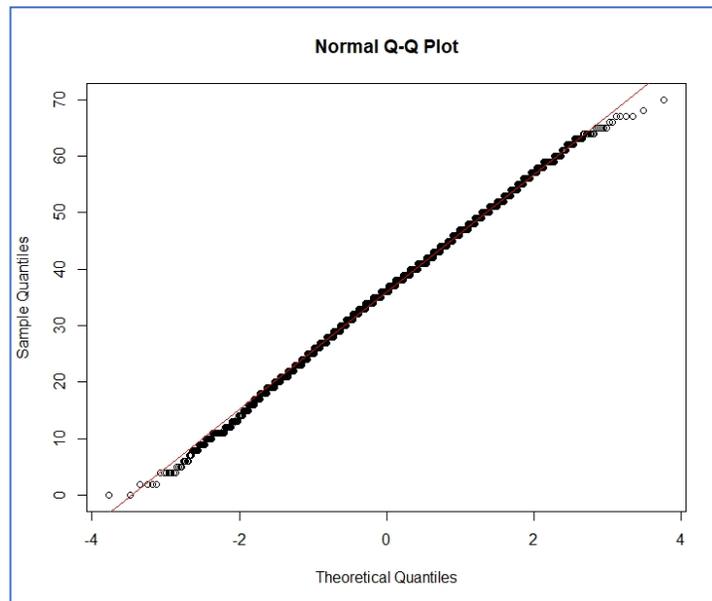


Figure 3

The Narragansett Electric Company  
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Division 1-12, page 5

- c. The Company's analyses and methodology for measuring the probability of a supply resource shortfall on a design day are documented in Section III.E.2.a. of the Company's Long-Range Plan filing. The Company's cost/benefit analysis of its design day standard measures the cost of holding a basket of resource capacity to meet its customers' one-day resource needs with the benefit of avoiding the probability-weighted economic damages that would ensue. The Company assumes that, given it is a one-day event, there would be insufficient time to arrange for additional citygate resources or that such additional resources would not be available.
- d. The Company has not experienced a shortfall of supply resources on its annual peak day.
- e. The Company has not experienced a weather-related supply shortfall on a day for which its actual degree days were below its design peak day HDDs.

Chart III-E-1  
RIPUC Docket No. 4816  
Long-Range Gas Supply Plan  
March 30, 2018  
Page 1 of 1

**National Grid Rhode Island  
2018 Long Range Plan**

Assumptions:

Mean Peak Day = 55.00 HDD  
Std Dev Peak Day = 6.13 HDD  
  
Heating Increment = 5,664.03 MMBtu/HDD  
No. of Firm Customers = 267,530

HDD Level	Cumulative Probability Of Occurrence (p)	Probability Of Exceeding (1-p)	Frequency of Occurrence 1/(1-p) (years)	HDD Excess	Delta Supply (MMBtu)	Requirements Of An Average Customer At HDD Level (MMBtu/cust)	Equivalent Number of Customers
55.0	0.5000	0.5000	2.00	0.0	0	1.16	0
56.0	0.5648	0.4352	2.30	1.0	5,664	1.19	4,777
57.0	0.6279	0.3721	2.69	2.0	11,328	1.21	9,387
58.0	0.6877	0.3123	3.20	3.0	16,992	1.23	13,838
59.0	0.7430	0.2570	3.89	4.0	22,656	1.25	18,138
60.0	0.7927	0.2073	4.82	5.0	28,320	1.27	22,294
61.0	0.8362	0.1638	6.10	6.0	33,984	1.29	26,314
62.0	0.8733	0.1267	7.89	7.0	39,648	1.31	30,205
63.0	0.9041	0.0959	10.42	8.0	45,312	1.33	33,972
64.0	0.9290	0.0710	14.08	9.0	50,976	1.35	37,621
65.0	0.9486	0.0514	19.45	10.0	56,640	1.38	41,158
66.0	0.9636	0.0364	27.49	11.0	62,304	1.40	44,588
67.0	0.9749	0.0251	39.78	12.0	67,968	1.42	47,916
68.0	0.9830	0.0170	58.92	13.0	73,632	1.44	51,145
69.0	0.9888	0.0112	89.36	14.0	79,296	1.46	54,281
70.0	0.9928	0.0072	138.83	15.0	84,960	1.48	57,328
71.0	0.9955	0.0045	220.97	16.0	90,624	1.50	60,288
72.0	0.9972	0.0028	360.36	17.0	96,288	1.52	63,167
73.0	0.9983	0.0017	602.28	18.0	101,952	1.55	65,966
74.0	0.9990	0.0010	1031.78	19.0	107,617	1.57	68,690
75.0	0.9994	0.0006	1811.95	20.0	113,281	1.59	71,341
76.0	0.9997	0.0003	3262.39	21.0	118,945	1.61	73,923
77.0	0.9998	0.0002	6022.88	22.0	124,609	1.63	76,437
78.0	0.9999	0.0001	11402.37	23.0	130,273	1.65	78,887
68.0	0.9830	0.0170	58.92	(EDD Level MINUS Mean Peak)	(EDD Excess TIMES Heating Increment) (MMBtu)	(Heating Increment DIVIDED BY No. of Firm Customers TIMES EDD Level)	(Delta Supply DIVIDED BY Requirements of Average Customer)

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Division 1-13

Request:

With respect to Chart III-E-2 in the March 30, 2018 LRP, please:

- a. Provide the workpapers, data, analyses, assumptions (as well as source documents) upon which the Company has relied to estimate “**Relight Costs**” per customer, and if the source data is not based on actual Rhode Island experience document the Company’s efforts to verify the applicability to Rhode Island of the data used, as well as any and all adjustments to data from another jurisdiction or other jurisdictions upon which the Company has relied.
- b. Provide the workpapers, data, analyses, assumptions (as well as source documents) upon which the Company has relied to estimate “**Freeze-Up Damages**” per customer. Also:
  - i. Explain why (as noted Section III.E.2.a of the March 30, 2018 LRP) the Company has chosen to rely on a **ten year old** estimate from Marsh & McLennan basis for its “**Freeze-Up Damages**” cost estimate.
  - ii. Provide the analyses upon which the Company has relied to assess the representativeness of that Marsh & McLennan estimate to reflect current remodeling costs for Rhode Island customers.
  - iii. Document and explain the composition of the data base from which the 2008 Marsh & McLennan average was derived with particular sensitivity to the region of the U.S. from which Marsh & McLennan derived the data base from which the 2008 value was computed.
- c. Explain why the Company’s estimate of “**Relight Costs**” per customer in 2016 dollars of \$1,069.00 in its March 30, 2018 LRP is identical to the “**Relight Costs**” per customer in 2014 dollars assumed in Chart II-E-2 in the Company’s 2016 LRP.
- d. Provide the workpapers, data, analyses, and assumptions upon which the Company has relied to adjust its estimate of “**Freeze-Up Damages**” per customer from \$41,794.39 in 2014 dollars in the Company’s 2016 LRP, Chart III-E-2, to \$44,785.05 per customer in 2016 dollars in its March 30, 2018 LRP.

The Narragansett Electric Company

d/b/a National Grid

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For the Forecast Period 2017/18 to 2026/27

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Division 1-13, page 2Response:

- a. The Company's estimate of relict costs per customer is part of the Company's capital sanctioning analysis related to its fiscal year (FY) 2019 Gas System Reinforcement Program in Rhode Island. Please refer to Attachment DIV 1-13-1 for a copy of the Company's analysis of its estimated relict costs per customer. In particular, the relict cost estimate is derived from two outages Rhode Island (Tiverton and Westerly), as well as two outages in geographically-close areas of Long Island (Glen Cove and Cutchogue).
- b.i. The Company uses its Marsh & McLennan study as the basis for its "Freeze-Up Damages" cost estimate and adjusts its results with the most recent (2014) U.S. Construction Price Deflator. The Marsh & McLennan study is the Company's most recent study of freeze-up damages associated with loss of supply to customers' homes and facilities.
- b.ii. Because loss of supply to customers' homes and facilities and the associated freeze-up damages occurs so infrequently, the Company had requested Marsh & McLennan to include structures within the Company's New England service territories.
- b.iii. The Company does not have information on the Marsh & McLennan database from which Marsh & McLennan's data was derived.
- c. The Company's estimate of relict costs has not changed in current dollars.
- d. The "Freeze-Up Damages" per customer of \$41,794.39 in 2014 dollars in the Company's 2016 Gas Long-Range Resource and Requirements Plan (Long-Range Plan) for 2015/16 to 2024/25, Chart III-E-2, and \$44,785.05 per customer in 2016 dollars in its March 30, 2018 Long-Range Plan are both derived from the Marsh & McLennan baseline of \$20,000 per customer in 2007 dollars. In both cases, the Company inflated the Marsh & McLennan figure using the most recent (2014) U.S. Construction Price Deflator. Each value was set as the 50 percent midline figure for expected freeze-up damages. As described in Section III.E.2.a., the values quoted in Chart III-E-2 of both the Company's 2016 and the 2018 Long-Range Plans are two times the 50 percent midline figure. The U.S. Construction Price Deflator table used in the 2018 Long-Range Plan is provided as Attachment DIV 1-13-2.



## **Short Form Sanction Paper**

### **Appendix 2 – Outage Restoration Costs**

Estimates for relighting customers and recovering from a system outage have been prepared to quantify the impact of outages related to insufficient system capacity during periods of peak demand and severe winter cold.

Actual relight costs have been captured from recent incidents to quantify Company expenses related to restoring service. These were all related to outages that occurred for reasons other than insufficient system capacity and operations were conducted under benign weather conditions. It is likely that during severe winter weather conditions, costs would increase.

Claims related to frozen buildings, burst pipes and equipment damage due to a lack of heat during severe cold weather were captured from the only recent incident the Company experienced the outage in Hull, Massachusetts during the peak day of January 16, 2004.

#### **Relight Costs**

Tiverton, RI (2008): 900 customer outage with relight costs of \$322,839 for an average relight cost of \$358.71 per customer.

Cutchogue, NY (2003): 1,800 customer outage with relight costs of \$2,367,401 for an average relight cost of \$1,315.22 per customer.

Glen Cove, NY (2008): 1,016 customer outage with relight costs of \$275,000 for an average relight cost of \$270.67 per customer.

Westerly, RI (2011): 1,686 customer outage with relight costs of \$2,811,455 for an average relight cost of \$1,667.53 per customer.

Average cost to relight for combined instances above equals \$1,069 per customer.

#### **Claims**

Hull, MA (2004): 297 customers affected with claims totaling \$206,336 for an average claim of \$694.73 per customer.

#### **Combined cost of relight and claims**

The combined cost of relighting customers and resolving claims averages out to \$1,764 per customer.

Recognizing the amount of variability in different incidents, such as weather conditions, different types of neighborhoods, variable labor costs, economies of scale, etc., for purposes of evaluating the benefits of reinforcement projects, an average value of service restoration costs and claims of \$1,000 per customer is used.

**Constant Quality (Laspeyres) Price Index of New Single-Family Houses Under Construction**  
[2005 = 100.0. Index based on kinds of houses sold in 2005]

Year	Annual		Monthly											
	Annual index	Percent change	January	February	March	April	May	June	July	August	September	October	November	December
1964	12.4	(X)	12.2	12.1	12.0	12.2	12.3	12.4	12.4	12.3	12.3	12.6	12.7	12.8
1965	12.8	3.2%	12.7	12.6	12.6	12.6	12.6	12.8	12.6	12.6	12.6	13.0	13.2	13.3
1966	13.4	4.7%	13.0	12.8	12.8	13.3	13.6	13.6	13.4	13.4	13.3	13.6	13.7	13.9
1967	13.8	3.0%	13.7	13.6	13.6	13.6	13.7	13.7	13.7	13.8	13.9	13.9	14.1	14.2
1968	14.6	5.8%	14.3	14.3	14.3	14.4	14.5	14.5	14.3	14.4	14.5	14.8	15.1	15.4
1969	15.5	6.2%	15.2	15.2	15.4	15.4	15.6	15.4	15.5	15.4	15.4	15.6	15.7	15.8
1970	15.9	2.6%	15.6	15.6	15.7	16.1	16.3	16.7	16.0	15.6	15.5	15.6	15.8	16.0
1971	16.8	5.7%	15.9	16.4	16.5	16.6	16.6	16.7	16.7	17.2	17.1	17.2	17.3	17.5
1972	18.0	7.1%	17.6	17.6	17.6	17.6	17.6	17.7	17.9	18.0	18.2	18.5	18.7	18.9
1973	19.8	10.0%	18.9	18.9	19.1	19.3	19.5	19.6	19.9	20.2	20.4	20.5	20.6	20.6
1974	21.8	10.1%	20.8	20.9	21.4	21.1	21.3	21.8	22.0	22.0	22.1	22.4	22.6	22.8
1975	23.7	8.7%	23.1	23.1	23.1	23.3	23.7	23.8	23.8	23.7	23.9	24.0	24.2	24.4
1976	25.2	6.3%	24.2	24.2	24.3	24.6	25.1	25.4	25.5	25.5	25.5	25.7	25.9	26.1
1977	28.2	11.9%	26.6	26.8	27.0	27.2	27.6	27.9	28.3	28.5	28.7	29.0	29.3	29.7
1978	31.7	12.4%	30.0	30.3	30.5	30.8	31.2	31.3	31.6	32.0	32.5	32.9	33.3	33.6
1979	35.7	12.6%	33.9	34.2	34.4	34.8	35.2	35.7	36.2	36.5	36.8	37.0	37.3	37.6
1980	39.8	11.5%	38.1	38.4	38.6	39.0	39.2	39.6	40.1	40.3	40.5	40.7	41.0	41.3
1981	42.6	7.0%	41.6	41.9	42.0	42.3	42.6	42.7	42.7	42.8	43.0	43.2	43.5	43.5
1982	43.4	1.9%	43.4	43.4	43.5	43.6	43.5	43.4	43.2	43.4	43.6	43.5	43.7	43.7
1983	44.7	3.0%	44.0	44.1	44.0	44.0	44.3	44.4	44.6	44.7	44.9	45.2	45.4	45.6
1984	46.7	4.5%	45.8	46.0	46.1	46.1	46.2	46.5	46.5	46.9	47.3	47.5	47.6	47.5
1985	47.9	2.6%	47.7	47.5	47.6	47.5	47.4	47.5	47.6	47.8	48.0	48.2	48.4	48.8
1986	50.4	5.2%	49.1	49.2	49.3	49.5	49.8	50.2	50.4	50.6	50.8	51.1	51.5	51.8
1987	52.7	4.6%	52.1	52.1	52.2	52.4	52.4	52.6	52.7	52.8	52.8	53.0	53.3	53.7
1988	54.5	3.4%	54.1	54.3	54.1	54.1	54.3	54.3	54.3	54.5	54.8	54.9	55.2	55.2
1989	56.4	3.5%	55.4	55.6	55.8	56.1	56.3	56.3	56.5	56.6	56.8	56.8	56.8	57.0
1990	58.0	2.8%	57.2	57.4	57.5	57.6	57.6	57.9	58.2	58.2	58.2	58.1	58.5	58.5
1991	58.2	0.3%	58.5	58.4	58.0	57.9	58.0	58.3	58.4	58.5	58.6	58.3	58.2	58.1
1992	58.9	1.2%	58.4	58.4	58.4	58.5	58.4	58.5	58.5	58.7	58.9	59.4	59.7	60.0
1993	61.8	4.9%	60.4	60.7	60.8	60.9	61.1	61.4	61.8	61.9	62.1	62.5	63.0	63.2
1994	64.6	4.5%	63.3	63.5	63.5	63.5	63.8	64.2	64.4	64.7	65.1	65.5	66.0	66.7
1995	67.3	4.2%	67.0	67.0	67.0	67.0	67.2	67.3	67.2	67.4	67.6	67.7	67.6	67.6
1996	68.6	1.9%	67.9	67.9	67.9	67.7	67.9	68.3	68.8	69.0	69.0	69.2	69.3	69.4
1997	70.6	2.9%	69.8	69.8	69.8	70.0	70.1	70.3	70.6	70.7	71.2	71.4	71.6	71.6
1998	72.5	2.7%	71.6	71.4	71.4	71.7	71.8	72.4	72.7	72.7	72.7	73.0	73.5	74.0
1999	72.7	0.3%	71.3	71.4	71.7	72.0	72.4	72.7	73.0	73.2	73.2	73.4	73.5	73.8
2000	75.9	4.4%	74.7	75.0	75.2	75.3	75.5	75.9	76.0	76.1	76.4	76.5	76.7	77.1
2001	79.7	5.0%	77.7	78.0	78.2	78.6	79.2	79.6	80.0	80.8	81.0	81.5	81.5	81.2
2002	81.7	2.5%	80.6	80.9	81.2	81.4	81.7	81.9	81.7	81.4	81.8	82.3	81.9	82.6
2003	85.9	5.1%	83.7	84.5	85.0	85.3	85.2	85.3	85.1	85.9	86.5	87.1	87.8	88.4
2004	93.1	8.4%	88.9	89.4	90.5	91.4	92.5	93.0	93.6	94.1	94.5	95.1	95.7	96.5
2005	100.0	7.4%	96.7	96.4	96.9	97.1	98.3	99.3	100.7	100.8	101.2	101.8	102.8	104.0
2006	106.0	6.0%	104.4	104.7	105.6	105.7	105.9	105.8	105.4	105.9	106.9	107.3	107.5	107.8
2007	107.0	0.9%	107.9	108.1	108.4	108.0	106.8	106.3	106.4	106.6	106.7	106.7	106.2	105.8
2008	103.3	-3.5%	105.1	104.9	104.5	103.8	104.1	103.0	103.3	102.7	101.8	101.4	101.6	102.0
2009	98.1	-5.0%	101.7	100.8	100.5	99.2	97.7	96.9	96.7	96.6	96.9	97.2	97.5	97.9
2010	96.4	-1.7%	97.8	97.2	96.4	95.7	95.6	95.9	96.4	96.4	96.0	96.6	96.7	97.0
2011	97.4	1.0%	97.0	96.6	96.8	97.5	97.4	97.3	97.2	97.9	97.4	97.8	97.8	97.8
2012	98.4	1.0%	96.8	96.2	96.9	97.4	97.4	97.4	98.4	99.3	99.5	99.4	99.5	99.9
2013	104.8	6.5%	100.9	101.9	102.8	103.5	103.8	103.9	104.0	104.5	105.8	107.5	108.4	108.9
2014	111.2	6.1%	109.9	110.7	111.0	109.8	109.6	108.8	111.3	112.8	113.1	111.5	112.3	112.8
2015	114.0	2.5%	113.2	113.8	114.1	113.8	113.9	114.1	114.1	113.8	113.8	114.4	114.0	114.7
2016	119.8	5.1%	114.9	115.0	116.6	117.3	118.1	118.3	119.8	121.3	122.3	123.4	124.0	124.0
2017			124.5	124.4	124.8	124.9	124.6	125.5	126.2	126.9	127.3 <sup>r</sup>	127.9 <sup>r</sup>	127.6 <sup>p</sup>	

(X) Not applicable

<sup>p</sup> Preliminary

<sup>r</sup> Revised

**Price Deflator (Fisher) Index of New Single-Family Houses Under Construction**  
[2005 = 100.0. Index based on kinds of houses sold in 2005]

Year	Annual		Monthly											
	Annual index	Percent change	January	February	March	April	May	June	July	August	September	October	November	December
1964	12.0	(X)	11.8	11.7	11.6	11.8	12.0	12.0	12.0	12.0	11.9	12.1	12.3	12.3
1965	12.4	3.3%	12.3	12.2	12.1	12.2	12.3	12.3	12.3	12.2	12.2	12.4	12.8	12.8
1966	13.0	4.8%	12.6	12.4	12.4	12.8	13.2	13.2	13.0	12.9	12.8	13.1	13.2	13.4
1967	13.4	3.1%	13.2	13.2	13.2	13.2	13.2	13.2	13.3	13.3	13.4	13.5	13.6	13.8
1968	14.1	5.2%	13.8	13.9	13.9	13.9	14.0	14.0	13.9	13.9	14.0	14.3	14.6	14.9
1969	15.0	6.4%	14.7	14.7	14.9	14.9	15.0	14.9	15.0	14.9	14.9	15.1	15.2	15.3
1970	15.4	2.7%	15.1	15.0	15.2	15.6	15.8	16.1	15.5	15.1	15.0	15.1	15.3	15.5
1971	16.3	5.8%	15.4	15.8	15.9	15.9	16.0	16.1	16.2	16.5	16.5	16.6	16.7	16.9
1972	17.5	7.4%	16.9	17.0	17.1	17.1	17.1	17.1	17.3	17.5	17.5	17.9	18.0	18.3
1973	19.1	9.1%	18.3	18.3	18.3	18.7	18.7	18.9	19.2	19.5	19.7	19.8	19.9	19.9
1974	21.1	10.5%	20.0	20.2	20.7	20.3	20.5	21.1	21.2	21.2	21.3	21.5	21.9	21.9
1975	22.9	8.5%	22.3	22.3	22.3	22.6	22.9	23.1	23.1	22.9	23.1	23.2	23.4	23.6
1976	24.4	6.6%	23.4	23.4	23.5	23.9	24.3	24.5	24.7	24.6	24.6	24.8	25.0	25.2
1977	27.0	10.7%	25.6	25.7	25.8	26.0	26.4	26.9	27.2	27.6	27.8	28.0	28.2	28.5
1978	30.6	13.3%	28.9	29.2	29.6	30.0	30.2	30.6	30.9	31.2	31.4	31.7	32.0	32.2
1979	34.3	12.1%	32.4	32.5	32.8	33.2	33.8	34.4	34.8	35.2	35.4	35.6	35.8	36.1
1980	37.9	10.5%	36.5	36.7	37.0	37.3	37.4	37.7	38.0	38.1	38.5	38.9	39.3	39.5
1981	40.5	6.9%	39.8	40.1	40.1	40.3	40.4	40.5	40.7	40.7	40.8	40.9	41.1	41.0
1982	41.7	3.0%	41.3	41.3	41.5	41.5	41.7	41.7	41.7	42.0	42.3	42.1	42.1	42.2
1983	42.9	2.9%	42.5	42.7	42.8	42.6	42.5	42.6	42.7	42.8	42.9	43.3	43.3	43.4
1984	44.5	3.7%	43.8	44.1	44.2	44.1	44.1	44.2	44.4	44.8	45.0	45.0	45.0	45.0
1985	45.4	2.0%	45.2	45.3	45.5	45.2	45.0	45.0	45.0	45.2	45.4	45.7	45.9	46.1
1986	47.4	4.4%	46.5	46.6	46.7	46.8	47.0	47.3	47.6	47.6	47.8	48.2	48.6	48.8
1987	49.6	4.6%	49.2	49.2	49.2	49.3	49.4	49.5	49.7	49.8	49.8	50.0	50.2	50.6
1988	51.6	4.0%	51.2	51.4	51.4	51.3	51.4	51.4	51.4	51.6	51.8	51.9	52.2	52.3
1989	53.7	4.1%	52.6	53.0	53.0	53.4	53.7	53.7	53.9	53.8	53.9	54.1	54.1	54.5
1990	55.4	3.2%	55.0	55.0	55.1	55.1	55.1	55.4	55.8	55.8	55.7	55.7	55.8	55.7
1991	55.9	0.9%	55.8	55.7	55.4	55.4	55.5	55.8	56.0	56.2	56.3	56.2	56.1	56.1
1992	57.0	2.0%	56.4	56.5	56.5	56.6	56.5	56.7	56.9	57.0	57.2	57.7	58.0	58.3
1993	59.8	4.9%	58.7	58.9	59.0	59.1	59.3	59.7	59.9	60.1	60.3	60.5	60.9	61.1
1994	62.5	4.5%	61.3	61.5	61.5	61.5	61.7	62.1	62.3	62.7	63.1	63.4	63.8	64.4
1995	65.2	4.3%	64.6	64.8	64.8	64.9	65.0	65.2	65.1	65.4	65.6	65.6	65.6	65.6
1996	66.4	1.8%	65.6	65.8	65.7	65.6	65.8	66.2	66.6	66.8	66.8	67.0	67.1	67.3
1997	68.4	3.0%	67.6	67.6	67.6	67.8	67.8	68.1	68.4	68.6	69.0	69.2	69.3	69.3
1998	70.2	2.6%	69.4	69.2	69.2	69.4	69.5	70.0	70.3	70.4	70.4	70.8	71.2	71.6
1999	73.3	4.4%	72.0	72.1	72.3	72.7	73.0	73.3	73.6	73.6	73.7	73.9	74.3	74.6
2000	76.7	4.6%	75.5	75.8	76.0	76.2	76.4	76.7	76.9	76.9	77.1	77.2	77.3	77.7
2001	80.2	4.6%	78.2	78.4	78.6	79.1	79.7	80.2	80.8	81.6	81.6	82.1	82.1	81.8
2002	82.1	2.4%	81.2	81.4	81.7	81.8	82.1	82.2	82.1	81.8	82.3	82.9	82.6	83.2
2003	86.1	4.9%	84.1	84.6	85.1	85.3	85.3	85.4	85.4	86.1	86.8	87.4	88.1	88.5
2004	93.0	8.0%	89.1	89.4	90.3	91.1	92.2	92.8	93.4	93.9	94.4	94.9	95.6	96.3
2005	100.0	7.5%	96.5	96.3	96.9	97.2	98.3	99.3	100.7	100.8	101.3	101.9	102.8	104.1
2006	106.2	6.2%	104.5	104.7	105.7	105.9	106.1	106.1	105.6	105.9	107.0	107.4	107.5	107.8
2007	107.2	0.9%	107.8	107.9	108.2	107.9	106.9	106.5	106.7	107.0	107.2	107.2	106.7	106.4
2008	104.1	-2.9%	105.8	105.5	105.2	104.8	105.2	104.0	104.1	103.4	102.6	102.2	102.2	102.6
2009	99.5	-4.4%	102.4	101.8	101.8	100.8	99.3	98.4	98.0	97.9	98.3	98.6	99.0	99.5
2010	98.0	-1.5%	99.5	98.8	98.0	97.3	97.1	97.4	97.8	97.7	97.5	98.1	98.4	98.8
2011	98.7	0.7%	98.7	98.2	98.5	98.6	98.5	98.4	98.4	99.0	98.8	99.1	99.2	99.4
2012	99.7	1.0%	98.6	98.1	98.9	99.1	98.8	98.7	99.4	100.2	100.3	100.4	100.7	101.0
2013	105.2	5.5%	101.9	102.7	103.4	104.0	104.2	104.2	104.5	105.0	106.0	107.4	108.2	109.1
2014	112.3	6.7%	110.2	111.0	111.5	110.7	110.9	110.4	112.9	114.0	114.4	112.9	113.7	114.1
2015	115.1	2.5%	114.5	114.8	114.9	114.4	114.4	114.8	115.0	115.0	115.3	115.9	115.6	116.2
2016	120.2	4.4%	116.5	116.4	117.9	118.2	118.9	119.1	120.1	121.1	122.0	122.9	123.3	123.5
2017			123.8	123.6	124.4	124.8	124.9	125.7	126.1	125.7	125.9	126.4	126.8	

(X) Not applicable

<sup>P</sup> Preliminary

<sup>r</sup> Revised

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
In Re: Gas Long-Range Resource and Requirements Plan  
for the Forecast Period 2021-22 to 2025-26  
Responses to the Division's Third Set of Data Requests  
Issued on July 9, 2021

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Attachment DIV 3-2-5

Please refer to the Excel version of Attachment DIV 3-2-5

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
In Re: Gas Long-Range Resource and Requirements Plan  
for the Forecast Period 2021-22 to 2025-26  
Responses to the Division's Third Set of Data Requests  
Issued on July 9, 2021

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Division 3-3

Request:

Please provide all calculations, workpapers, documentation and Excel files supporting the statements made in Section III.E.2.b. of the Long-Range Plan.

Response:

In Section III.E.2.b of the Company's 'Long-Range Resource and Requirements Plan for the Forecast Period 2021/22 to 2025/26', the Company describes the statistical analysis and cost-benefit analysis that it performed in 2018 to support its Design Year standard of 6,250 heating degree days (HDD).

Please see Attachment DIV 3-3-1, which is a copy of the Company's response to Data Request DIV-1-17 in Docket 4816. This response further describes the Company's Design Year standard. Please see Attachment DIV 3-3-2 for a copy of the Excel spreadsheet referred to in Attachment 1 as 'Attachment DIV 1-17-1' used to model daily sendout.

Please see Attachment DIV 3-3-3 for a copy of the Excel spreadsheet referred to in Attachment 1 as 'Attachment DIV 1-17-2' used to support its Design Year standard. The charts referred to in Attachment 1 can be found as part of Attachment 3.

Please see Attachment DIV 3-3-4, which is a copy of the Company's response to Data Request DIV-1-18 in Docket 4816, which further describes portions of the development of the Company's Design Year standard.

These four attachments were previously filed in Docket 5043 as attachments to the Company's response to Data Request DIV 1-2.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4816  
In Re: Long-Range Resource and Requirements Plan  
For the Forecast Period 2017/18 to 2026/27  
Responses to the Division's First Set of Data Requests  
Issued on July 19, 2018

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Division 1-17

Request:

With respect to Charts III-E-8 and III-E-9 in the March 30, 2018 LRP, please:

- a. Explain the Company's rationale for using "Mean Annual HDD" as the base for measuring "HDD Excess" and "Days of Interruption" when the Company purportedly plans its system to have sufficient resources to reliably meet Design Year conditions.
- b. Document and provide workpapers to support the Company's determination of "Delta Supply (MMBtu)" for each EDD Level for:
  - i. Pipeline
  - ii. Storage
  - iii. Supplementals
- c. It is assumed that Charts III-E-8 and III-E-9 use the acronyms EDD and HDD interchangeably. If that is not correct, please document and explain the differences between EDD and HDD measures as they are used in the referenced charts.

Response:

- a. The purpose of the Company's design day cost/benefit analysis is to ensure that the Company has sufficient capacity and supply resources to meet its customers' predicted requirements up to the design day and design year weather conditions.
- b. The Company uses the mean coldest day as the starting point for its design day analysis and it uses the mean annual heating degree day (HDD) as the starting point for its design year analysis. Each of these choices begins the cost/benefit "what if" analysis, meaning what if the Company only planned for the average peak day or annual HDD and it experienced harsher weather conditions. Harsher weather conditions would require the cost of additional capacity and supply and receive the benefits of avoiding the damages that could be incurred. The Company uses these analyses to ensure that it has sufficient capacity to meet its customers' requirements without holding a significant amount of excess capacity.

Please refer to Attachment DIV 1-17-1 for the model of daily sendout at different annual HDD levels. The results are then individually copied into Attachment DIV 1-17-2, where they are compared to the total pipeline, storage, and supplemental

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4816  
In Re: Long-Range Resource and Requirements Plan  
For the Forecast Period 2017/18 to 2026/27  
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Division 1-17, page 2

resource capacities. In Attachment DIV 1-17-2, for each annual HDD level, the Company uses a daily dispatch model to determine the shortfall in each of the three resource types relative to the resources used in the reference case of the 40-year mean annual HDD. This result is provided on a monthly basis in Chart III-E-7 and annually in Chart III-E-8.

- c. Charts III-E-8 and III-E-9 incorrectly reference EDD (effective degree days). The EDD references in Charts III-E-8 and III-E-9 should be "HDD". The Company does not use EDD in its design standards or its forecasting in its Rhode Island service territories.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
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Attachment DIV 3-3-2

Please refer to the Excel version of Attachment DIV 3-3-2

The Narragansett Electric Company  
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Attachment DIV 3-3-3

Please refer to the Excel version of Attachment DIV 3-3-3

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Division 1-18

Request:

With respect to Chart III-E-9 in the March 30, 2018 LRP, please:

- a. Identify all resources that the Company includes in "Supplementals" for the purposes of the analysis presented in Chart III-E-9.
- b. Verify that the "*Peak Period Supply Cost*" of \$3.189 per MMBtu is the "Supply Cost" that is referenced in the parenthetical comment below the column in Chart III-E-9 labeled "Long-Haul Supply Cost."
- c. Document with workpapers, supporting analyses, and studies the Company's derivation of the referenced "*Peak Period Supply Cost*."
- d. Document and explain the manner in which the Company expects that its "Peak Period Supply Cost" will vary over the 2017/18 to 2026/27 forecast period as the Company's customer requirements and mix of available resources changes.

Response:

- a. The analysis in Chart III-E-9 considers the probability-weighted benefit of avoiding a resource shortfall to the cost of maintaining the level of seasonal resource required at each heating degree day (HDD) level. At the time of preparing this filing, only one resource was available to the Company: incremental pipeline capacity akin to the Algonquin Gas Transmission Algonquin Incremental Market (AIM) project with supply priced based on NYMEX.
- b. The column labeled "Long-Haul Supply Cost" consists of the following elements:
  - The annual "Long-Haul Capacity Cost" multiplied by the "Required Incremental Capacity", plus
  - The "Peak Period Supply Cost" multiplied by the "Required Incremental Winter Volume".

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Division 1-18, page 2

- c. For this filing, the “Peak Period Supply Cost” is the average of the five monthly values for NYMEX from November 2016 through March 2017. See Figure 1 below.

**Figure 1**

<b>NYMEX Settlement Prices (\$/MMBtu)</b>												
<b>(strip as of 1/23/2018)</b>												
Source: <a href="https://business.directenergy.com/market-insights/nymex-settlement-history">https://business.directenergy.com/market-insights/nymex-settlement-history</a>												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2002	-	-	-	-	-	-	-	2.976	3.288	3.686	4.126	4.140
2003	4.988	5.660	9.133	5.146	5.123	5.945	5.291	4.693	4.927	4.430	4.459	4.860
2004	6.150	5.775	5.150	5.365	5.935	6.680	6.141	6.048	5.082	5.723	7.626	7.976
2005	6.213	6.288	6.304	7.323	6.748	6.123	6.976	7.647	10.847	13.907	13.832	11.180
2006	11.431	8.400	7.112	7.233	7.198	5.925	5.887	7.042	6.816	4.201	7.153	8.318
2007	5.838	6.917	7.547	7.558	7.508	7.591	6.929	6.110	5.430	6.423	7.269	7.203
2008	7.172	7.996	8.930	9.578	11.280	11.916	13.105	9.217	8.394	7.472	6.469	6.888
2009	6.136	4.476	4.056	3.631	3.321	3.538	3.949	3.379	2.843	3.730	4.289	4.486
2010	5.814	5.274	4.816	3.842	4.271	4.155	4.717	4.774	3.651	3.837	3.292	4.267
2011	4.216	4.316	3.793	4.240	4.377	4.326	4.357	4.370	3.857	3.759	3.524	3.364
2012	3.084	2.678	2.446	2.191	2.036	2.429	2.774	3.010	2.634	3.023	3.471	3.696
2013	3.354	3.226	3.427	3.976	4.152	4.148	3.707	3.459	3.567	3.498	3.497	3.818
2014	4.407	5.557	4.855	4.584	4.795	4.619	4.400	3.808	3.957	3.984	3.728	4.282
2015	3.189	2.866	2.894	2.590	2.517	2.815	2.773	2.886	2.638	2.563	2.033	2.206
2016	2.327	2.189	1.711	1.903	1.995	1.963	2.917	2.672	2.853	2.952	2.764	3.232
2017	3.930	3.391	2.627	3.175	3.142	3.236	3.067	2.969	2.961	2.974	2.752	3.074
2018	2.738	-	-	-	-	-	-	-	-	-	-	-

- d. The Company expects that its “Peak Period Supply Cost” will vary over the 2017/18 to 2026/27 forecast period in conjunction with its NYMEX forecast. The need for the capacity and volume amounts reflect the dynamics of customers’ requirements at the time of preparation of this filing so as to set the Company’s design year standard. This standard, as well as the Company’s design day standard, are revisited every two years. In its design year standard analysis, the Company has, in the past, selected a high and a low cost alternative to reflect the mix of resources available to establish a reasonable range of solutions. In the current filing, only one alternative was available to the Company, so the Company only modeled the long-haul capacity contract with supply.

The Narragansett Electric Company  
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DIV 3-4

Request:

Please provide all calculations, workpapers, documentation and Excel files supporting the following Exhibits:

- a. Exhibit 17, page 1
- b. Exhibit 18
- c. Exhibit 19
- d. Exhibit 22

Response:

- a. In Exhibit 17, page 1 of the Company's Long-Range Resource and Requirements Plan Forecast Period 2021/22 to 2025/26 ("LRP"), the Company presents the 2021-22 Design Load Duration curve. Refer to Confidential Attachment DIV 3-4a for the Microsoft Excel workbook used to create this chart.
- b. In Exhibit 18 of the LRP, the Company presents a projection of costs for its full supply portfolio assuming design weather. This projection provides a sense of the overall variable and fixed costs for all customers, including transportation customers. Refer to Confidential Attachment DIV 3-4b for the Microsoft Excel workbook used to create this exhibit.
- c. In Exhibit 19 of the LRP, the Company presents an estimate of the fixed and variable costs that will support the GCR. The GCR pertains solely to sales customers and assumes normal weather. Refer to Confidential Attachment DIV 3-4c for the Microsoft Excel workbook used to create this exhibit.
- d. In Exhibit 22 of the LRP, the Company presents a summary of proposed releases to Marketers. Refer to the Attachment DIV 3-4d for the Microsoft Excel workbook used to create this exhibit.

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**Confidential**

Excel Attachments DIV 3-4a through DIV 3-4c

Please see Confidential Excel Attachments DIV 3-4a through DIV 3-4c.

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Attachment DIV 3-4d

Please refer to the Excel version of Attachment DIV 3-4d

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DIV 3-5

Request:

Reference page 21 of the Long-Range Plan, second paragraph. Please provide the NYMEX prices and basis curves dated June 8, 2021.

Response:

Please see Attachment DIV 3-5 for the NYMEX prices and basis curves dated June 8, 2021.

SUPPLY AREA BASIS SUMMARY

Nov 2021 - Oct 2022

	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>
6/8/21 NYMEX	\$3.216	\$3.332	\$3.414	\$3.352	\$3.177	\$2.773	\$2.716	\$2.744	\$2.779	\$2.784	\$2.769	\$2.795
SUPPLY AREA	<u>Nov-21</u>	<u>Dec-21</u>	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>
TENN Z4	(\$0.650)	(\$0.462)	(\$0.406)	(\$0.382)	(\$0.337)	(\$0.307)	(\$0.426)	(\$0.425)	(\$0.441)	(\$0.506)	(\$0.726)	(\$0.736)
NIAGARA	(\$0.428)	(\$0.420)	(\$0.458)	(\$0.352)	(\$0.265)	(\$0.470)	(\$0.470)	(\$0.470)	(\$0.470)	(\$0.470)	(\$0.470)	(\$0.470)
IROQUOIS RECEIPTS	(\$0.175)	\$0.441	\$1.772	\$1.682	\$0.013	(\$0.205)	(\$0.262)	(\$0.155)	(\$0.163)	(\$0.188)	(\$0.305)	(\$0.190)
TETCO M3	(\$0.358)	\$0.798	\$2.322	\$2.210	\$0.295	(\$0.463)	(\$0.595)	(\$0.585)	(\$0.543)	(\$0.562)	(\$0.810)	(\$0.853)
DRACUT	\$1.498	\$4.070	\$7.240	\$6.888	\$2.427	\$0.400	(\$0.305)	(\$0.285)	(\$0.096)	(\$0.032)	(\$0.510)	(\$0.397)
TCO	(\$0.652)	(\$0.520)	(\$0.398)	(\$0.385)	(\$0.400)	(\$0.435)	(\$0.510)	(\$0.550)	(\$0.620)	(\$0.648)	(\$0.755)	(\$0.747)
DAWN	(\$0.105)	(\$0.095)	(\$0.132)	(\$0.028)	\$0.060	(\$0.110)	(\$0.145)	(\$0.160)	(\$0.173)	(\$0.198)	(\$0.193)	(\$0.210)
TETCO M2	(\$0.960)	(\$0.720)	(\$0.620)	(\$0.565)	(\$0.610)	(\$0.610)	(\$0.740)	(\$0.720)	(\$0.770)	(\$0.850)	(\$1.065)	(\$1.033)
TRANSCO LEIDY	(\$1.020)	(\$0.810)	(\$0.778)	(\$0.735)	(\$0.717)	(\$0.690)	(\$0.828)	(\$0.822)	(\$0.857)	(\$0.922)	(\$1.120)	(\$1.135)
ALGONQUIN	\$1.165	\$3.720	\$7.078	\$6.702	\$2.130	\$0.135	(\$0.572)	(\$0.552)	(\$0.363)	(\$0.300)	(\$0.777)	(\$0.665)
TENN Z6	\$1.015	\$3.692	\$6.632	\$6.425	\$2.103	\$0.177	(\$0.582)	(\$0.608)	(\$0.443)	(\$0.328)	(\$0.815)	(\$0.655)
DOMINION SP	(\$0.935)	(\$0.752)	(\$0.712)	(\$0.660)	(\$0.650)	(\$0.603)	(\$0.740)	(\$0.728)	(\$0.750)	(\$0.815)	(\$1.030)	(\$1.045)
DOMINION NP	(\$1.085)	(\$0.902)	(\$0.862)	(\$0.810)	(\$0.800)	(\$0.693)	(\$0.830)	(\$0.818)	(\$0.840)	(\$0.905)	(\$1.120)	(\$1.135)
IROQUOIS Z1	(\$0.175)	\$0.441	\$1.772	\$1.682	\$0.013	(\$0.205)	(\$0.262)	(\$0.155)	(\$0.163)	(\$0.188)	(\$0.305)	(\$0.190)
LEIDY HUB	(\$0.795)	(\$0.609)	(\$0.656)	(\$0.547)	(\$0.607)	(\$0.623)	(\$1.110)	(\$0.814)	(\$0.690)	(\$0.812)	(\$1.070)	(\$1.010)
MILLENNIUM EAST POOL	(\$0.918)	(\$0.798)	(\$0.770)	(\$0.725)	(\$0.705)	(\$0.667)	(\$0.792)	(\$0.802)	(\$0.853)	(\$0.875)	(\$1.083)	(\$1.087)
TENN Z6 NORTH	\$1.165	\$3.720	\$7.075	\$6.700	\$2.130	\$0.135	(\$0.575)	(\$0.552)	(\$0.365)	(\$0.302)	(\$0.777)	(\$0.667)
Days per Month	30	31	31	28	31	30	31	30	31	31	30	31

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DIV 3-6

Request:

Reference Exhibit 13 and Exhibit 15, page 1. Please reconcile the contract quantities identified in Exhibit 13 with the resource quantities identified in Exhibit 15.

Response:

Please see Attachment DIV 3-6 for a mapping of Exhibit 15 categories onto Exhibit 13 assets.

Please note that the volumes in Exhibit 15 represent gas purchase volumes at the point of receipt, which includes any necessary fuel to transport gas to the point of delivery (city gate or storage field). Exhibit 13 includes every transportation contract in the Company's portfolio; many of these contracts are part of multi-leg contract paths. The Company has identified, in the last column, which of these transportation contracts deliver to the city gate and which are upstream contracts. In the case of multi-leg paths, the volumes on Exhibit 15 represent the amount of gas that is procured to supply each path within the SENDOUT model and cannot be compared to the sum of the Maximum Daily Quantities in Exhibit 13 for each path because Exhibit 13 includes both upstream and city gate contracts.

The long-term supply agreements found in section *IV.C.4. Long-Term Supply Agreements* are included at the bottom of Attachment DIV 3-6. The attachment does not include the Company's on-system LNG assets (i.e., Exeter, Cumberland, and Portsmouth).

**NATIONAL GRID - RHODE ISLAND ASSETS**  
**Transportation Contracts**

Shipper	Pipeline Company	Contract No.	Rate Schedule	City Gate MDQ	Annual Quantity	Expiration Date	Currently In Evergreen	Notes	Exhibit 15	City Gate / Upstream
Narragansett Electric Co.	Algonquin	9001	AFT1FT3	11,063	4,037,995	12/31/2022	No	Part-284 transportation service (365-day) used to transport gas from the Columbia interconnect at Hanover, NJ (11,063 MMBtu) to National Grid - Dey St (11,063 MMBtu).	TCO Appalachia	City Gate
Narragansett Electric Co.	Algonquin	90106	AFT-14	19,465	7,104,725	10/31/2022	Yes	Part-284 transportation service (365-day) used to transport gas from the Columbia interconnect at Hanover, NJ (12,808 MMBtu), TETCO interconnect at Lambertville (6,585 MMBtu) and Transco interconnect at Centerville (72 MMBtu) to National Grid - Dey St (9,223 MMBtu), National Grid - Tiverton (598 MMBtu), National Grid - Westerly (474 MMBtu), National Grid - E. Providence (4,092 MMBtu), and National Grid - Portsmouth (5,078 MMBtu).	Transco Leidy / TCO Appalachia / TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	90107	AFT-1W	26,129	3,945,479	10/31/2022	Yes	Part-284 service with a seasonally adjusted MDQ of (26,129 MMBtu), used to transport gas from the Columbia interconnect at Hanover, NJ (18,674 MMBtu) or Ramapo, NY (7,455 MMBtu) to National Grid - Dey St (19,514 MMBtu) and National Grid - E. Providence (6,615 MMBtu).	TCO Appalachia	City Gate
Narragansett Electric Co.	Algonquin	933005	AFT-1P	2,061	752,265	3/31/2023	Yes	Part-284 transportation service (365-day) used to transport gas from the TETCO interconnect at Lambertville, NJ (2,061 MMBtu) to National Grid - Cumberland (1,000 MMBtu), National Grid - Westerly (248 MMBtu), and National Grid - Warren (813 MMBtu).	TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	93001ESC	AFT-ES1	2,384	771,904	10/31/2022	Yes	Part-284 NO NOTICE service with a seasonally adjusted MDQ of (2,384 MMBtu), used to transport gas from the TETCO interconnect at Lambertville, NJ (1,377 MMBtu) and Hanover, NJ (1,007 MMBtu) to National Grid - Warren (2,384 MMBtu).	M2 / M3	City Gate
Narragansett Electric Co.	Algonquin	93011E	AFT-E1	56,035	19,446,885	10/31/2022	Yes	Part-284 NO NOTICE service with a seasonally adjusted MDQ of (56,035 MMBtu), used to transport gas from the TETCO interconnect at Lambertville, NJ (34,668 MMBtu) and Hanover, NJ (21,367 MMBtu) to National Grid - Dey St (25,137 MMBtu), National Grid - Westerly (1,221 MMBtu), National Grid - E. Providence (48,147 MMBtu), National Grid - Warren (4,173 MMBtu), National Grid - Portsmouth (6,504 MMBtu), and National Grid - Tiverton (163 MMBtu).	M2 / M3	City Gate
Narragansett Electric Co.	Algonquin	93401S	AFT-1S4	335	122,275	10/31/2022	Yes	Part-284 transportation service (365-day) used to transport gas from the TETCO interconnect at Lambertville, NJ (335 MMBtu) to National Grid - Warren (335 MMBtu).	TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	96004SC	AFT-1S3	1,695	618,675	10/31/2022	Yes	Part-284 firm transportation service (365-day) used to transport gas from the TETCO interconnect at Lambertville, NJ (537 MMBtu) and Centerville, NJ (1,158 MMBtu) to National Grid - Warren (1,695 MMBtu).	Transco Leidy / Dominion South Point	City Gate
Narragansett Electric Co.	Algonquin	9B105	AFT-1B	8,539	1,813,145	10/31/2022	Yes	Part-284 service with a seasonally adjusted MDQ of (8,539 MMBtu), used to transport gas from the TETCO interconnect at Lambertville, NJ to National Grid - Dey St (4,258 MMBtu), National Grid - Portsmouth (4,202 MMBtu) and National Grid - Westerly (79 MMBtu).	TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	9S100S	AFT-1SX	187	39,737	10/31/2022	Yes	Part-284 service with a seasonally adjusted MDQ of (187 MMBtu), used to transport gas from the TETCO interconnect at Lambertville, NJ to National Grid - Warren (187 MMBtu).	TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	9W009E	AFT-EW	6,812	1,446,384	10/31/2022	Yes	Part-284 NO NOTICE service with a seasonally adjusted MDQ of (6,812 MMBtu), used to transport gas from the TETCO interconnect at Hanover, NJ (4,222 MMBtu) and Lambertville, NJ (2,590 MMBtu) to National Grid - Dey St (6,234 MMBtu), National Grid - Westerly (273 MMBtu), and National Grid - Portsmouth (305 MMBtu).	TET/AGT Storage	City Gate
Narragansett Electric Co.	Algonquin	510801	AFT1AIM	18,000	6,570,000	1/6/2032	No	Part-284 transportation service used to transport gas from Ramapo, NY (18,000 MMBtu) to National Grid - Westerly (500 MMBtu), National Grid - Warren (6,000 MMBtu), National Grid - Portsmouth (6,000 MMBtu), National Grid - Tiverton (500 MMBtu), and Yankee Gas - Montville (5,000 MMBtu).	AIM (Ramapo) / AIM (Millenium)	City Gate
Narragansett Electric Co.	Algonquin	510985	AFTCLMS	96,000	35,040,000	7/16/2032	No	Part-284 transportation service used to transport gas from Manchester Street Lateral on the G 12 System (Meter No. 80070) to National Grid - Cray Street-Providence, RI (96,000 MMBtu).	Manchester Lateral (Not listed in Exhibit 15)	N/A
Narragansett Electric Co.	Columbia	31523	FTS	10,000	3,650,000	10/31/2025	No	Part-284 transportation service used to transport gas from Broad Run-19 (10,000 MMBtu) to Columbia interconnect at Hanover, NJ (10,000 MMBtu).	TCO Appalachia	Upstream
Narragansett Electric Co.	Columbia	31524	FTS	30,000	10,950,000	10/31/2025	No	Part-284 transportation service used to transport gas from Maumee-1 (30,000 MMBtu) to Columbia interconnect at Hanover, NJ (30,000 MMBtu).	TCO Appalachia/ TET/AGT Storage	Upstream
Narragansett Electric Co.	Columbia	9631	SST	2,545	695,966	4/1/2040	No	Part-284 transportation service used to transport gas from RP Storage Point TCO-FSS #9630 (2,545 MMBtu) to Columbia interconnect at Hanover, NJ (2,545 MMBtu). MDQ Seasonally adjusted to be 1,272 MDQ from Apr - Sep.	TET/AGT Storage	Upstream
Narragansett Electric Co.	Dominion	100118	FTNN	537	196,005	3/31/2022	No	Part-284 transportation service used to transport gas from the TETCO interconnect at Oakford (537 MMBtu) or Dominion South Point (537 MMBtu) to the Leidy Group Meter (537 MMBtu).	Dominion South Point	Upstream
Narragansett Electric Co.	Dominion	700086	FTGSS	2,061	311,211	3/31/2022	No	Transportation contract used to transport gas from DTI-GSS #300169 (2,061MMBtu) to the TETCO interconnect at Chambersburg, PA (2,061 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Dominion	700087	FTGSS	5,324	803,924	3/31/2025	No	Transportation contract used to transport gas from DTI-GSS #300170 (5,324MMBtu) to Ellisburg, PA (5,324 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Iroquois	50001	RTS-1	1,012	369,380	11/1/2022	No	Transportation contract used to transport gas from Waddington (1,012 MMBtu) to the IGTS interconnect with TGP at Wright, NY.	Dawn Iroquois	Upstream
Narragansett Electric Co.	Millennium	210165	FT-1	9,000	3,285,000	3/31/2034	No	Transportation service used to transport gas from Corning, NY to the interconnect with Algonquin Gas Transmission at Ramapo, NY (9,000 MMBtu).	AIM (Millenium)	Upstream
Narragansett Electric Co.	PNGTS	233317	FT	29,000	10,585,000	10/31/2040	No	Transportation service used to transport gas from East Hereford to the interconnect with Tennessee Gas Pipeline at Drauc (29,000 MMBtu).	Dawn PNGTS	Upstream
Narragansett Electric Co.	Tennessee	10807	FT-A	10,836	3,955,140	3/31/2022	No	Transportation service used to transport gas from Ellisburg (6,581 MMBtu) and Nothern Storage (4,255 MMBtu) to National Grid city gates at Pawtucket, RI (10,836 MMBtu).	TGP Storage	City Gate
Narragansett Electric Co.	Tennessee	39173	FT-A	1,067	389,455	10/31/2024	No	Transportation service (365-day) used to transport gas from Niagara River (1,067 MMBtu) to National Grid city gates at Pawtucket, RI (1,067 MMBtu).	Niagara	City Gate
Narragansett Electric Co.	Tennessee	1597	FT-A	29,335	10,707,275	10/31/2024	No	Transportation service used to transport gas from Zn1 800 Leg (6,160 MMBtu), Zn1 500 Leg (13,091 MMBtu), Zn0 100 Leg (9,522 MMBtu), and Zn1 100 Leg (562 MMBtu) to National Grid city gates at Pawtucket, RI (14,335 MMBtu), Cranston (10,000 MMBtu), and Smithfield (5,000 MMBtu).	Zone 4	City Gate

Shipper	Pipeline Company	Contract No.	Rate Schedule	City Gate MDQ	Annual Quantity	Expiration Date	Currently In Evergreen	Notes	Exhibit 15	City Gate / Upstream
Narragansett Electric Co.	Tennessee	62930	FT-A	15,000	5,475,000	8/31/2022	No	Transportation service used to transport gas from the interconnect at Dracut (15,000 MMBtu) to National Grid city gate - Cranston (9,000) and National Grid city gate - Pawtucket, RI (6,000 MMBtu).	Dawn PNGTS	City Gate
Narragansett Electric Co.	Tennessee	64025	FT-A	5,220	1,905,300	10/31/2027	No	TGP ConneXion - Transportation service used to transport gas from Tx Zone 0 (5,220 MMBtu) to National Grid city gates at Lincoln, RI (2,610 MMBtu) and Smithfield, RI (2,610). If volumes transported to points other than primary points as listed on the contract, maximum commodity rate per TGP's tariff apply.	Zone 4	City Gate
Narragansett Electric Co.	Tennessee	64026	FT-A	6,380	2,328,700	10/31/2027	No	TGP ConneXion - Transportation service used to transport gas from Tx Zone 0 (6,380 MMBtu) to National Grid city gates at Lincoln, RI (3,190 MMBtu) and Smithfield, RI (3,190). If volumes transported to points other than primary points as listed on the contract, maximum commodity rate per TGP's tariff apply.	Zone 4	City Gate
Narragansett Electric Co.	Tennessee	95345	FT-A	1,000	365,000	10/31/2022	No	Transportation service used to transport gas from interconnect at Wright, NY (1,000 MMBtu) to National Grid city gates at Lincoln (1,000 MMBtu).	Dawn Iroquois	City Gate
Narragansett Electric Co.	Tennessee	330580	FT-A	24,000	8,760,000	10/31/2038	No	Transportation service used to transport gas from the interconnects at Dracut (14,000 MMBtu) and at Distrigas (10,000 MMBtu) to National Grid city gate - Lincoln (24,000).	Dawn PNGTS	City Gate
Narragansett Electric Co.	Tennessee	330581	FT-A	15,000	5,475,000	10/31/2038	No	Transportation service used to transport gas from the interconnect at Distrigas (15,000 MMBtu) to National Grid city gate - Cranston (15,000).	Everett Multi Year	City Gate
Narragansett Electric Co.	Tennessee	349449	FT-A	20,000	7,300,000	10/31/2025	No	Transportation service used to transport gas from the interconnect at Dracut (20,000 MMBtu) to National Grid city gate - Cranston (20,000).	Dracut (Not listed in exhibit 15)	City Gate
Narragansett Electric Co.	Texas Eastern	330844	FTS	6,377	2,327,605	10/31/2022	Yes	Part-157 (7C) transportation service used to transport gas from Leidy, PA (6,377 MMBtu) to interconnect with AGT at Lambertville, NJ or Hanover, NJ (6,377 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	330845	FTS	537	196,005	10/31/2022	Yes	Part-157 (7C) transportation service used to transport gas from Leidy, PA (537 MMBtu) to interconnect with AGT at Lambertville, NJ or Hanover, NJ (537 MMBtu).	Dominion South Point	Upstream
Narragansett Electric Co.	Texas Eastern	330867	FTS-5	813	296,745	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Chambersburg, PA (813 MMBtu) to Lambertville, NJ (813 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	330870	FTS-5	1,000	365,000	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Chambersburg, PA (1,000 MMBtu) to Lambertville, NJ (1,000 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	330907	FTS-5	248	90,520	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Chambersburg, PA (248 MMBtu) to Lambertville, NJ (248 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	331722	FTS-7	538	196,370	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Oakford, PA (538 MMBtu) to either interconnects at Lambertville or Hanover, NJ (538 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	331801	FTS-8	79	28,835	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Leidy, PA (38 MMBtu) to either interconnects at Lambertville or Hanover, NJ. In addition, Oakford, PA (41 MMBtu) to either interconnects at Lambertville or Hanover, NJ.	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	331802	FTS-8	187	68,255	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Leidy, PA (89 MMBtu) to either interconnects at Lambertville or Hanover, NJ. In addition, Oakford, PA (98 MMBtu) to either interconnects at Lambertville or Hanover, NJ.	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	331819	FTS-8	4,745	1,731,925	3/31/2023	Yes	Part-157 (7C) transportation service used to transport gas from Oakford, PA (4,745 MMBtu) to either interconnects at Lambertville or Hanover, NJ (4,745 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	Texas Eastern	800156	SCT	2,099	766,135	10/31/2022	Yes	Part-284 transportation contract used to transport gas from the access areas at STX (585 MMBtu oper. entitle.), ETX (392 MMBtu oper. entitle.), WLA (900 MMBtu oper. entitle.), and ELA (1,504 MMBtu oper. entitle.) to the TETCO interconnect with AGT at Lambertville, NJ (2,099 MMBtu).	M2	Upstream
Narragansett Electric Co.	Texas Eastern	800303	CDS	45,934	16,765,910	10/31/2022	Yes	Part-284 transportation contract used to transport gas from the access areas at STX (14,193 MMBtu oper. entitle.), ETX (9,523 MMBtu oper. entitle.), WLA (21,846 MMBtu oper. entitle.), and ELA (31,460 MMBtu oper. entitle.) to the TETCO interconnect with AGT at Lambertville, NJ (45,934 MMBtu) or Hanover, NJ (18,656 MMBtu) or Zone M3 Storage Point (6,665 MMBtu).	M2	Upstream
Narragansett Electric Co.	Texas Eastern	800440	CDS	944	344,560	10/31/2022	Yes	Part-284 transportation contract used to transport gas from TETCO FSS-1 #400515 to the TETCO interconnects at Lambertville, NJ (405 MMBtu) and Hanover, NJ (539 MMBtu).	TET/AGT Storage	Upstream
Narragansett Electric Co.	TransCanada	42386	FT	1,012	369,380	10/31/2026	No	Transportation service used to transport gas from the Union Gas interconnect at Parkway to the interconnect with Iroquois Gas Transmission at Waddington (1,012 MMBtu).	Dawn Iroquois	Upstream
Narragansett Electric Co.	TransCanada	64273	FT	29,058	10,606,170	10/31/2040	No	Transportation service used to transport gas from the Union Gas interconnect at Parkway to the interconnect with Portland Natural Gas Transmission System at East Hereford (29,058 MMBtu).	Dawn PNGTS	Upstream
Narragansett Electric Co.	Transco	9081767	FT	1,240	452,600	3/31/2022	Yes	Part-284 transportation service used to transport gas from Transco Leidy (1,240 MMBtu) to the Algonquin interconnect at Centerville, NJ (1,240 MMBtu).	Transco Leidy	Upstream
Narragansett Electric Co.	Union Gas	M12164	M12	1,025	374,125	10/31/2022	No	Transportation service used to transport gas from Dawn, Ontario to the interconnect with TransCanada Pipeline at Parkway (1,025 MMBtu).	Dawn Iroquois	Upstream
Narragansett Electric Co.	Union Gas	M12274	M12	29,056	10,605,440	10/31/2040	No	Transportation service used to transport gas from Dawn, Ontario to the interconnect with TransCanada Pipeline at Parkway (29,056 MMBtu).	Dawn PNGTS	Upstream

Peaking Supply Assets:

Shipper	Supply Company	Contract No.	MDQ	Annual Quantity	Expiration Date	Notes	Exhibit 15	City Gate / Upstream
Narragansett Electric Co.	Natl Grid LNG	LNG003	95,000	600,000	10/31/2022	National Grid LNG Tank in Providence, RI	LNG From Storage	City Gate
Narragansett Electric Co.	Constellation	NSB042-16	20,000	651,000	3/31/2022	Supply at TGP Everett (Contract Season 4)	Everett Multi Year	City Gate
Narragansett Electric Co.	Constellation	NSB19_24-42-20	14,100	507,600	3/31/2024	Supply at AGT Citygates	AGT City Gate	City Gate

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
In Re: Gas Long-Range Resource and Requirements Plan  
for the Forecast Period 2021-22 to 2025-26  
Responses to the Division's Third Set of Data Requests  
Issued on July 9, 2021

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Division 3-7

Request:

Please provide a copy of each AMA that will be in effect for the winter of 2021-2022 per page 27 of the Long-Range Plan. If AMAs have not been awarded, please provide a copy of each RFP issued.

Response:

As of the date this response has been submitted, the Company has not entered into any AMAs for the winter of 2021-2022. The Company issued RFPs for six potential AMAs on July 20, 2021 and requested responses from prospective bidders by July 30, 2021. A copy of each RFP is included as Attachment Division 3-7.



**Request for Proposals (“RFP”) for  
Asset Management Arrangement  
July 20, 2021**

The Narragansett Electric Company d/b/a National Grid (“National Grid” or “Buyer”) is seeking proposals (“Proposals”) for an Asset Management Arrangement (“AMA”) as more fully set forth below. The successful bidder (“Seller” or “Asset Manager”) shall have the right to optimize the assigned assets (“Assets”) subject to satisfying Buyer’s Gas Supply Requirements set forth below.

**Package No. 1 – AMA (Dawn- TGP Zone 6)**

**I. Provisions:**

**Term:** November 1, 2021 through October 31, 2022.

**Delivery Period:** November 1, 2021 through and including March 31, 2022.

**Release/Assignment of Assets:** The Assets to be assigned and released are set forth below. The Assets shall be assigned/released by Buyer for the entire Term at no cost to Seller. Buyer shall remain responsible for payment of all demand charges related to the Assets (except any potential loss of discount related to activities of Seller). Notwithstanding the forgoing, Seller shall initially pay the Enbridge and TransCanada demand charges and Buyer shall reimburse Seller for 100% of the demand charges related to the Assets; reimbursement for such charges shall be paid to Seller in U.S. dollars and based on Bank of Canada’s monthly average exchange rate for the month of business as published on the last business day of the month of production. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the assignment of the Assets from Buyer to Seller. All assignments shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

**Assigned Assets:** During the Term, Buyer shall assign firm transportation capacity on the following pipelines:

- Enbridge Gas Inc. (“Enbridge”)
- TransCanada Pipelines Limited (“TransCanada”)
- Iroquois Gas Transmission System, L.P. (“Iroquois”)
- Tennessee Gas Pipeline Company, L.L.C. (“Tennessee”)

Please see table below for contract details.

Pipeline	Contract	Quantity Dt/day	Quantity Gj/day	Receipt Point	Delivery Point
Enbridge	M12164	1,025	1,081	Dawn	Parkway
TransCanada	42386	1,012	1,068	Parkway	Waddington
Iroquois	50001	1,012	NA	Waddington	Wright
Tennessee	95345	1,000	NA	Wright	Lincoln, RI

**Delivery Point:**

The Delivery Point shall be the primary Delivery Point(s) of the FERC regulated Assets.

**Gas Supply Requirements:**

On any day during the period of **November 1, 2021 through March 31, 2022 (“Delivery Period”)** of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Tennessee Delivery Point. The MDQ shall be adjusted upward or downward based upon the deliverability and applicable fuel retention on each of Enbridge, TransCanada, Iroquois and Tennessee. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account. Subject to the following:

- (a) At least five business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.
- (b) Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ.

**Additional Call** – In addition to the Gas Supply Requirements above, on any Day during the period of November 1, 2021 through March 31, 2022 of the Term, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the contract quantity of each of the Iroquois and Tennessee Assets at the primary Delivery Point(s) under each such released Asset. Seller’s delivery obligations under this Additional Call provision and its delivery obligation pursuant to all Gas Supply Requirements provisions above shall not be cumulative and may only be exercised after Buyer has exhausted its rights pursuant to firm Base-Load and daily call supplies (*i.e.*, Buyer’s right to request gas at the Iroquois or Tennessee Delivery Point pursuant to these Gas Supply Requirements provisions and under this Additional Call provision shall be

reduced by quantities requested at any upstream Delivery Point). For avoidance of doubt, this Additional Call provision shall only apply to residual capacity remaining on the transportation path as a result of fuel retention applicable to the Assigned Assets.

**Nominations:**

Buyer shall make all nominations for delivery of Gas hereunder prior to 10:00 AM prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on Business Day prior to the Holiday).

Upon execution of a binding Transaction Confirmation, or adequate assurance that the Buyer and Seller intend the Transaction be binding by the first date of the Term, Buyer shall arrange for Seller's use and access of the National Grid Electronic Bulletin Board ("EBB"). Seller shall utilize EBB to schedule the supply to the Delivery Point on Tennessee, Buyer's city gate, for confirmation by National Grid's Gas Control. Use of the EBB or other means of requests for confirmation of meter bounce transactions at the Delivery Point or other points of interconnection with Buyer's facilities shall be strictly prohibited.

**Price:**

The commodity price for Gas called on through the exercise of a Daily Call shall be equal to *Platts Gas Daily Daily Price Survey* (\$MMBtu) Midpoint for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to the Tennessee Delivery Point.

The commodity price for Gas called on through the Base-Load option shall be equal to *Platts Inside FERC* for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to the Tennessee Delivery Point.

The commodity price for Gas called on through Additional Call shall be the greater of the Daily Call Price or the *Platts Gas Daily Daily Price Survey* price for Tennessee Zone 6 South Pool plus \$0.10 per dt.

Notwithstanding the foregoing, if in ***Buyer's sole discretion*** operational issues on the Assigned Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load, Daily Call or Additional Call Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Daily Call Nominations deadline to deliver a certain percentage of the MDQ at a

fair market price for the Tennessee Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with the AMA, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal, Bidders should specify the total proposed Asset Management Fee to be paid to Buyer for the Term.**

**Form of Agreement:**

Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Contract or ISDA Gas Annex. Included with this RFP is the form of Transaction Confirmation that National Grid proposes for execution. **As part of their Proposal, Bidders must clearly identify any required Special Conditions or exceptions to the Transaction Confirmation.**

**Import/Export Reporting:**

Any import/export reporting requirements applicable to the quantities of natural gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service or any other regulatory body having jurisdiction over the volumes, are the responsibility of Asset Manager.

**Submission of Proposals:**

Proposals must be submitted by the date specified in the Schedule below. Proposals must include: **(a) Seller's proposed Asset Management Payment or Price for the AMA Package, (b) any proposed exceptions to the Transaction Confirmation and (c) whether Seller shall require receipt of any additional internal approvals prior to accepting an award pursuant to this RFP.**

**II. Instructions to Bidders:**

Proposals must be submitted by the date specified in the Schedule below via email to the following email address:

[GasRFP@nationalgrid.com](mailto:GasRFP@nationalgrid.com).

Any questions in connection with this RFP should be sent via email to the email address provided above.

### **III. Schedule (all times are Eastern Standard Time):**

June 30, 2021                      Proposals must be received by National Grid by 5:00PM EST. **All proposals shall expressly provide that they will remain binding and in effect, without modification, until 5:00 PM on August 6, 2021.**

### **V. Form of Agreement:**

National Grid will consider proposals only from bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Contract or ISDA Gas Annex. Please be advised that if the Winning Bidder utilizes an ISDA with a Gas Annex, this transaction will be specifically excluded from margining calculation under the CSA.

Bidders submitting bids in response to this RFP understand and agree that unless and until a definitive Transaction Confirmation has been executed and delivered by National Grid, no contract or agreement providing for a transaction between such parties shall be deemed to exist between the parties, and neither party will be under any legal obligation of any kind whatsoever with respect to such transaction by virtue of this or any other written or oral expression communication. National Grid reserves the right to withdraw or modify this RFP at any time and National Grid shall have the right, in its sole and absolute discretion, to reject any or all Proposals submitted in response to this RFP. Potential Sellers shall be subject to satisfactory credit review by National Grid.

### **VI. Compliance with National Grid's Supplier Code of Conduct:**

At National Grid we are always seeking ways to meet the evolving needs and desires of our customers. We believe that a responsible approach to doing business is fundamental to what we do. In all of our activities we operate within Global Standards of Ethical Conduct. These standards include a commitment to the protection and enhancement of the environment, always seeking ways to minimize the environmental impact of our past, present and future activities and safeguarding our global environment for future generations. Our goal is to comply with regulations, reduce any impact that we may have and proactively seek out opportunities to improve the environment. In furtherance of this goal, National Grid has developed a "Supplier Code of Conduct" which describes our company's values and can be accessed at <https://www.nationalgrid.com/document/83526/download>

We value the business relationships we have with you and we believe that you are an important and central part of our success. This means that we expect you to carry out your business in line with these values. More specifically, we refer you to Section 3 - "Protecting the Environment". This section explains National Grid's expectations with respect to its suppliers. In connection with the purchase of natural gas, we will reject proposals from parties that fail to adhere to these

requirements or who knowingly produce or purchase gas that was produced in violation of applicable laws and regulations.

National Grid has worked to establish the Natural Gas Supply Collaborative (NGSC). The NGSC is a voluntary collaborative of natural gas purchasers that are promoting safe and responsible practices for the development of natural gas supply. As a participant in the NGSC, National Grid is committed to encourage our natural gas suppliers and producers to support more robust voluntary reporting and increased transparency on 14 environmental and social performance indicators. The NGSC developed these indicators through a comprehensive stakeholder engagement undertaking including representation from both the environmental and natural gas production community.

As suppliers of natural gas to National Grid, it is our expectation that you will consider reporting on these 14 indicators. Over time, and in consultation with National Grid, we expect reporting on these 14 indicators will be fully embraced and easily identifiable on company web sites and may become a requirement for future business.

Supporting information on the NGSC can be found at the following Web site:  
<http://www.mjbradley.com/NGSC>

**Liz Arangio**  
**Director of Gas Supply Planning**  
**Telephone: 617-212-1790**

**MaryBeth Carroll**  
**Manager of Gas Supply Planning**  
**Telephone: 516-545-3116**

**Samara Jaffe**  
**Director of Gas Contracting, Compliance & Hedging**  
**Telephone: 516-545-5408**

**Janet Prag**  
**Senior Contract Specialist**  
**Telephone: 516-545-5463**



**Transaction Confirmation – Package 1  
 The Narragansett Electric Company (“Narragansett”)**

**TRANSACTION CONFIRMATION**

Date: \_\_\_\_\_  
 Transaction Confirmation #: \_\_\_\_\_

This Transaction Confirmation was awarded pursuant to Narragansett’s Request for Proposals for Asset Management Arrangements dated July 20, 2021. This Transaction Confirmation is subject to the Base Contract between Seller and Buyer, dated [REDACTED] (“Base Contract”). Terms not defined in this Transaction Confirmation shall have the meaning provided in the Base Contract. ***This Transaction Confirmation will not become binding until executed by both parties.***

**SELLER:**

Attn:  
 Phone:  
 Fax:  
 Transporters:  
 Transporters Contract Number:  
 Trader:

**BUYER:**

The Narragansett Electric Company  
 100 East Old County Road  
 Hicksville, New York 11801  
 Attn: Contract Administration  
 Phone: (516) 545-6068  
 Fax: (516) 545-5466  
 Transporters: Enbridge Gas Inc. (“Enbridge”), TransCanada  
 Pipelines Limited (“TransCanada”), Iroquois  
 Gas Transmission System, L.P. (“Iroquois”)  
 Tennessee Gas Pipeline Company, L.L.C.  
 (“Tennessee”).  
 Transporters Contract Number:  
 Trader: Samara Jaffe

**Contract Price: See Special Conditions Section C below.**

**Term: Begin: November 1, 2021 End: October 31, 2022**

**Performance Obligation and Contract Quantity: See Special Conditions below.**

**Delivery Point(s):** Subject to Buyer’s right to exercise the Additional Call, the primary Delivery Point shall be the point of interconnection between Tennessee and Buyer’s distribution system that is the primary Delivery Point under the Tennessee Asset.

**Special Conditions:**

**A. Definitions**

“Assets” means the Agreements summarized as follows:

Pipeline	Contract	Quantity Dt/day	Quantity Gj/day	Receipt Point	Delivery Point
Enbridge	M12164	1,025	1,081	Dawn	Parkway
TransCanada	42386	1,012	1,068	Parkway	Waddington
Iroquois	50001	1,012	NA	Waddington	Wright
Tennessee	95345	1,000	NA	Wright	Lincoln, RI

“CFTC” shall mean the Commodities Futures Trading Commission.

“Credit Support Provider” means \_\_\_\_\_.

“Dekatherm” or “Dth” or “dt” means one (1) MMBtu.

“EBB” means Buyer’s Electronic Bulletin Board utilized for confirmation of Gas. “FERC” means the Federal Energy Regulatory Commission.

“Letter of Credit” means an irrevocable, non-transferable, standby letter of credit issued by a major U.S. commercial bank, a U.S. branch office of a foreign bank, or U.S. financial institution, in any case with a credit rating of at least “A” by S&P and “A2” by Moody’s in a form reasonable acceptable to the Buyer. All costs related to any Letter of Credit shall be for the account of the Seller.

“Moody’s” means Moody’s Investors Services, Inc., or its successor.

“S&P” means S&P Global Ratings, or its successor.

## **B. Gas Service and Capacity Assignment**

1. **Release and Assignment of Assets:** During the Term, Buyer will release/assign, on a pre-arranged, non-biddable basis, at no cost to Seller, the Assets. Buyer shall be responsible for the payment of all demand charges related to the Assets. Notwithstanding the foregoing, Seller shall initially pay the demand charges to TransCanada and Enbridge and Buyer shall reimburse Seller for 100% of the demand charges related to the Assets for the volumes delivered by Seller to Buyer under this Transaction Confirmation. Reimbursement of such charges shall be paid in U.S. dollars and based on the Bank of Canada’s monthly average exchange rate for the month of business as published on the last business day of the month of production. Seller shall be responsible for all variable costs in connection with the Assets during the Term unrelated to deliveries for Buyer. Buyer and Seller each agree to take such actions and execute all documents as may be required to effectuate the assignment of the Assets from Buyer to Seller. All assignments shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

2. **Gas Supply Requirements:**

A. On any day during the period of November 1, 2021 through March 31, 2022 (“Delivery Period”) of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Tennessee Delivery Point. The MDQ shall be adjusted upward or downward based upon the deliverability and applicable fuel retention on each of Enbridge, TransCanada, Iroquois and Tennessee. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account. Subject to the following:

- i. At least five business days prior to the 1st day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.
- ii. Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ.
- iii. Additional Call – In addition to the Gas Supply Requirements set forth in Special Condition B(2)(A) of this Transaction Confirmation, on any Day during the period of November 1, 2021 through March 31, 2022 of the Term, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the contract quantity of each of the Iroquois and Tennessee Assets at the primary Delivery Point(s) under each such released Asset. Seller’s delivery obligations under this Additional Call provision and its delivery obligation pursuant to all Gas Supply Requirements provisions above shall not be cumulative and may only be exercised after Buyer has exhausted its rights pursuant to firm base-load and daily call supplies (i.e., Buyer’s right to request gas at the Iroquois or Tennessee Delivery Point(s) pursuant to these Gas Supply Requirements provisions and under this Additional Call provision shall be reduced by quantities requested at any upstream Delivery Point).

B. Termination Right: If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder, unless such failure is excused by the Buyer’s non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets.

## **C. Nominations**

Buyer shall make all nominations for all delivery of Gas hereunder prior to 10:00 a.m. prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (i.e., nominated ratably on Business Day prior to the Holiday).

Buyer shall arrange for Seller’s use and access of the EBB. Seller shall utilize the EBB to schedule all Gas purchased pursuant to this AMA to the Delivery Point(s) for confirmation by National Grid’s Gas Control. Use of the EBB or other means of requests for confirmation of meter bounce transactions at the Delivery Point or other points of interconnection with Buyer’s facilities shall be strictly prohibited. Use of the EBB or other means of requests for confirmation of meter bounce transactions at the Delivery Point or other

points of interconnection with Buyer's facilities shall be strictly prohibited.

**D. Price** The commodity price for Gas purchased pursuant to Special Condition 2 shall be as follows:

1. The commodity price for Gas called on through the exercise of a Daily Call pursuant to Special Condition B(2)(A)(ii) shall be equal to *Platts Gas Daily Daily Price Survey* (\$MMBtu) Midpoint for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to the Delivery Point.
2. The commodity price for Gas called on through the Base-Load option pursuant to Special Condition B(2)(A)(i) shall be equal to *Platts Inside FERC* for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to the Delivery Point.
3. The commodity price for Gas called on through the Additional Call option pursuant to Special Condition B(2)(B) shall be equal to the greater of the Daily Call Price or the *Platts Gas Daily Daily Price Survey* price for Tennessee Zone 6 South Pool plus \$0.10 per dt.
4. Notwithstanding the foregoing, if in Buyer's sole discretion operational issues on the Assigned Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load, Daily Call or Additional Call Price stated in this Section D, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Tennessee Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure to deliver shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate this Transaction Confirmation.
- 5.

**E. Asset Management Fee**

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the assigned capacity for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$\_\_\_\_\_, payable in equal monthly installments of \$\_\_\_\_\_.

**F. Credit Provisions**

**Independent Amount.** In the event Seller (i) has a Credit Rating at or below BBB- from S&P and/or Baa3 from Moody's, or (ii) is unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB by S&P and/or Baa2 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of cash previously transferred by Seller to Buyer, (ii) the amount of cash held by Buyer as posted collateral as the result of drawing under any Letter of Credit maintained by Seller for the benefit of Buyer, and (iii) the undrawn value of each such Letter of Credit; provided, however, that the Collateral Requirement for Seller will be deemed to be zero (0) if (i) Seller has a Credit Rating of at least BBB from S&P and/or Baa2 from Moody's, and (ii) no Event of Default with respect to Seller has occurred and is continuing. Seller may provide the Collateral Requirement in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB by S&P and/or Baa2 by Moody's, (b) cash, or (c) a Letter of Credit. The "collateral Requirement" for Buyer means zero (0).

"Exposure" shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

**G. Import/Export Reporting**

Any import/export reporting requirements applicable to the quantities of natural gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service, or any other regulatory

body having jurisdiction over the volumes, are the responsibility of Asset Manager.

**H. Changes in Law**

If the FERC, CFTC, or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, the parties shall negotiate in good faith an amendment to this Transaction Confirmation or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If, within sixty (60) days after the implementation of such change, the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other.

Seller:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Buyer: The Narragansett Electric Company

By: \_\_\_\_\_  
Name: James G. Holodak, Jr.  
Title: Vice President  
Date:



**Request for Proposals (“RFP”) for  
Asset Management Arrangements  
July 20, 2021**

The Narragansett Electric Company d/b/a National Grid (“National Grid” or “Buyer”) is seeking proposals (“Proposals”) for Asset Management Arrangements (“AMA”) to manage all or a portion of its path originating at Dawn, Ontario for delivery at its city-gate on Tennessee Gas Pipeline (“TGP”) in Zone 6 via transportation on Enbridge Gas Inc. (“Enbridge”), TransCanada Pipelines Limited (“TCPL”) and Portland Natural Gas Transmission System (“PNGTS”) as more fully set forth below. The transportation path is able to deliver a total of 29,000 Dth/day into the point of interconnect between TGP and Buyer’s city-gate.

Bidders are advised that due to requirements of its State Approved Retail Access Program (“Program”), National Grid is required to allocate a portion of the Assets to its Program participants each month. Volumes assigned under the Program are made available to National Grid five business days before the 1<sup>st</sup> of each month and may change on a monthly basis and will be conveyed to Seller in the manner set forth below. Based on historical activity National Grid expects approximately 25% of the total subject assets to be reserved each month for the Program and will be allocated to a transaction resulting from responses to Package 2. **Bidders must therefore submit their asset management fee for Package No. 2 only on a volumetric basis** and must take all necessary actions to allow National Grid to administer the Program. **Bidders may bid on packages for both Packages in increments of 10,000 dth and must indicate the maximum volume and AMA fee for which they are willing to accept an award pursuant to this RFP; in order to administer the Program, National Grid does not anticipate being able to award more than 20,000 dth/day pursuant to Package No. 3. Additionally, for Package 3, Bidders should specify whether their offer is dependent on receiving a specific Delivery Point on the TGP FT-A.** Buyer’s allocation of awards pursuant to Package Nos. 2 and 3 shall take into consideration its ability to administer the Program and its ability to maximize value for its firm gas customers.

The successful bidder (“Seller”) shall have the right to optimize the assigned assets (“Assets”) subject to satisfying Buyer’s Gas Supply Requirements.

**I. Provisions**

**Package No. 2 - AMA – PXP - Canadian Only**

**Term:** November 1, 2021 through October 31, 2022.

**Assets:** Beginning November 1, 2021, National Grid is seeking an AMA using the following Assets:

Pipeline	Contract No.	Volume (dth)	Volume (Gj)	Receipt Point	Delivery Point
Enbridge	M12274	29,056	30,656	Dawn	Parkway
TCPL	FT 64273	29,056	30,656	Parkway	East Hereford

**Assignment of Assets/  
Compliance with Buyer’s  
State Retail Choice Program:**

The Assets summarized above represent Buyer’s *total* contract path contemplated under this Package No. 2 prior to allocation under the Program or any awards that may be made pursuant to Package No. 3. Assets not assigned under Buyer’s Program (or Package No. 3) shall be assigned by Buyer for the entire term at no cost to Seller; notwithstanding the foregoing, Seller shall initially pay the demand charges and Buyer shall reimburse Seller for 100% of the demand charges related to the Assets and for all imputed variable charges related to the volumes delivered by Seller on behalf of Buyer; reimbursement for such charges shall be paid to Seller in U.S. dollars and based on Bank of Canada’s monthly average exchange rate for the month of business as published on the last business day of the month of production. Seller shall be responsible for all variable charges in connection with the Assets during the Term not related to Buyer’s deliveries. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the assignment of the Assets from Buyer to Seller and to comply with Buyer’s Program. Further, all assignments shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

**Delivery Point:**

The Delivery Point shall be the point of interconnection between TCPL and PNGTS known as East Hereford, on the U.S. side.

**Gas Supply Requirements:**

On any day during the period of **November 1, 2021 through April 30, 2022 (“Delivery Period”)** of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at East Hereford. The MDQ shall be adjusted upward or downward based upon the deliverability and applicable fuel retention on each of Union and TCPL, as well as the volume assigned pursuant to the Program. Subject to satisfaction of these Gas Supply Requirements and the following criteria, Asset Manager

shall have the right to optimize the assigned capacity for its own account:

(a) Base-Load Election: At least three business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at East Hereford up to the MDQ made available to Seller during this Delivery Period.

(b) Daily Call: Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ at East Hereford.

**Price:**

The commodity price for Gas called on through the exercise of a daily call shall be equal to *Platts Gas Daily Daily Price Survey* (\$MMBtu) Midpoint for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to East Hereford.

The commodity price for Gas called on through the Base-Load option shall be equal to *Platts Inside FERC* for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to East Hereford.

Notwithstanding the foregoing, if in ***Buyer's sole discretion*** operational issues on the Assigned Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load or Daily Call Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Daily Call Nominations:**

Buyer shall make all nominations for delivery of Daily Call purchases prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as

weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

Subject to the Gas Supply Requirements, the Program and Buyer's right to elect either Daily Call or Base-Load Gas purchases, Seller shall have the right to optimize the assigned capacity for its own account. Seller shall communicate to Buyer any upstream changes to supply contracts nominated pursuant to this section no later than 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow. Acceptance of changes to upstream supply arrangements communicated by Seller of Buyer after 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow shall be at Buyer's discretion. Consistent with the terms of the Transaction Confirmation and the deliverability of the Assets, Buyer may nominate, and Seller must supply those supplies unaccounted for after the 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow deadline from the Assets assigned to Seller by Buyer.

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with the AMA and compliance with Buyer's right to assign volumes under the Program, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal(s), Bidders should specify the total proposed Asset Management Fee to be paid to Buyer for the AMA for the full MDQ assignable, as well as on a volumetric basis.**

**Import/Export Reporting:**

Any import/export reporting requirement applicable to the quantities of natural gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service or any other regulatory body having jurisdiction over the volumes, are the responsibility of Asset Manager.

**Package No. 3 - AMA – PXP - U.S. and Canadian**

**Term:**

November 1, 2021 through October 31, 2022.

**Assigned/Released Assets:**

Pipeline	Contract No.	Volume (dth)	Volume (Gj)	Receipt Point	Delivery Point
Enbridge	M12274	10,000	10,550	Dawn	Parkway
TCPL	FT 64273	10,000	10,550	Parkway	East Hereford
PNGTS	FT 233317	10,000	N/A	Pittsburg	Dracut
TGP	FT-A 349449	5,000	N/A	Dracut	Cranston Sales
	FT-A 330580	14,000			Lincoln
	FT-A 62930	4000			Cranston Sales/Pawtucket

**Assignment and Release of Assets:**

The Assets shall be assigned/released by Buyer for the entire Term at no cost to Asset Manager; notwithstanding the foregoing, Asset Manager shall initially pay the demand charges and Buyer shall reimburse Asset Manager for 100% of the demand charges related to Union and TCPL and for all imputed variable charges related to the volumes delivered by Asset Manager on behalf of Buyer; reimbursement for such charges shall be paid to Asset Manager in U.S. dollars and based on Bank of Canada's monthly average exchange rate for the month of business as published on the last business day of the month of production. Asset Manager shall be responsible for all variable charges in connection with the Assets during the Term not related to Buyer's deliveries. Buyer and Asset Manager each agree to take such actions and execute such documents as may be required to effectuate the assignment of the Assets from Buyer to Asset Manager. All assignments shall be subject to recall in the event that the Asset Manager fails to meet its gas supply obligation to Buyer.

Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. National Grid currently has a negotiated rate with PNGTS which is included herewith. National Grid shall not be responsible for loss of discount resulting from such inaction. National Grid will not advise Bidders or an Asset Manager on potential transactions that may result in a loss of discount.

The parties intend that any transaction entered into pursuant to this RFP shall be structured as an Asset Management Agreement pursuant to FERC Order 712 and any other applicable rules or regulations. All releases shall be subject

to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

**Delivery Point:**

Unless otherwise specified by Buyer, the Delivery Point for Gas purchased hereunder shall be the point of interconnection between Buyer's facilities and TGP in TGP's Zone 6 at Cranston Sales.

**Gas Supply Requirements:**

On any day during the period of **November 1, 2021 through April 30, 2022** ("Delivery Period") of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Delivery Point on the U.S. assets of PNGTS and TGP. The MDQ shall be adjusted upward or downward based upon the deliverability and applicable fuel retention on each of Enbridge, TCPL, PNGTS and TGP. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account. Subject to the following:

(a) Base-Load Election: At least three business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point on TGP up to the MDQ made available to Seller during this delivery period.

(b) Daily Call: Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ at TGP Zone 6.

(c) Additional Call: In addition to the Base-Load Election and the Daily Call, on any Day during the delivery period of November 1, 2021 through and including April 30, 2022, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the contract quantity at the primary delivery point released by Buyer to Seller for each of the PNGTS and TGP Asset(s). Seller's delivery obligations under this Additional Call provision and its delivery obligation pursuant to these Gas Supply Requirements shall not be cumulative, and the Additional Call may only be exercised after Buyer has exhausted its rights pursuant to the Base-Load Election and Daily Call (i.e., Buyer's right to request gas at any Delivery Point pursuant to this Additional Call provision shall be reduced by quantities already requested). For avoidance of doubt, this Additional Call provision shall only apply to residual capacity

remaining on the transportation path as a result of fuel retention applicable to the Assigned Assets.

**Price:**

The commodity price for Gas called on through the exercise of a daily call shall be equal to *Platts Gas Daily Daily Price Survey* (\$MMBtu) Midpoint for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to Buyer's City-Gate in TGP Zone 6.

The commodity price for Gas called on through the Base-Load option shall be equal to *Platts Inside FERC* for Dawn, Ontario, plus the imputed variables to deliver the Gas Supply to Buyer's City-Gate in TGP Zone 6.

The commodity price for Gas called on through the Additional Call shall be equal to TGP Zone 6 South + \$0.10.

Notwithstanding the foregoing, if in ***Buyer's sole discretion*** operational issues on the Assigned/Released Assets may preclude Seller from delivering Gas to the TGP Delivery Point at the Base-Load or Daily Call Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the TGP Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Nominations:**

For calls at the Delivery Point at Buyer's City-Gate in TGP Zone 6, Buyer shall make all nominations for delivery of Daily Call purchases prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

Upon execution of a binding Transaction Confirmation, or adequate assurance that the Buyer and Seller intend the

Transaction be binding by the first date of the Term, Buyer shall arrange for Seller's use and access of the National Grid Electronic Bulletin Board ("EBB"). Seller shall utilize EBB to schedule the supply to the Delivery Point on TGP, Buyer's city gate, for confirmation by National Grid's Gas Control. Use of the EBB or other means of requests for confirmation of meter bounce transactions at the Delivery Point or other points of interconnection with Buyer's facilities shall be strictly prohibited.

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with the AMA, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal(s), Bidders should specify the total proposed Asset Management Fee to be paid to Buyer for the AMA for the full MDQ assignable, as well as on a volumetric basis.**

**Import/Export Reporting:**

Any import/export reporting requirement applicable to the quantities of natural gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service or any other regulatory body having jurisdiction over the volumes, are the responsibility of Asset Manager.

## **II. Instructions to Bidders**

National Grid will consider Proposals only from Bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Included in this RFP is the form of Transaction Confirmation that National Grid proposes for execution. As part of their Proposal(s), Bidders *must* clearly identify any required Special Conditions or exceptions to the Transaction Confirmation including, but not limited to, language related to FERC, the CFTC and any other applicable regulatory body.

Any questions in connection with this RFP should be sent via email to the following email address:

[GasRFP@nationalgrid.com](mailto:GasRFP@nationalgrid.com)

All proposals in connection with this RFP should also be sent via email to the email address listed above. Proposals must be submitted by the date specified in the Schedule below. Proposals must include: **(a) Seller's proposed Reservation Charge for the Package, (b) any specialized language Seller requires in the Transaction Confirmation, and (c) whether**

**Seller shall require receipt of any additional internal approvals prior to accepting an award pursuant to this RFP.**

### **III. Schedule (all times are Eastern Standard Time)**

July 30, 2021                      Proposals must be received by National Grid by **5:00 PM**. **All proposals shall expressly provide that they will remain binding and in effect, without modification, until 5:00 PM on August 6, 2021.**

### **IV. Miscellaneous**

National Grid will consider proposals only from bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Please be advised that if the winning Bidder utilizes an ISDA with a Gas Annex, this transaction will be specifically excluded from margining calculation under the Credit Support Annex.

Bidders submitting bids in response to this RFP understand and agree that unless and until a definitive Transaction Confirmation has been executed and delivered, no contract or agreement providing for a transaction between such parties shall be deemed to exist between the parties, and neither party will be under any legal obligation of any kind whatsoever with respect to such transaction by virtue of this or any other written or oral expression of communication. National Grid reserves the right to withdraw or modify this RFP at any time and National Grid shall have the right, in its sole and absolute discretion, to reject any or all Proposals submitted in response to this RFP. The winning bid(s), if any, will be selected based on the proposal(s) that yield(s) the least cost, consistent with concerns for reliability of service and other business factors applied by National Grid in its sole discretion. Potential Sellers shall be subject to satisfactory credit review by National Grid.

### **V. Compliance with National Grid's Supplier Code of Conduct**

At National Grid we are always seeking ways to meet the evolving needs and desires of our customers. We believe that a responsible approach to doing business is fundamental to what we do. In all of our activities we operate within Global Standards of Ethical Conduct. These standards include a commitment to the protection and enhancement of the environment, always seeking ways to minimize the environmental impact of our past, present and future activities and safeguarding our global environment for future generations. Our goal is to comply with regulations, reduce any impact that we may have and proactively seek out opportunities to improve the environment. In furtherance of this goal, National Grid has developed a "Supplier Code of Conduct" which describes our company's values and can be accessed at <https://www.nationalgrid.com/document/83526/download>

We value the business relationships we have with you and we believe that you are an important and central part of our success. This means that we expect you to carry out your business in line with these values. More specifically, we refer you to Section 3 - "Protecting the Environment".

This section explains National Grid's expectations with respect to its suppliers. In connection with the purchase of natural gas, we will reject proposals from parties that fail to adhere to these requirements or who knowingly produce or purchase gas that was produced in violation of applicable laws and regulations.

National Grid has worked to establish the Natural Gas Supply Collaborative (NGSC). The NGSC is a voluntary collaborative of natural gas purchasers that are promoting safe and responsible practices for the development of natural gas supply. As a participant in the NGSC, National Grid is committed to encourage our natural gas suppliers and producers to support more robust voluntary reporting and increased transparency on 14 environmental and social performance indicators. The NGSC developed these indicators through a comprehensive stakeholder engagement undertaking including representation from both the environmental and natural gas production community.

As suppliers of natural gas to National Grid, it is our expectation that you will consider reporting on these 14 indicators. Over time, and in consultation with National Grid, we expect reporting on these 14 indicators will be fully embraced and easily identifiable on company web sites and may become a requirement for future business.

Supporting information on the NGSC can be found at the following Web site:  
<http://www.mjbradley.com/NGSC>

**Liz Arangio**  
**Director of Gas Supply Planning**  
**Telephone: 617-212-1790**

**MaryBeth Carroll**  
**Manager of Gas Supply Planning**  
**Telephone: 516-545-3116**

**Samara Jaffe**  
**Director of Gas Contracting, Compliance & Hedging**  
**Telephone: 516-545-5408**

**Janet Prag**  
**Senior Contract Specialist**  
**Telephone: 516-545-5463**



"FERC" means the Federal Energy Regulatory Commission.

"NEB" means the National Energy Board.

"Program" means Buyer's state approved retail access program.

#### **B. Gas Service and Capacity Assignment**

1. **Assignment of Assets:** During the Term, Buyer will assign the Assets to Seller on a Monthly basis after determining Program requirements. Seller shall initially pay the Demand Charges to TransCanada and Enbridge and Buyer shall reimburse Seller for such charges. Buyer shall reimburse Seller for Demand Charges in U.S. dollars using the Bank of Canada's monthly average exchange rate for the Month of business as published on the last Business Day of the Month of production. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the assignment of the Assets from Buyer to Seller and to comply with Buyer's Program. All assignments shall be subject to recall in the event that the Seller fails to meet its Gas supply obligation to Buyer.

At least five (5) Days prior to the 1<sup>st</sup> calendar Day of each Month, Buyer shall communicate to Seller, in writing via email, the volume of the Assets that Buyer must assign under the Program and the residual amount that shall be made available to Seller under the transaction for the applicable Month of the Term. Seller agrees to take all necessary actions to allow National Grid to administer the assignments necessary and comply with the Program.

#### **2. Gas Supply Requirements:**

- i. **November through April:** On any Day during the period of November 1, 2021 through April 30, 2022 of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Delivery Point of the Assets in Seller's control. Subject to satisfaction of these "Gas Supply Requirements" and compliance with National Grid's Program, Asset Manager shall have the right to optimize the assigned capacity for its own account subject to the following:
  - a) **Base-Load Quantities Option:** At least three (3) Business Days prior to the 1st Day of the following Month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply Requirements at the Delivery Point up to the MDQ during the period of November 1, 2021 through April 30, 2022.
  - b) **Daily-Call Quantities Option:** Further, subject to Buyer having exercised its Base-Load Quantities Option pursuant to Special Condition B.2(i)(a), Buyer shall have a right to call on a quantity up to the remaining MDQ for the period of November 1, 2021 through April 30, 2022.

Subject to these Gas Supply Requirements, Seller shall have the right to optimize the assigned capacity for its own account. Seller shall communicate to Buyer any upstream changes to supplies called on pursuant to this Section no later than 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow. Acceptance of changes to firm Base-Load Quantities communicated by Seller of Buyer after 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow shall be at Buyer's discretion. Consistent with the terms of the Transaction Confirmation and the deliverability of the Assets, Buyer may nominate, and Seller must supply those supplies unaccounted for after the 1:00 PM prevailing Eastern Standard Time on the Day prior to the Day of Gas flow deadline from the Assets assigned to Seller by Buyer.

3. **Nominations:** Buyer shall make all nominations for delivery of Daily Call Quantities prior to 10:00 AM prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on Business Day prior to the Holiday).
4. **Termination Option/Recall Rights:** If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder or compliance with allowing Buyer to administer its Program, unless such failure is excused by the Buyer's non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets under the terms of the Base Contract.

#### **C. Price**

- A. **Base-Load Quantities:** The Contract Price for Gas purchased pursuant to B.2(i)(a) shall be equal to the price posted as the "Index" for Upper Midwest, "Dawn, Ontario," as published in *Platts Inside FERC* for the Month of delivery, plus imputed variable costs (including fuel) to transport Gas from Dawn to the Delivery Point.
- B. **Daily Call Quantities:** The Price for Gas purchased pursuant to B.2(ii)(b) shall be equal to *Platts Gas Daily Daily Price Survey*, Midpoint for Day of flow, Dawn, Ontario, plus imputed variable costs (including fuel) to transport such quantity from Dawn to the Delivery Point.
- C. Notwithstanding the foregoing, if in Buyer's sole discretion operational issues on the Assigned Assets may preclude Seller

from delivering Gas to the East Hereford Delivery Point at the Base-Load or Daily Call Price stated in this Special Condition C, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the East Hereford Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate this Transaction Confirmation.

**D. Asset Management Fee**

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the assigned capacity for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$\_\_\_\_\_ per MMBtu of capacity made available by Buyer to Seller calculated on the TransCanada East Hereford Delivery Point for the Month of flow. This payment shall be reflected as a credit to Buyer in Seller's Invoice for the applicable Month.

**F. Credit Provisions**

**Independent Amount.** In the event Seller (i) has a Credit Rating at or below BBB- from S&P and/or Baa3 from Moody's, or (ii) is unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of cash previously transferred by Seller to Buyer, (ii) the amount of cash held by Buyer as posted collateral as the result of drawing under any Letter of Credit maintained by Seller for the benefit of Buyer, and (iii) the undrawn value of each such Letter of Credit; provided, however, that the Collateral Requirement for Seller will be deemed to be zero (0) if (i) Seller has a Credit Rating of at least BBB- from S&P and/or Baa3 from Moody's, and (ii) no Event of Default with respect to Seller has occurred and is continuing. Seller may provide the Collateral Requirement in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit. The Collateral Requirement for Buyer means zero (0).

"Exposure" shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

**G. Import/Export Reporting**

Any import/export reporting requirements applicable to the quantities of Gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service, or any other regulatory body having jurisdiction over the volumes, are the responsibility of Asset Manager.

**G. Changes in Law**

If the NEB, FERC, CFTC, or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, either party shall provide Notice of such event to the other party and the parties shall negotiate in good faith an amendment to this Transaction Confirmation or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If, within sixty (60) Days after the implementation of such change, the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other.

Seller:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Buyer: The Narragansett Electric Company

By: \_\_\_\_\_  
Name: James G. Holodak, Jr.  
Title: Vice President  
Date:



“CFTC” shall mean the U.S. Commodities Futures Trading Commission.

“Credit Support Provider” means \_\_\_\_\_.

“Dekatherm” or “Dth” or “dt” means one (1) MMBtu.

“Demand Charges” means the applicable demand charges due to Union and TransCanada under the assigned Assets.

“EBB” shall mean Buyer’s Electronic Bulletin Board used for confirmation of supplies to its city-gate/Delivery Point.

“FERC” means the Federal Energy Regulatory Commission.

“NEB” means the National Energy Board.

## **B. Gas Service and Capacity Assignment**

**1. Assignment of Assets:** The Assets shall be assigned/released by Buyer for the entire Term at no cost to Asset Manager; notwithstanding the foregoing, Asset Manager shall initially pay the demand charges and Buyer shall reimburse Asset Manager for 100% of the demand charges related to Enbridge and TCPL and for all imputed variable charges related to the volumes delivered by Asset Manager on behalf of Buyer; reimbursement for such charges shall be paid to Asset Manager in U.S. dollars and based on Bank of Canada’s monthly average exchange rate for the month of business as published on the last business day of the month of production. Asset Manager shall be responsible for all variable charges in connection with the Assets during the Term not related to Buyer’s deliveries and all losses of discount associated or applicable rate to the Asset. Buyer and Asset Manager each agree to take such actions and execute such documents as may be required to effectuate the assignment of the Assets from Buyer to Asset Manager. All assignments shall be subject to recall in the event that the Asset Manager fails to meet its gas supply obligation to Buyer.

### **2. Gas Supply Requirements:**

**a. November through April:** On any Day during the period of November 1, 2021 through April 30, 2022 of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the TGP Zone 6 Delivery Point. Subject to satisfaction of these “Gas Supply Requirements”, Asset Manager shall have the right to optimize the assigned capacity for its own account subject to the following:

i. Base-Load Quantities Option: At least three (3) Business Days prior to the 1st Day of the following Month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply Requirements at the TGO Zone 6 Delivery Point up to the MDQ during the period of November 1, 2021 through April 30, 2022.

ii. Daily-Call Quantities Option: Further, subject to Buyer having exercised its Base-Load Quantities Option pursuant to Special Condition B.2(i)(a), Buyer shall have a right to call on a quantity up to the remaining MDQ for the period of November 1, 2021 through April 30, 2022.

iii. Additional Call: In addition to the Base-Load Election and the Daily Call, on any Day during the delivery period of November 1, 2021 through and including April 30, 2022, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the contract quantity at the primary delivery point released by Buyer to Seller for each of the PNGTS and TGP Asset(s). Seller’s delivery obligations under this Additional Call provision and its delivery obligation pursuant to these Gas Supply Requirements shall not be cumulative, and the Additional Call may only be exercised after Buyer has exhausted its rights pursuant to the Base-Load Election and Daily Call (*i.e.*, Buyer’s right to request gas at any Delivery Point pursuant to this Additional Call provision shall be reduced by quantities already requested).

**3. Nominations:** Buyer shall make all nominations for delivery of Daily Call Quantities and the Additional Call prior to 10:00 AM prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on Business Day prior to the Holiday). Buyer shall nominate all Gas purchased hereunder into the EBB for confirmation.

**4. Termination Option/Recall Rights:** If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder or compliance with allowing Buyer to administer its Program, unless such failure is excused by the Buyer’s non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets under the terms of the Base Contract.

## **C. Price**

a. Base-Load Quantities: The Contract Price for Gas purchased pursuant to B.2(a)(i) shall be equal to the price posted as the "Index" for Upper Midwest, "Dawn, Ontario," as published in *Platts Inside FERC* for the Month of delivery, plus imputed variable costs (including fuel) to transport Gas from Dawn to the Delivery Point.

b. Daily Call Quantities: The Price for Gas purchased pursuant to B.2(b)(ii) shall be equal to *Platts Gas Daily Daily Price Survey*, Midpoint for Day of flow, Dawn, Ontario, plus imputed variable costs (including fuel) to transport such quantity from Dawn to the Delivery Point.

c. Additional Call Quantities: The Price for Gas purchased pursuant to B.2(b)(iii) shall be equal to *Platts Gas Daily Daily Price Survey*, Midpoint for Day of flow, TGP Zone 6 South + \$0.10.

d. Notwithstanding the foregoing, if in **Buyer's sole discretion** operational issues on the Assets may preclude Seller from delivering Gas to the TGP Delivery Point pursuant to this Special Condition C, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the TGP Zone 6 Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assigned Assets and Buyer may immediately terminate this Transaction Confirmation.

#### D. Asset Management Fee

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the assigned capacity for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$\_\_\_\_\_ payable in monthly installments of \$\_\_\_\_\_. This payment shall be reflected as a credit to Buyer in Seller's Invoice for the applicable Month.

#### E. Credit Provisions

**Independent Amount.** In the event Seller (i) has a Credit Rating at or below BBB- from S&P and/or Baa3 from Moody's, or (ii) is unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of cash previously transferred by Seller to Buyer, (ii) the amount of cash held by Buyer as posted collateral as the result of drawing under any Letter of Credit maintained by Seller for the benefit of Buyer, and (iii) the undrawn value of each such Letter of Credit; provided, however, that the Collateral Requirement for Seller will be deemed to be zero (0) if (i) Seller has a Credit Rating of at least BBB- from S&P and/or Baa3 from Moody's, and (ii) no Event of Default with respect to Seller has occurred and is continuing. Seller may provide the Collateral Requirement in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit. The Collateral Requirement for Buyer means zero (0).

"Exposure" shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

#### F. Asset Management Arrangement ("AMA")

The Parties agree that the transactions hereunder constitute an AMA as defined by FERC in Order No. 712 (as modified and clarified and in accordance with FERC's rules and regulations, and that Seller is acting as Asset Manager as defined in 18 CFR 284.8(h)(3). If it is determined that this transaction does not constitute an AMA, the parties agree to modify the transaction as required while maintaining, to the extent possible, the economics of the transaction.

#### G. Import/Export Reporting

Any import/export reporting requirements applicable to the quantities of Gas delivered to Buyer hereunder, whether of the National Energy Board, the U.S. Department of Energy Office of Fossil Energy, the U.S. Customs Service, or any other regulatory body having jurisdiction over the volumes, are the responsibility of Asset Manager.

**H. Changes in Law**

If the NEB, FERC, CFTC, or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, either party shall provide Notice of such event to the other party and the parties shall negotiate in good faith an amendment to this Transaction Confirmation or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If, within sixty (60) Days after the implementation of such change, the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other.

Seller:

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

Name:

Title:

Date:

Buyer: The Narragansett Electric Company

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

Name: James G. Holodak, Jr.

Title: Vice President

Date:



**Request for Proposals (“RFP”) for  
The Narragansett Electric Company d/b/a National Grid  
Asset Management Arrangement (“AMA”)  
July 20, 2021**

The Narragansett Electric Company d/b/a National Grid (“Narragansett” or “Buyer”) is seeking proposals (“Proposals”) for an AMA as more fully set forth below. The successful bidder(s) (“Seller”) shall have the right to optimize the assets (“Assets”) subject to satisfying Buyer’s Gas Supply Requirements.

**Package No. 4 - AMA (TCO – Broadrun to Hanover)**

**I. Provisions**

**Term:** November 1, 2021 through October 31, 2022.

**Assets:** During the Term, Buyer shall release FTS contract 31523 with Columbia Gas Transmission L.L.C. (“TCO”), having primary receipts at Broadrun and primary deliveries in at the interconnection between TCO and Algonquin Gas Transmission, LLC (“AGT”) at TCO-Hanover and a maximum daily quantity of 10,000 dth/day (“MDQ”).

The Assets shall be released by Buyer for the entire Term at no cost to Seller. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. All releases shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

**Delivery Point:** The point of interconnection between TCO and AGT into AGT known as TCO-Hanover.

**Gas Supply Requirements:** On any day during the period of **November 1, 2021 through April 15, 2022** (“Delivery Period”), Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the MDQ at the Delivery Point. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account subject to the following.

- (a) At least three business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to

request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.

- (b) Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have the right to call on a quantity up to the remaining MDQ.

**Price:**

The commodity price for Gas called on through the exercise of a daily call shall be equal to *Platts Gas Daily – Daily Price Survey* (\$MMBtu) Midpoint for TCo Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point.

The commodity price for Gas Called on through the Base-Load option shall be equal to *Platts Inside FERC* for TCo Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point.

Notwithstanding the foregoing, if in ***Buyer's sole discretion*** operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load or Daily Call Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Daily Call Nominations:**

Buyer shall make all nominations for delivery of all Gas Supply Requirements prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with the AMA, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal, Bidders must specify the Asset Management Fee to be paid to Buyer.**

## **II. Instructions to Bidders**

Any questions in connection with this RFP should be sent via email to the following email address:

[GasRFP@nationalgrid.com](mailto:GasRFP@nationalgrid.com).

All proposals in connection with this RFP should also be sent via email to the email address listed above. Proposals must be submitted by the date specified in the Schedule below. Proposals should include: **(a) Seller's proposed Asset Management Fee and/or Reservation Fee (b) any proposed exceptions to the Transaction Confirmation attached hereto and (c) whether Seller shall require receipt of any additional internal approvals prior to accepting an award pursuant to this RFP.**

### **III. Schedule (all times are Eastern Time)**

July 30, 2021                      Proposals must be received by National Grid by 5:00 PM EST. **All proposals shall expressly provide that they will remain binding and in effect, without modification, until 5:00 PM on August 6, 2021.**

### **IV. Form of Agreement**

National Grid will consider proposals only from Bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Please be advised that if the winning Bidder utilizes an ISDA with a Gas Annex, this transaction will be specifically excluded from margining calculation under the Credit Support Annex.

Bidders submitting bids in response to this RFP understand and agree that unless and until a definitive Transaction Confirmation has been executed and delivered, no contract or agreement providing for a transaction between such parties shall be deemed to exist between the parties, and neither party will be under any legal obligation of any kind whatsoever with respect to such transaction by virtue of this or any other written or oral expression of communication. National Grid reserves the right to withdraw or modify this RFP at any time and National Grid shall have the right, in its sole and absolute discretion, to reject any or all Proposals submitted in response to this RFP. The winning bid(s), if any, will be selected based on the proposal(s) that yield(s) the least cost, consistent with concerns for reliability of service and other business factors applied by National Grid in its sole discretion. Potential Sellers shall be subject to satisfactory credit review by National Grid.

### **V. Compliance with National Grid's Supplier Code of Conduct**

At National Grid we are always seeking ways to meet the evolving needs and desires of our customers. We believe that a responsible approach to doing business is fundamental to what we do. In all of our activities we operate within Global Standards of Ethical Conduct. These standards include a commitment to the protection and enhancement of the environment, always seeking ways to minimize the environmental impact of our past, present and future activities and safeguarding our global

environment for future generations. Our goal is to comply with regulations, reduce any impact that we may have and proactively seek out opportunities to improve the environment. In furtherance of this goal, National Grid has developed a “Supplier Code of Conduct” which describes our company’s values and can be accessed at <https://www.nationalgrid.com/document/83526/download>

We value the business relationships we have with you and we believe that you are an important and central part of our success. This means that we expect you to carry out your business in line with these values. More specifically, we refer you to Section 3 - “Protecting the Environment”. This section explains National Grid’s expectations with respect to its suppliers. In connection with the purchase of natural gas, we will reject proposals from parties that fail to adhere to these requirements or who knowingly produce or purchase gas that was produced in violation of applicable laws and regulations.

National Grid has worked to establish the Natural Gas Supply Collaborative (NGSC). The NGSC is a voluntary collaborative of natural gas purchasers that are promoting safe and responsible practices for the development of natural gas supply. As a participant in the NGSC, National Grid is committed to encourage our natural gas suppliers and producers to support more robust voluntary reporting and increased transparency on 14 environmental and social performance indicators. The NGSC developed these indicators through a comprehensive stakeholder engagement undertaking including representation from both the environmental and natural gas production community.

As suppliers of natural gas to National Grid, it is our expectation that you will consider reporting on these 14 indicators. Over time, and in consultation with National Grid, we expect reporting on these 14 indicators will be fully embraced and easily identifiable on company web sites and may become a requirement for future business.

Supporting information on the NGSC can be found at the following Web site:  
<http://www.mjbradley.com/NGSC>

**Liz Arangio**  
**Director of Gas Supply Planning**  
**Telephone: 617-212-1790**

**MaryBeth Carroll**  
**Manager of Gas Supply Planning**  
**Telephone: 516-545-3116**

**Samara Jaffe**  
**Director of Gas Contracting, Compliance & Hedging**  
**Telephone: 516-545-5408**

**Janet Prag**  
**Senior Contract Specialist**  
**Telephone: 516-545-5463**



## B. Gas Service and Capacity Release

- a. **Release of Assets:** During the Term, Buyer shall release the Assets on a pre-arranged, non-biddable basis, at no cost to Seller. Buyer shall be responsible for the payment of all demand charges related to the Assets. Seller shall be responsible for all variable costs in connection with the Assets during the Term unrelated to deliveries for Buyer. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. All releases shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.
- b. **Gas Supply Requirements:** On any day during the period of **November 1, 2021 through April 15, 2022** ("Delivery Period"), Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the MDQ at the Delivery Point subject to the following
- (i) At least three business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.
  - (ii) Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ.
- c. **Termination Option:** If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder, unless such failure is excused by the Buyer's non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets.

## C. Price:

The commodity price for Gas called on through the exercise of a daily call shall be equal to *Platts Gas Daily Price Survey* (\$MMBtu) Midpoint for TCo Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point.

The commodity price for Gas called on through the exercise of a Base-Load option shall be equal to *Platts Inside FERC* for TCo Pool.

Notwithstanding the foregoing, if in *Buyer's sole discretion* operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load or Daily Call Price stated in this Special Condition C, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate this Transaction Confirmation.

## D. Nominations

Buyer shall make all nominations for delivery of all Gas Supply Requirements prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

## E. Asset Management Fee

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the released capacity for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$\_\_\_\_\_, payable in equal monthly installments of \$\_\_\_\_\_. This payment shall be reflected as a credit to Buyer in Seller's invoice for the applicable Month.

## F. Credit Provisions

**Independent Amount.** In the event Seller (i) has a Credit Rating at or below BBB- by S&P and/or Baa3 by Moody's, or (ii) is unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of Cash previously transferred by Seller to Buyer, (ii) the amount of Cash held by Buyer as posted collateral as the result of drawing under any Letter of Credit maintained by Buyer for the benefit of Buyer, and (iii) the undrawn value of each Letter of Credit;

provided, however, that the Collateral Requirement for Seller will be deemed to be zero (0) if (i) Seller has a Credit Rating of at least BBB- by S&P and/or Baa3 by Moody's, and (ii) no Event of Default with respect to Seller has occurred and is continuing. Seller may provide the Collateral Requirement in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit. The "Collateral Requirement" for Buyer means zero (0).

**Exposure.** shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

**G. Asset Management Arrangement**

The Parties agree that the transactions hereunder constitute an Asset Management Arrangement, as defined by FERC in Order No. 712 (as modified and clarified) and in accordance with FERC's rules and regulations, and that Seller is acting as Asset Manager as defined in 18 CFR 284.8(h)(3).

**H. Changes in Law**

If the FERC, CFTC or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, the parties shall negotiate in good faith an amendment to this Agreement or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If, within sixty (60) Days after the implementation of such change, the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other.

<p>Seller:</p>  <p>By: _____</p> <p>Name:</p> <p>Title:</p> <p>Date:</p>	<p>Buyer: The Narragansett Electric Company</p>  <p>By: _____</p> <p>Name: James G. Holodak, Jr.</p> <p>Title: Vice President</p> <p>Date:</p>
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**Request for Proposals (“RFP”) for  
Asset Management Arrangement  
July 20, 2021**

The Narragansett Electric Company d/b/a National Grid (“National Grid” or “Buyer”) is seeking proposals (“Proposals”) for an Asset Management Arrangement (“AMA”) as more fully set forth below. The successful bidder (“Seller”) shall have the right to optimize the released assets (“Assets”) subject to satisfying Buyer’s Gas Supply Requirements.

**Package No. 5 – AMA – Millennium Eastern System Upgrade – Corning-to Ramapo AGT**

**I. Provisions:**

**Term:** November 1, 2021 through October 31, 2022.

**Assets and the  
Release of Assets:**

During the Term, Buyer shall release at no cost to Seller, 5,000 dth/day (the “MDQ”) of its Firm Transportation Contract No. 210165 with Millennium Pipeline Company, L.L.C. (“Millennium”) having a primary point of receipt of Corning-Empire PL and primary firm delivery entitlements to Ramapo-AGT.

Buyer shall remain responsible for payment of all demand charges related to the Assets (except any potential loss of discount related to activities of Seller). A copy of Buyer’s Contract No. 210165 and the negotiated rate agreement with Millennium are included with this RFP. National Grid will not advise Bidders or an Asset Manager on potential transactions that may result in a loss of discount.

Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. The parties intend that any transaction entered into pursuant to this RFP shall be structured as an AMA pursuant to FERC Order 712 and any other applicable rules or regulations. All releases shall be subject to recall in the event

that the Seller fails to meet its gas supply obligation to Buyer.

**Delivery Point (s):**

The Delivery Point shall be the point of interconnect between Millennium and Algonquin Gas Transmission Pipeline (“AGT”) at Ramapo-AGT, into Buyer’s AGT capacity.

**Gas Supply Requirements:**

On any day during the period of **November 1, 2021 through April 30, 2022** (“Delivery Period”) of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Delivery Point. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account. Subject to the following:

- (a) At least three business days prior to the 1<sup>st</sup> day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.
- (b) Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ.

**Price:**

The commodity price for Gas called on through the exercise of a daily call shall be based on *Platts Gas Daily* – Daily Price Survey (\$MMBtu) Midpoint for Millennium East Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point.

The commodity price for Gas called on through the Base-Load option shall be based on *Platts Inside FERC* for Millennium East Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point.

Notwithstanding the foregoing, if in **Buyer's sole discretion** operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load or Daily Call Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Daily Call Nominations:**

For Daily Calls at the Delivery Point(s), Buyer shall make all nominations for delivery of Daily Call purchases prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with each AMA, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal(s), Bidders should specify the total proposed Asset Management Fee to be paid to Buyer for the AMA.**

**Form of Agreement:**

National Grid will consider Proposals only from Bidders who have an executed NAESB Base

Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Included in this RFP is the form of Transaction Confirmation that National Grid proposes for execution. As part of their Proposal(s), Bidders *must* clearly identify any required Special Conditions or exceptions to the Transaction Confirmation including, but not limited to, language related to FERC, the CFTC and any other applicable regulatory body.

## II. Instructions to Bidders

Any questions in connection with this RFP should be sent via email to the following email address:

[GasRFP@nationalgrid.com](mailto:GasRFP@nationalgrid.com)

All proposals in connection with this RFP should also be sent via email to the email address listed above. Proposals must be submitted by the date specified in the Schedule below. Proposals must include: **(a) Seller's proposed Reservation Charge for the Package, (b) any specialized language Seller requires in the Transaction Confirmation, and (c) whether Seller shall require receipt of any additional internal approvals prior to accepting an award pursuant to this RFP.**

## III. Schedule (all times are Eastern Standard Time)

July 30, 2021                      Proposals must be received by National Grid by **5:00 PM**. **All proposals shall expressly provide that they will remain binding and in effect, without modification, until 5:00 PM on August 6, 2021.**

## IV. Form of Agreement

National Grid will consider proposals only from bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA

with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Please be advised that if the winning Bidder utilizes an ISDA with a Gas Annex, this transaction will be specifically excluded from margining calculation under the Credit Support Annex.

Bidders submitting bids in response to this RFP understand and agree that unless and until a definitive Transaction Confirmation has been executed and delivered, no contract or agreement providing for a transaction between such parties shall be deemed to exist between the parties, and neither party will be under any legal obligation of any kind whatsoever with respect to such transaction by virtue of this or any other written or oral expression of communication. National Grid reserves the right to withdraw or modify this RFP at any time and National Grid shall have the right, in its sole and absolute discretion, to reject any or all Proposals submitted in response to this RFP. The winning bid(s), if any, will be selected based on the proposal(s) that yield(s) the least cost, consistent with concerns for reliability of service and other business factors applied by National Grid in its sole discretion. Potential Sellers shall be subject to satisfactory credit review by National Grid.

## **V. Compliance with National Grid's Supplier Code of Conduct**

At National Grid we are always seeking ways to meet the evolving needs and desires of our customers. We believe that a responsible approach to doing business is fundamental to what we do. In all of our activities we operate within Global Standards of Ethical Conduct. These standards include a commitment to the protection and enhancement of the environment, always seeking ways to minimize the environmental impact of our past, present and future activities and safeguarding our global environment for future generations. Our goal is to comply with regulations, reduce any impact that we may have and proactively seek out opportunities to improve the environment. In furtherance of this goal, National Grid has developed a "Supplier Code of Conduct" which describes our company's values and can be accessed at <https://www.nationalgrid.com/document/83526/download>

We value the business relationships we have with you and we believe that you are an important and central part of our success. This means that we expect you to carry out your business in line with these values. More specifically, we refer you to Section 3 - "Protecting the Environment". This section explains National Grid's expectations with respect to its suppliers. In connection with the purchase of natural gas, we will reject proposals from parties that fail to adhere to these requirements or who knowingly produce or purchase gas that was produced in violation of applicable laws and regulations.

National Grid has worked to establish the Natural Gas Supply Collaborative (NGSC). The NGSC is a voluntary collaborative of natural gas purchasers that are promoting safe and responsible practices for the development of natural gas supply. As a participant in the NGSC, National Grid is committed to encourage our natural gas suppliers and producers to support more robust voluntary reporting and increased transparency on 14 environmental and social performance indicators. The NGSC developed these indicators through a comprehensive stakeholder engagement undertaking including representation from both the environmental and natural gas production community.

As suppliers of natural gas to National Grid, it is our expectation that you will consider reporting on these 14 indicators. Over time, and in consultation with National Grid, we expect reporting on these 14 indicators will be fully embraced and easily identifiable on company web sites and may become a requirement for future business.

Supporting information on the NGSC can be found at the following Web site:  
<http://www.mjbradley.com/NGSC>

**Liz Arangio**  
**Director of Gas Supply Planning**  
**Telephone: 617-212-1790**

**MaryBeth Carroll**  
**Manager of Gas Supply Planning**  
**Telephone: 516-545-3116**

**Samara Jaffe**  
**Director of Gas Contracting, Compliance & Hedging**  
**Telephone: 516-545-5408**

**Janet Prag**  
**Senior Contract Specialist of FERC Compliance & Contracting**  
**Telephone: 516-545-5463**



"S&P" means S&P Global Ratings, or its successor.

#### **B. Gas Service and Release of Assets**

1. **Release of Assets:** During the Term, Buyer shall release at no cost to Seller, 5,000 dth/day (the "MDQ") of its Firm Transportation Contract No. 210165 with Millennium having a primary point of receipt of Corning-Empire PL and primary firm delivery entitlements to Ramapo AGT.

Buyer shall remain responsible for payment of all demand charges related to the Assets (except any potential loss of discount related to activities of Seller). Seller shall be responsible for all variable costs in connection with the Assets during the Term. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. All releases shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

2. **Gas Supply Requirements:** On any day during the period of November 1, 2021 through April 30, 2022 ("Delivery Period") of the Term, Buyer shall have the right, but not the obligation, to call on Seller to deliver up to the MDQ at the Delivery Points. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account. Subject to the following:
  - (a) At least three business days prior to the 1st day of the following month of delivery, Buyer shall have the right, but not the obligation, to request Base-Load delivery of such Gas Supply at the Delivery Point up to the MDQ during this Delivery Period.
  - (b) Further, subject to Buyer having exercised its Base-Load rights, Buyer shall have a right to call on a quantity up to the remaining MDQ.
3. **Termination Option:** If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder, unless such failure is excused by the Buyer's non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets.

**C. Price:** The commodity price for Gas purchased pursuant to Special Condition 2 shall be as follows:

- (a) For Gas purchased pursuant to Special Condition 2 or 2(b) (i.e., called on through the exercise of a daily call) the price shall be equal to *Platts Gas Daily – Daily Price Survey* (\$MMBtu) Midpoint for Millennium East Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point(s).
- (b) For Gas purchased through the Base-Load option pursuant to Special Condition 2(a), the price shall be equal to *Platts Inside FERC* for Millennium East Pool, plus the imputed variables to deliver the Gas Supply to the Delivery Point(s).
- (c) Notwithstanding the foregoing, if in Buyer's sole discretion operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Base-Load or Daily Call Price stated in this Special Condition C, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate this Transaction Confirmation.

#### **B. Nominations**

For Daily Calls at the Delivery Point(s) purchase pursuant to Special Condition 2, Buyer shall make all nominations for delivery of Daily Call purchases prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nominations shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (i.e., nominated ratably on the Business Day prior to the Holiday).

#### **C. Asset Management Fee**

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the Assets for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$ \_\_\_\_\_, payable in equal monthly installments of \$ \_\_\_\_\_. This payment shall be reflected as a credit to Buyer in Seller's invoice for the applicable Month.

#### **D. Credit Provisions**

**Independent Amount.** In the event Seller (i) has a credit rating at or below BBB- from S&P and/or Baa3 from Moody's, or (ii) is

unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of Cash previously transferred by Seller to National Grid, (ii) the amount of Cash held by National Grid as posted collateral as the result of drawing under any Letter of Credit maintained by Seller for the benefit of National Grid ("Letter of Credit"), and (iii) the undrawn value of each Letter of Credit; provided, however, that the Collateral Requirement for Seller will be deemed to be zero (0) if (i) Seller has a Credit rating of at least BBB- from S&P and/or Baa3 from Moody's, and (ii) no Event of Default with respect to Seller has occurred and is continuing. Seller may provide the Collateral Requirement in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- from S&P and/or Baa3 from Moody's, (b) cash, or (c) a Letter of Credit. The "Collateral Requirement" for National Grid means zero (0).

**Exposure.** shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

**E. Asset Management Arrangement ("AMA")**

It is the intention of the parties to structure this transaction as an AMA as defined by the FERC in Order 712 (as modified and clarified) and in accordance with FERC's rules and regulations. Seller is acting as an Asset Manager as defined in 18 CFR 284.8(h)(3). If it is determined that this transaction does not constitute an AMA, the parties agree to modify the transaction as required while maintaining, to the extent possible, the economics of the transaction.

**F. Changes in Law**

If the FERC, the CFTC, or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, the parties shall negotiate in good faith an amendment to this Transaction Confirmation or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other or either party may terminate this Transaction Confirmation upon Notice to the other party.

<p>Seller:</p> <p>By: _____</p> <p>Name:</p> <p>Title:</p> <p>Date:</p>	<p>Buyer: The Narragansett Electric Company</p> <p>By: _____</p> <p>Name: James G. Holodak, Jr.</p> <p>Title: Vice President</p> <p>Date:</p>
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**Request for Proposals (“RFP”) for  
The Narragansett Electric Company d/b/a National Grid  
Asset Management Arrangement (“AMA”) and Gas Supply  
July 20, 2021**

The Narragansett Electric Company d/b/a National Grid (“Narragansett” or “Buyer”) is seeking proposals (“Proposals”) for an AMA as more fully set forth below. The successful bidder(s) (“Seller”) shall have the right to optimize the assets (“Assets”) subject to satisfying Buyer’s Gas Supply Requirements. **Bidders may bid in increments of 7,500 dth/day and should indicate the maximum volume they would be willing to receive under an AMA.** The maximum delivered quantity of the Assets to be released by Buyer pursuant to an AMA resulting from this RFP is **15,000 dt/day** (“MDQ”).

**Package No. 6 – AMA (Dracut to City Gate)**

**I. Provisions**

**Term:** November 1, 2021 through October 31, 2022.

**Assets:** During the Term, Buyer shall release FT-A capacity Contract No. 349449 with Tennessee Gas Pipeline Company L.L.C. (“TGP”), having primary receipts at Dracut, MA (pin number 412538) and primary deliveries in Zone 6 at the point(s) of interconnection between TGP and Buyer’s facilities in Cranston, RI, (pin number 420750).

The Assets shall be released by Buyer for the entire Term at no cost to Seller. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. All releases shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.

**Delivery Point:** The point of interconnection between TGP and Buyer’s facilities at Cranston, RI.

**Gas Supply Requirements:** On any day during the period of **November 1, 2021 through March 31, 2022**, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the MDQ at the Delivery Point. Subject to satisfaction of these Gas Supply Requirements, Asset Manager shall have the right to optimize the assigned capacity for its own account.

**Price:**

For the first 50 days which Buyer exercises the call option pursuant to Gas Supply Requirements, the Price shall be equal to the price for Tennessee, Zone 6, Delivered North - as published in *Platts Gas Daily Daily Price Survey* for the day of flow, plus the variables to transport Gas to the Delivery Point. After 50 days of call, the Price for each additional exercise of the call option pursuant to Gas Supply Requirements shall be equal to TGP, Zone 6, Delivered North as published in *Platts Gas Daily Daily Price Survey* for the day of flow *plus* \$0.10, plus the variables to transport Gas to the Delivery Point, for each dth of Gas delivered.

Notwithstanding the foregoing, if in ***Buyer's sole discretion*** operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Price stated in a Transaction Confirmation resulting from this RFP, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate a Transaction Confirmation resulting from the RFP.

**Daily Call Nominations:**

Buyer shall make all nominations for delivery of all Gas Supply Requirements prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

Upon execution of a binding Transaction Confirmation, or adequate assurance that the Buyer and Seller intend the transaction be binding by the first date of the Term, Buyer shall arrange for Seller's use and access of the National Grid Electronic Bulletin Board ("EBB"). Seller shall utilize EBB to schedule the supply to the Delivery Point on Tennessee, Buyer's city gate, for confirmation by National Grid's Gas Control. Use of the EBB for other means of requests for confirmation of meter bounce transactions at the Delivery Point or other points of interconnection with Buyer's facilities shall be strictly prohibited.

**Asset Management Fee:**

Subject to satisfying the Gas Supply Requirements associated with the AMA, Seller shall have the right to utilize and optimize the Assets for its own account. In exchange for such right, Seller shall pay Buyer an Asset Management Fee. **As part of their Proposal, Bidders must specify the Asset Management Fee to be paid to Buyer.**

## II. Instructions to Bidders

Any questions in connection with this RFP should be sent via email to the following email address:

[GasRFP@nationalgrid.com](mailto:GasRFP@nationalgrid.com).

All proposals in connection with this RFP should also be sent via email to the email address listed above. Proposals must be submitted by the date specified in the Schedule below. Proposals should include: **(a) Seller's proposed Asset Management Fee and/or Reservation Fee (b) any proposed exceptions to the Transaction Confirmation attached hereto for Package No. 5 (c) whether Bidder requires takes be ratable and (d) whether Seller shall require receipt of any additional internal approvals prior to accepting an award pursuant to this RFP.**

## III. Schedule (all times are Eastern Time)

July 30, 2021                      Proposals must be received by National Grid by **5:00 PM EST. All proposals shall expressly provide that they will remain binding and in effect, without modification, until 5:00 PM on August 6, 2021.**

## IV. Form of Agreement

National Grid will consider proposals only from Bidders who have an executed NAESB Base Contract for Sale and Purchase of Natural Gas or an executed ISDA with a Gas Annex with Buyer. Any transaction entered into as a result of this RFP shall be documented as a transaction under an active NAESB Agreement or ISDA Gas Annex. Please be advised that if the winning Bidder utilizes an ISDA with a Gas Annex, this transaction will be specifically excluded from margining calculation under the Credit Support Annex.

Bidders submitting bids in response to this RFP understand and agree that unless and until a definitive Transaction Confirmation has been executed and delivered, no contract or agreement providing for a transaction between such parties shall be deemed to exist between the parties, and neither party will be under any legal obligation of any kind whatsoever with respect to such transaction by virtue of this or any other written or oral expression of communication. National Grid reserves the right to withdraw or modify this RFP at any time and National Grid shall have the right, in its sole and absolute discretion, to reject any or all Proposals submitted in response to this RFP. The winning bid(s), if any, will be selected based on the proposal(s) that yield(s) the least cost, consistent with concerns for reliability of service and other business factors applied by National Grid in its sole discretion. Potential Sellers shall be subject to satisfactory credit review by National Grid.

## **V. Compliance with National Grid's Supplier Code of Conduct**

At National Grid we are always seeking ways to meet the evolving needs and desires of our customers. We believe that a responsible approach to doing business is fundamental to what we do. In all of our activities we operate within Global Standards of Ethical Conduct. These standards include a commitment to the protection and enhancement of the environment, always seeking ways to minimize the environmental impact of our past, present and future activities and safeguarding our global environment for future generations. Our goal is to comply with regulations, reduce any impact that we may have and proactively seek out opportunities to improve the environment. In furtherance of this goal, National Grid has developed a "Supplier Code of Conduct" which describes our company's values and can be accessed at <https://www.nationalgrid.com/document/83526/download>

We value the business relationships we have with you and we believe that you are an important and central part of our success. This means that we expect you to carry out your business in line with these values. More specifically, we refer you to Section 3 - "Protecting the Environment". This section explains National Grid's expectations with respect to its suppliers. In connection with the purchase of natural gas, we will reject proposals from parties that fail to adhere to these requirements or who knowingly produce or purchase gas that was produced in violation of applicable laws and regulations.

National Grid has worked to establish the Natural Gas Supply Collaborative (NGSC). The NGSC is a voluntary collaborative of natural gas purchasers that are promoting safe and responsible practices for the development of natural gas supply. As a participant in the NGSC, National Grid is committed to encourage our natural gas suppliers and producers to support more robust voluntary reporting and increased transparency on 14 environmental and social performance indicators. The NGSC developed these indicators through a comprehensive stakeholder engagement undertaking including representation from both the environmental and natural gas production community.

As suppliers of natural gas to National Grid, it is our expectation that you will consider reporting on these 14 indicators. Over time, and in consultation with National Grid, we expect reporting on these 14 indicators will be fully embraced and easily identifiable on company web sites and may become a requirement for future business.

Supporting information on the NGSC can be found at the following Web site:  
<http://www.mjbradley.com/NGSC>

**Liz Arangio**  
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**Telephone: 516-545-5463**



**Asset Management Arrangement – Package 6  
 Transaction Confirmation  
 The Narragansett Electric Company (“Narragansett”)**

TRANSACTION CONFIRMATION

Date: \_\_\_\_\_  
 Transaction Confirmation #: \_\_\_\_\_

This Transaction Confirmation was awarded pursuant to Narragansett’s Request for Proposal for Asset Management Arrangements dated July 20, 2021. This Transaction Confirmation is subject to the Base Contract for Sale and Purchase of Natural Gas between Seller and Buyer, dated \_\_\_\_\_ (“Base Contract”). Terms not defined in this Transaction Confirmation shall have the meaning provided in the Base Contract. ***This Transaction Confirmation will not become binding until executed by both parties.***

**SELLER:**

\_\_\_\_\_  
 Attn: \_\_\_\_\_  
 Phone: \_\_\_\_\_  
 Fax: \_\_\_\_\_  
 Base Contract No. \_\_\_\_\_  
 Transporters: \_\_\_\_\_  
 Transporters Contract Number: \_\_\_\_\_  
 Trader: \_\_\_\_\_

**BUYER:**

The Narragansett Electric Company  
 100 East Old County Road  
 Hicksville, New York 11801  
 Attn: Contract Administration  
 Phone: (516) 545-6068  
 Fax: (516) 545-5466  
 Base Contract No. \_\_\_\_\_  
 Transporters: Tennessee Gas Pipeline Company, L.L.C.  
 (“Tennessee”)  
 Trader: Samara Jaffe

**Contract Price:** See Special Conditions Section C Below

**Term:** Begin: November 1, 2021 End: October 31, 2022

**Performance Obligation and Contract Quantity:** See Special Conditions Below

**Delivery Point(s):** The primary points of interconnection between Tennessee and Buyer’s facilities in Tennessee Zone 6 released by Buyer to Seller as part of the Assets

**Special Conditions:**

**A. Definitions**

“Assets” means Buyer’s FT-A Contracts with Tennessee having primary receipts at Dracut, MA (pin number 412538) and primary deliveries in Zone 6 the point(s) of interconnection between Tennessee and Buyer’s facilities in Cranston, RI. The maximum delivered quantity of the Assets is **15,000 dt/day** (“MDQ”).

“Credit Support Provider” means \_\_\_\_\_.

“CFTC” means the Commodity Futures Trading Commission.

“Dekatherm” or “Dth” or “dt” means one (1) MMBtu.

“EBB” means Buyer’s Electronic Bulletin Board utilized for confirmation of Gas.

“FERC” means the Federal Energy Regulatory Commission.

“Letter of Credit” means an irrevocable, non-transferable, standby letter of credit issued by a major U.S. commercial bank, a U.S. branch office of a foreign bank, or U.S. financial institution, in any case with a credit rating of at least “A-” by S&P and “A3” by Moody’s, in a form reasonably acceptable to the Buyer. All costs related to any Letter of Credit shall be for the account of the Seller.

"Moody's" means Moody's Investors Service, Inc. or its successor.

"S&P" means S&P Global Ratings, or its successor.

#### B. Gas Service and Capacity Release

- a. **Release of Assets:** During the Term, Buyer shall release the Assets on a pre-arranged, non-biddable basis, at no cost to Seller. Buyer shall be responsible for the payment of all demand charges related to the Assets. Seller shall be responsible for all variable costs in connection with the Assets during the Term unrelated to deliveries for Buyer. Buyer and Seller each agree to take such actions and execute such documents as may be required to effectuate the release of the Assets from Buyer to Seller. All releases shall be subject to recall in the event that the Seller fails to meet its gas supply obligation to Buyer.
- b. **Daily Call:** On any day during the period of **November 1, 2021 through March 31, 2022**, Buyer shall have the right, but not the obligation, to call on a quantity of Gas up to the MDQ at the Delivery Point(s).
- c. **Termination Option:** If at any time during the Term, Seller fails to deliver Gas required to be delivered hereunder, unless such failure is excused by the Buyer's non-performance or caused by Force Majeure, Buyer shall have the right to terminate this Transaction Confirmation and recall the Assets.

- C. **Price:** For the 50 days which Buyer exercises the call option pursuant to Gas Supply Requirements, the Price shall be equal to the price for Tennessee, Zone 6, Delivered North - as published in *Platts Gas Daily Daily Price Survey* for the day of flow, plus the variables to transport Gas to the Delivery Point. After Buyer has exercised 50 days of call, the Price for each additional exercise of the call option pursuant to Gas Supply Requirements shall be equal to Tennessee, Zone 6, Delivered North as published in *Platts Gas Daily Daily Price Survey* for the day of flow *plus* \$0.10, plus the variables to transport Gas to the Delivery Point, for each dth of Gas delivered.

Notwithstanding the foregoing, if in *Buyer's sole discretion* operational issues on the Assets may preclude Seller from delivering Gas to the Delivery Point at the Price stated in this Special Condition C, then Buyer may direct Seller at the Nominations deadline to deliver a certain percentage of the MDQ at a fair market price for the Delivery Point. If Buyer makes such request for alternative pricing and Seller fails to deliver gas at the alternative pricing requested by Buyer or Buyer and Seller are unable to agree to a fair market price for such deliveries, Seller's failure shall not be excused as a result of a failure of the Assets and Buyer may immediately terminate this Transaction Confirmation.

#### D. Nominations

Buyer shall make all nominations for delivery of all Gas Supply Requirements prior to 10:00 AM, prevailing Eastern Standard Time on the Business Day prior to the Gas Day on which delivery of Gas is requested. Friday nomination shall be for Saturday through Monday (ratably). Holidays are as determined by ICE and shall be treated the same as weekends (*i.e.*, nominated ratably on the Business Day prior to the Holiday).

Buyer shall arrange for Seller's use and access of the EBB. Seller shall utilize the EBB to schedule all Gas purchased pursuant to this AMA to the Delivery Point(s) for confirmation by National Grid's Gas Control. Use of the EBB or other means of requests for confirmation of meter bounce transactions at the Delivery Point or other points of interconnection with Buyer's facilities shall be strictly prohibited.

#### E. Asset Management Fee

Subject to the delivery obligations set forth above, Seller shall have the right to optimize the released capacity for its own account. In exchange for such right, during the Term, Seller shall make a payment to Buyer of \$\_\_\_\_\_, payable in equal monthly installments of \$\_\_\_\_\_. This payment shall be reflected as a credit to Buyer in Seller's invoice for the applicable Month.

#### F. Credit Provisions

**Independent Amount.** In the event Seller (i) has a Credit Rating at or below BBB- from S&P and/or Baa3 from Moody's, or (ii) is unrated, Seller shall provide Buyer with an Independent Amount in the form of either (a) a guaranty from a Credit Support Provider rated at least BBB- by S&P and/or Baa3 by Moody's, (b) cash, or (c) a Letter of Credit, in either case, in an amount equal to 10% of the potential mark to market exposure for the transactions hereunder calculated as a function of price volatilities as well as the notional volume; provided, however, that the potential mark to market exposure shall be zero (0) when Seller's price is set at the Gas Daily Index.

**Collateral Requirement.** The "Collateral Requirement" for Seller means the Exposure (as defined below), minus the sum of (i) the amount of Cash previously transferred by Seller to National Grid, (ii) the amount of Cash held by National Grid as posted collateral as the result of drawing under any Letter of Credit maintained by Seller for the benefit of National Grid ("Letter of Credit"), and (iii) the undrawn value of each Letter of Credit; provided, however, that the Collateral Requirement of Seller will be deemed to be zero

(0) if on the relevant Valuation Date, (i) no Event of Default with respect to Seller or its Credit Support Provider has occurred and is continuing, and (ii) the guaranty provided by Seller is in full force and effect. The "Collateral Requirement" for National Grid means zero (0).

**Exposure.** shall be calculated as the sum of:

- (i) all amounts that have been invoiced, but not yet paid for the transactions under this Transaction Confirmation; plus
- (ii) all amounts that have been accrued, but not yet invoiced for the transactions under this Transaction Confirmation; plus
- (iii) the mark to market amount for each Day remaining in the term for each transaction under this Transaction Confirmation; reduced by
- (iv) the Independent Amount, if any, previously provided by the Seller to the Buyer.

**G. Asset Management Arrangement**

The Parties agree that the transactions hereunder constitute an Asset Management Arrangement, as defined by FERC in Order No. 712 (as modified and clarified) and in accordance with FERC's rules and regulations, and that Seller is acting as Asset Manager as defined in 18 CFR 284.8(h)(3).

**H. Changes in Law**

If the FERC, CFTC or other applicable regulatory body shall implement any change in law, rule, regulation, tariff or practice that is binding on Seller or Buyer and materially and adversely affects such party's ability to perform its obligations hereunder, the parties shall negotiate in good faith an amendment to this Agreement or take other appropriate action the effect of which is to restore each party, as closely as possible, to its same position as prior to such change. If, within sixty (60) Days after the implementation of such change, the parties are unable to agree on such amendment or such other appropriate action, each party will continue to perform its obligations hereunder to the maximum extent possible under the applicable law, rule, regulation, tariff or practice, taking all reasonable steps to mitigate the effect of such change on each other.

Seller:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Buyer: The Narragansett Electric Company

By: \_\_\_\_\_  
Name: James G. Holodak, Jr.  
Title: Vice President  
Date:

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5043  
In Re: Gas Long-Range Resource and Requirements Plan  
for the Forecast Period 2021-22 to 2025-26  
Responses to the Division's Third Set of Data Requests  
Issued on July 9, 2021

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DIV 3-8

Request:

Reference Exhibit 15, pages 1 and 2, and Exhibit 16, pages 1 and 2. Please confirm that the Company does not anticipate acquiring additional resources to meet the anticipated unserved demand for the 2021-2022 design day or winter season. If yes, identify these resources.

Response:

The Company anticipates acquiring additional resources for the winter of 2021-2022:

- Winter Liquid Volumes (LNG): approximately 125,000 Dth. For more information reference Section *IV.C.8. Changes and Proposed Additions to the Company's Resource Portfolio (4)*.
- Incremental Summer Liquid Volumes (LNG): The actual volume will depend on usage during the 2021/22 heating season and will be determined in late-winter.
- Proposed Asset Management Arrangement: a 50-day call for 15,000 Dth per day at Dracut
- Proposed Everett Supply Deal: a 20-day call for 5,000 Dth per day at Everett