May 7, 2014

Ms. Aileen Kenney
Deepwater Wind Block Island Transmission, LLC
56 Exchange Terrace, Suite 101
Providence, Rhode Island 02903

Subject: Application for New Dredging and Transmission Line Installation
New Shoreham, Rhode Island
Water Quality Certificate File Number 12-039
Dredge Permit Application Number DP-12-120

Dear Ms. Kenney:

The Department of Environmental Management ("DEM") has reviewed the above referenced project for compliance with the Rules and Regulations for Dredging and the Management of Dredged Materials, February 2003, amended September 2010 (the "Dredging Regulations") and the State Water Quality Regulations, July 2006, amended December 2010.

Deepwater Wind Block Island Transmission, LLC ("Applicant") has submitted an Environmental Report dated September 24, 2012, amended May 31, 2013 and is entitled "Water Quality Certification, Marine Dredging Applications, and Environmental Report, Volumes I to IV." Deepwater Wind has also submitted a "Water Quality Certification and Marine Dredging Application Modification Request" dated October 17, 2013 to revise the Rhode Island mainland location of the submarine transmission cable.

Project Description

The Applicant proposes to construct the Block Island Transmission System ("BITS" or "Project"), a proposed 34.5-kV AC bi-directional submerged transmission cable that will run approximately 24.1 miles from the substation on Block Island to the proposed Dillon’s Corner Switchyard in Narragansett, Rhode Island and to its interconnection point with the Narragansett Electric Company d/b/a National Grid ("TNPC") distribution system at the Wakefield Substation in South Kingstown, Rhode Island. The BITS would be located within the State of Rhode Island, its territorial waters, and federal waters (approximately 9 miles on the OCS). The BITS would make landfall on Block Island at Crescent Beach adjacent to the Block Island Wind Farm ("BIWF") Export Cable and would be collocated with the BIWF Export Cable within existing road rights-of-way to the Block Island Power Company ("BIPCO") property. The BITS cable route would make landfall on the Rhode Island mainland at the Scarborough State Beach parking lot and would follow an onshore route to a new switchyard located on State owned land in the Town of Narragansett.
The BITS would be installed offshore using a jet plow to minimize sediment resuspension and seafloor disturbance. Installation activities would result in a maximum of 39.64 acres of seafloor disturbance. During operation, bags of sand and/or cement for cable armorng associated with two existing telecommunications cable crossings and areas where the target burial depth may not be achieved would result in up to 1.33 acres of seafloor disturbance. At Scarborough Beach, the BITS cable would be brought ashore using a long-distance Horizontal Directional Drill (“HDD”) that would temporarily disturb up to 2.3 acres of parking areas onshore. The long-distance HDD would require the installation of one temporary cofferdam that would result in dredging and fill of approximately 333 cubic yards of sediment. The onshore BITS facilities will not result in fill or discharge into wetlands and waters of the United States. The BITS would be collocated with the BIWF Export Cable attached to the existing bridge that spans Trims Pond and Harbor Pond on Beach Avenue.

The Project would also include construction of one new substation at the site of an existing power generation facility on BIPCO property (Block Island Substation). The Block Island Substation will provide a point of interconnection for the power from the BIWF and will be the point of interconnection for BITS on Block Island. The Block Island Substation would consist of two adjoining switchyards: one dedicated to the BIWF (BIWF Generation Switchyard) and the other dedicated to the BITS (BITS Island Switchyard). The Project would also include upgrades to the existing substation on the BIPCO property. The BITS would connect to the existing TNEC distribution system on the Rhode Island mainland via a new switchyard located in the Town of Narragansett, Rhode Island.

The modification proposes a BITS cable landfall at Scarborough State Beach and associated terrestrial facilities, referred to as the Scarborough Beach Alternative. The Scarborough Beach Alternative does not change the BITS terrestrial cable route on Block Island or the proposed submarine cable route corridor through state and federal waters up to a point approximately 17.4 miles from the manhole on Block Island. At this point, the proposed Scarborough Beach alternative cable corridor diverges to the west from the route as originally proposed for a distance of approximately 2.4 miles traversing state submerged lands to make landfall at Scarborough State Beach at a manhole in the DEM parking lot. From the manhole in the parking lot, the cable transitions to a buried terrestrial cable that follows Burnside Avenue and Point Judith Road/Route 108 for approximately 3.4 miles to a new switchyard on Rhode Island Department of Transportation property between Point Judith Road/Route 108 and the on-ramp to Route 1 North. The route then continues as a buried cable following Kingstown Road/Route 1 and Tower Hill Road for another 0.9 miles to an interconnection point at the existing Wakefield Substation, in South Kingstown, RI. In total, the Scarborough Beach Alternative will consist of approximately 4.3 miles of terrestrial cable buried entirely within State rights-of-way and/or within maintained portions of the road shoulders.

The Project and associated activities will take place in State waters identified as Rhode Island Sound, Class SA.

Public Comment and Hearings

A 60 Day Public Notice was issued on December 3, 2012. Two Public Hearings were also conducted on April 24, 2013 at the Narragansett Town Hall and on May 8, 2013 at the New Shoreham Town Hall. A third Public Hearing was held on December 11, 2013 at the Narragansett Town Hall for the Scarborough