

January 20, 2022

VIA ELECTRONIC MAIL

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

RE: **Docket 3476 – Gas Service Quality Plan**

Petition to Modify Service Quality Measures in the Gas Service Quality Plan

Responses to Data Requests – PUC Set 1

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company"), attached is the electronic version of the Company's responses to the Public Utilities Commission's First Set of Data Requests in the above-referenced matter.¹

Thank you for your attention to this filing. If you have any questions, please contact me at 401-784-4263.

Sincerely,

Andrew S. Marcaccio

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Enclosures

Docket 3476 Service List cc:

Leo Wold, Esq. Al Mancini, Division

¹ Per a communication from Commission counsel on October 4, 2021, the Company is submitting an electronic version of this filing followed by six (6) hard copies filed with the Clerk within 24 hours of the electronic filing.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

January 20, 2022
Date

Docket No. 3476 – National Grid Gas - Service Quality Plan Service list updated on8/28/2020

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PUC 1-1

Request:

Please explain the rationale for having differing response times for leak calls for business hours and non-business hours. In other words, why is there a longer time to respond during non-business hours.

Response:

Rhode Island emergency response metrics (% responded to within either 30 or 45 minutes) quarterly measurement for both business hours and non-business hours are amongst the industry's best performance. The "business" and "non-business" distinction in response time has been an accepted practice since the New England Gas Company, as such, the Company is staffed to effectively respond to these emergency response metrics while efficiently balancing it's required customer driven non-emergency work as well. The shorter response time during business hours reflects the companies unending focus on ensuring that we respond as soon as possible upon notification of a gas odor. The non-business hours metric of 45 minutes does not imply a degradation in safety as compared to the business hours metric, it reflects the continued premier safety focus while balancing resources efficiently to minimize potentially fielding idle resources, at an added expense to the rate payers.

PUC 1-2

Request:

Please identify any limitations to the National Grid responding during non-business hours?

Response:

The Company does not have any limitations to responding to emergency calls during non-business hours. The Company proactively reviews the emergency call volume on an ongoing basis and adjusts available resources to ensure safe and prompt response. The volume of emergency calls per hour that come in during non-business hours is significantly less than the volume of the calls/hour that come in during normal hours. The Company adjusts the staffing to match that decreased emergency volume.

PUC 1-3

Request:

What is the purpose(s) of the response time?

Response:

The purpose of an emergency response time target is to ensure the safety of the public and property. Having an emergency response time metric helps to ensure that customer safety remains a top priority to both the Company and its regulators and that the focus on emergency response does not degrade because of competing priorities, such as the execution of non-emergency work.

PUC 1-4

Request:

Is one purpose of the response time to lower risk, and if so, is risk correlated with time of day?

Response:

Risk is not specifically correlated with the time of day, but the risk can vary based on many factors, which may result in higher risk during business hours. Risk is influenced by many factors such as weather, infrastructure, customer habits, contractor activity, homeowner activity, severity of the leak, location of the leak, and population in the area at a specific time. For example, many types of construction activity that occur in proximity to natural gas facilities such as road construction and water and sewer work take place primarily during business hours, increasing the risk of damage to the gas system. In addition, the Company notes that the number of odor calls/hour that are received during business hours is notably higher than during nonbusiness hours. For FY2021, the ratio was 5:1 business to-nonbusiness emergency calls/hour. The Company is staffed to be able to respond to this higher volume of emergency calls during these peak business hours times.

PUC 1-5

Request:

If the Commission approves the proposal to change decreasing business hours by 30 minutes, how would National Grid's behavior change?

Response:

The Company requested approval to measure leak call responsiveness for normal business hours using the hours of Monday through Friday 8:00 a.m. to 4:00 p.m. (excluding holidays) and to measure leak call responsiveness for non-business hours using the hours outside of Monday through Friday 8:00 a.m. to 4:00 p.m. (including Saturdays, Sundays, and holidays) to align the reporting measures to National Grid's operational shift schedules for emergency response personnel. Thus, changing the measure will not impact how the Company operates its business. The proposed change aligns reporting criteria to reflect operational shift schedules. National Grid will continue to place the safety of the public first and continue to remain diligent in responding to emergency calls in a timely fashion.

PUC 1-6

Request:

If business hours and non-business hours were not distinguished, how would National Grid's behavior change?

Response:

The Company would continue its behavior of placing the safety of the public first and continue to remain diligent in responding to emergency calls in a timely fashion, which would include striving to meet leak response compliance targets if the structure of the Emergency Response measure changes to no longer distinguish between business hours and non-business hours. National Grid notes that the Company has not had a single safety incident occur as result of the Company failing to respond to a gas leak in a timely fashion. However, if the structure of the measure and/or response time targets change, the Company would need to evaluate the impact on total staffing, staffing by shift, and the associated potential cost impacts. Since much of the Company's historical leak response compliance tracking was recorded on manual paper logs, the analysis of those response times would require a manual review process which would take significant time to complete. If such a change was being pursued further, the Company believes the most appropriate time to consider such changes would be as part of the Company's next base rate case so that any potential cost impacts could be incorporated into the Company's cost of service.

Issued on January 10, 2022

PUC 1-7

Request:

Because National Grid is requesting to shorten its business hours that it will afford it an extra thirty minutes a day to respond to a leak call in 45 minutes instead of 30 minutes, should there be a corresponding change to the metric or penalty?

Response:

There is no need for a corresponding change to the metric or penalty.

The Company first proposed changing the end of the business day from 16:30 to 16:00 in the Fiscal 2020 Annual Report (issued August 6, 2021). Using actual performance data for the prior 36-months (July 2017 – June 2020), there was only a 0.02% difference in the Mean and the Penalty Thresholds would have remained the same for After Business Hours based on a Normal Business day ending at 16:00 or 16:30. As the chart below shows, the Company has now updated that analysis with actual performance data from July 2018 – June 2021 and the Benchmarks (Means) remain closely aligned at 96.57% and 96.70%. Additionally, the resulting penalty thresholds of 94.90% and 93.16% include extremely high performance levels during the height of the COVID-19 Pandemic (March 2020 – October 2020) that would be very challenging to repeat in future years.

Based on Actual Performance for 36-months July 2017 - June 2020	Benchmark (Mean) FY 2021	Standard Deviation (+/-)	Penalty Threshold
Safety - Leak Call Response: Normal Business Hours: M-F 8:00-16:00 (excluding holidays)			
After Business Hours-45 min or less	96.14%	1.66%	94.48%
Normal Business Hours: M-F 8:00-16:30 (excluding holidays)			
After Business Hours-45 min or less	96.12%	1.64%	94.48%
Based on Actual Performance for 36-months July 2018 - June 2021	Benchmark (Mean)	Standard Deviation	Penalty
July 2010 - Julie 2021	FY 2022	(+/-)	Threshold
Safety - Leak Call Response: Normal Business Hours: M-F 8:00-16:00 (excluding holidays)	FY 2022	(+/-)	I hreshold
Safety - Leak Call Response:	FY 2022 96.57%	1.67%	94.90%
Safety - Leak Call Response: Normal Business Hours: M-F 8:00-16:00 (excluding holidays)		, ,	

PUC 1-8

Request:

Regarding the proposal for a fixed mean and penalty threshold for the service measure for oncycle meter reads, what has changed or occurred to justify this change?

Response:

National Grid is proposing the change to the fixed mean and penalty threshold for the service measure for on-cycle meter reads because of continuing improvement in performance year-over-year due to improvements in our processes, technology and favorable weather conditions. These improvements have resulted in benchmarks that have increased continuously and now have reached a level that leaves little margin for small performance variations that may arise because of weather or other circumstances that are beyond the Company's control, such as staffing impacts because of the ongoing COVID-19 pandemic.

Specifically, the Company has achieved high performance for on-cycle meter reads with minimal monthly variations for the past three years. Under its current calculation method, the Company believes this metric has also reached its maturity level. The 36-month average (mean) performance for this metric was 98.76% with a standard deviation of 0.22%, which, under the existing calculation methods, results in a fiscal year 2022 penalty threshold of 98.54%.

Although the 36-month mean of 98.54% and low standard deviation of 0.22% reflects a high level of performance for customers, which is due in part to improved processes and technology investments, it is also a result of favorable weather conditions. Thus, the standard deviation of 0.22% and resulting penalty threshold of 98.54% does not allow for a realistic multi-day (five-day) weather event or other event in which two days of meter reads would be missed.

When calculating a proposed fixed mean and penalty threshold, the Company factored such a weather event into the 36-month average by deducting 29,319 meter reads from January 2020 (two days of missed meter reads). The result would be a mean of 98.47%, a standard deviation of 1.65% and a penalty threshold of 96.82%, which the Company considers to be a high-performance standard for customers but also allows for a realistic temporary performance variation. Therefore, the Company requests a fixed mean of 98.47%, a standard deviation of 1.65%, and a penalty threshold of 96.82%.