

December 17, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4237 - Commission Investigation relating to Stray and Contact Voltage Occurring in Narragansett Electric Company Territories
Request for Proposals (“RFP”) Results

Dear Ms. Massaro:

On behalf National Grid¹, I have enclosed ten (10) copies of the Company’s report of the results of the Company’s recent RFP relative to the newly approved Contact Voltage Program. In its order approving this program, the Commission directed the Company to issue an RFP to obtain pricing for surveying 40 percent of the designated contact voltage areas in the first year and 20 percent in subsequent years and, alternatively, for surveying all of the designated contact voltage areas in the first year and 20 percent in subsequent years. Accordingly, the Company is submitting a summary of the RFP results and its recommendation with respect to the surveying schedule to be adopted.

Please be advised that, pursuant to Commission Rule 1.2(g) and by R.I.G.L. § 38-2-2(5)(i)(B), the Company is seeking protective treatment for RFP responses and pricing information contained in the Company’s report. The Company is therefore submitting herewith a Motion for Protective Treatment along with one (1) copy of the report that includes the confidential RFP responses and the pricing information to the Commission pending a determination on the Company’s Motion.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosure

cc: Docket 4237 Service List
Steve Scialabba
Leo Wold, Esq.

¹ The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”).

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

**COMMISSION INVESTIGATION
RELATING TO STRAY AND
CONTACT VOLTAGE OCCURRING
IN NARRAGANSETT ELECTRIC
COMPANY
TERRITORIES**

DOCKET NO. 4237

**NATIONAL GRID'S REQUEST
FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid¹ hereby requests that the Rhode Island Public Utilities Commission (“Commission”) provide confidential treatment and grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.2(g) and R.I.G.L. § 38-2-2(4)(i)(B). National Grid also hereby requests that, pending entry of that finding, the Commission preliminarily grant National Grid’s request for confidential treatment pursuant to Rule 1.2 (g)(2).

I. BACKGROUND

In compliance with the Commission’s order in this matter, on December 17, 2012, National Grid filed with the Commission its report of the results of its Contact Voltage RFP including its recommendation with respect to the appropriate contact voltage surveying schedule. This filing included the bid prices and the actual RFP responses that

¹ The Narragansett Electric Company d/b/a National Grid (“National Grid or “the Company”).

the Company had received regarding mobile testing services and for which National Grid is requesting confidential treatment.

II. LEGAL STANDARD

The Commission's Rule 1.2(g) provides that access to public records shall be granted in accordance with the Access to Public Records Act ("APRA"), R.I.G.L. §38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I.G.L. §38-2-2(4). Therefore, to the extent that information provided to the Commission falls within one of the designated exceptions to the public records law, the Commission has the authority under the terms of APRA to deem such information to be confidential and to protect that information from public disclosure.

In that regard, R.I.G.L. §38-2-2(4)(i)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where disclosure of information would be likely either (1) to impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. Providence Journal Company v. Convention Center Authority, 774 A.2d 40 (R.I.2001).

The first prong of the test is satisfied when information is voluntarily 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.

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

II. BASIS FOR CONFIDENTIALITY

The Company seeks protective treatment for the bid prices and RFP responses that it is submitting. The pricing and the other information contained in the RFP responses are proprietary and confidential to the parties that have submitted those responses as well as to the Company. This is not the type of information that the Company would ordinarily share with others and if it were made public it would cause substantial harm to the competitive position of the person from whom the information was obtained. Moreover, it would interfere with the Company's ability to obtain competitive pricing for services in the future.

III. CONCLUSION

The Company respectfully requests that the Commission grant its Motion for Protective Treatment as stated herein.

Respectfully submitted,

NATIONAL GRID

By its attorney,



Thomas R. Teehan, Esq. (RI Bar #4698)
National Grid
280 Melrose Street
Providence, RI 02907
(401) 784-7667

Dated: December 17, 2012

National Grid

The Narragansett Electric Company

**Rhode Island
Electric Contact Voltage
Program**

**Request for Proposal
Compliance Filing**

(Redacted)

December 17, 2012

R.I.P.U.C. Docket No. 4237

Submitted to:
Rhode Island Public Utilities Commission

Submitted by:

nationalgrid

1. Introduction and Summary

On November 9, 2012, the Rhode Island Public Utilities Commission (“Commission”) issued its written Order in this proceeding, approving the proposed Designated Contact Voltage Program, which was submitted by The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”) in compliance with R.I.G.L. §39-2-25. (R.I.P.U.C Docket No. 4237, Order No. 20871) In that Order, the Commission approved the Company’s Request For Proposal (“RFP”) for mobile testing of designated contact voltage areas, with two modifications. First the Commission directed the Company to amend and re-issue the RFP directing that, in addition to the survey schedule for designated contact voltage areas of 40 percent in the first year and 20 percent in subsequent years as referenced in R.I.G.L. §39-2-25, bidders also provide an alternative price for surveying all of the designated contact voltage areas in the state in the first year.¹ (Order at 25, 31) In addition, the Commission adopted the recommendation of the Division of Public Utilities & Carriers (“Division”) that if a bidder did not participate in the RFP pilot program designed to assist in choosing a vendor to provide mobile testing technology and associated equipment, that bidder was to be disqualified from the RFP process. (Order at 29-30).

On November 26, 2012 the Company reissued the amended RFP. On December 4, 2012, the Company conducted a bidder’s conference call with two potential vendors, Power Survey Company (“Power Survey”) and Premier Utility Services, LLC (“Premier”). On the call, the Company provided a high level description of the pilot program. Specifically, the Company

¹ The Commission also accepted the Company’s proposal to survey its street lights on a three-year cycle. (Order at 26)

indicated that it would conduct the pilot for both vendors over a designated route covering a maximum of 20 miles in areas that included a significant number and type of underground and street lighting assets. The Company stated that it would have underground crews on standby, as well as inspectors to guard any fault or area discovered during the pilot program until it could be made safe. Police details were coordinated with the City of Providence to control traffic and to safely perform the pilot program. A coin toss would be used to determine the vendor order with the first vendor beginning to survey and test the designated route at 8:00 p.m. and the second vendor beginning at 10:00 p.m. Each vendor was to be escorted by National Grid employees to ensure that the identical route was taken and to observe utilized ground lengths², recorded hits, and voltage levels. Company employees would then verify all voltage readings and provide resources to correct or make safe, or guard any public safety hazard that was discovered.

On the December 4th bidders' conference call, both bidders expressed concern over being able to complete the assigned route, and the Company discussed the possibility of shortening the route identically for both vendors if it became apparent the route would not be able to be completed. Power Survey again stated its objections to conducting a pilot, but did not offer any suggestions to change the pilot, either in design, length or controls to be taken. The Company acknowledged that while it could not force any vendor to participate in the pilot program, it encouraged Power Survey to take part in the pilot. Furthermore, the results from the pilot would be used along with other components provided in the bid, such as pricing, to select a vendor. The Company also informed Power Survey that, pursuant to the Commission's

² The length of the ground lead can impact the observed voltage reading. In general ground leads should be as short as possible to obtain accurate voltage measurements.

directives, a failure to participate in the pilot program would result in disqualifying Power Survey from the RFP process. Power Survey indicated that it would post its decision regarding whether it would participate in the pilot program in the Company's Ariba procurement system site by the end of that week, Friday, December 7. On December 10, Power Survey provided an email to the Company stating that it would not participate in the pilot program. The pilot program, which as noted above was designed to assist in selecting a mobile testing vendor and equipment, was conducted by the Company on December 11, 2012. Only Premier participated in the pilot program. Bid prices and responses to the RFP were submitted by both Power Survey and Premier to the Company on December 14, 2012.

As discussed in more detail below, based on the RFP and pilot program the Company proposes to utilize Premier for the mobile surveying and testing of its designated contact voltage areas and facilities in Rhode Island.

2. RFP Pilot Program

As noted above, only Premier participated in the Company's December 11, 2012 pilot program. Premier personnel met with Company representatives at 7:00 p.m. at the Company's office on Melrose Street. A tailboard conference was held with Premier and National Grid personnel to review safety precautions and the logistics of the survey.

Beginning at approximately 7:45 p.m. and lasting until approximately 3:00 a.m. on December 12, the Company conducted its pilot program over a designated route in selected areas of Providence. The pilot program route included designated contact voltage areas and facilities in the Downtown, Federal Hill, and College Hill areas of Providence. The route was shortened

to address time constraints, covered approximately 12 miles, and included a significant number and type of underground and street lighting assets in those areas. The Company had underground crews on standby, as well as inspectors to guard any fault or area discovered during the pilot program until it could be made safe. Premier was escorted by National Grid employees in order to ensure that the appropriate route was taken and to observe utilized ground lengths, recorded hits, and voltage levels. Company employees verified all voltage readings and provided resources to correct or make safe, or guard any public safety hazard that was discovered.

During the over seven hours of testing, Premier registered several hundred potential hits, which required stopping the test vehicle and manually testing all utility and third-party metallic objects within a 30 foot radius. All of these hits, except for two, were false positives mainly attributable to traffic signals and third-party lighting. These false positives posed no threat or hazard to the public. In particular, it was observed by Premier and Company personnel that the traffic signal hits were attributed to the design of the type of traffic signal utilized in Providence at intersections. Specifically, the wires in the neck of the traffic signal approximately 20 feet in the air were picked up by Premier's technology as a potential hit. Here again, these posed no hazard to the public.

The testing identified two elevated voltage readings above one volt, which were examined and addressed by Company personnel. The first was a city street light, which registered a reading of 120 volts. Company personnel responded to this location and removed the fuse to the streetlight to make the area safe, and subsequently notified the city. A second reading of 1.9

volts was registered at a separate location. Company personnel again responded to this location and were able during testing to establish a shorter ground lead that registered a reading of approximately 0.5 volts, which required no further action.

3. RFP Pricing and Response

As directed, the Company sought bids for two alternative pricing options in the amended RFP. Pricing Option A requested that vendors provide a bid price for the mobile surveying and testing of all designated contact voltage areas in the first year and a separate bid price for the surveying and testing of at least 20 percent of the designated contact voltage areas over each of the next three years. Pricing Option B requested that vendors provide a bid price for the mobile surveying and testing of at least 40 percent of the designated contact voltage areas in the first year and at least 20 percent of the designated contact voltage areas over each of the next three years. Responses to each of these pricing options by Premier and Power Survey are set forth in the charts below:

PRICING OPTION A

BIDDER	YEAR 1 (100%)	YEAR 2 (20%)	YEAR 3 (20%)	YEAR 4 (20%)
Premier	████	████	████	████
Power Survey	████	████	████	████

PRICING OPTION B

BIDDER	YEAR 1 (40%)	YEAR 2 (20%)	YEAR 3 (20%)	YEAR 4 (20%)
Premier	████	████	████	████
Power Survey	████	████	████	████

A copy of Power Survey’s and Premier’s bid responses to the amended RFP, including the pricing sheets, is attached as Appendix 1a-Power Survey LLC (Confidential) and Appendix 1b-Premier (Confidential).

4. Recommendations

As only one vendor participated in the pilot, the Company was not able to perform a direct comparison of the results of the mobile survey equipment and vendor performance. While there is no way to assess what another technology might have gotten for results, the Company was satisfied with the performance of the vendor that did participate in the pilot. Given Power Survey’s decision not to participate, the Commission’s directive for disqualification, and the results of the bids themselves, which show a savings by using Premier, the Company proposes to award the RFP contract for mobile surveying and testing of its designated contact voltage areas in Rhode Island to Premier.³

³ Since the Commission’s Order, the Company took note that Rochester Gas and Electric Company in New York has also utilized Premier for its mobile surveying and testing.

In addition, the Company would further recommend that the Commission adopt a survey and testing schedule of completing all (100 percent) of the designated contact voltage areas in the first year and 20 percent for each year thereafter. As shown in Appendix 1b-Premier (Confidential), Premier's bid price for surveying and testing all of the designated contact voltage areas in Rhode Island in the first year is not significantly greater than its price for completing 40 percent in the first year.