

February 24, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4306 - National Grid's Proposed FY 2013 Gas Infrastructure, Safety, and Reliability Plan
Supplemental Response to Division 2-1

Dear Ms. Massaro:

On January 31, 2012, National Grid¹ filed with the Commission a copy of Responses to Division Data Requests (in bound version) containing the Company's responses to Division Data Requests that were made prior to the filing of the Company's FY 2013 Gas ISR Plan.

The Company is enclosing ten (10) copies of a supplemental response to Division Data Request 2-1 from that group of data requests.

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: Steve Scialabba
Leo Wold, Esq.

¹ The Narragansett Electric Company d/b/a National Grid ("Company").

Division 2-1 (Supplemental)

Request:

Please provide a breakdown of the drivers of the increase in capital leak repair spending.

Response:

In its December 12, 2011 response to Division 2-1 the Company estimated that it would have the results of a review of capital leak spend completed by January 2012. The initial review of spending in this category of work is complete, and a more detailed manual analysis is underway to identify and complete the necessary transfers to ensure that dollars currently recorded in the leak repair spending category, but associated with other ISR spending categories are assigned and transferred to the proper categories. The Company revises its estimated completion date for this work to coincide with the Q4 Gas ISR Report. The Q4 report will reflect adjustments made and will also identify the drivers for any increase in capital leak repair costs.

In addition, during its initial review of all spending in the Mandated Programs category, which contains the leak repair spending, the Company identified some charges in the meter change sub-category that may not be appropriate to include for recovery through the ISR plan, because they may be associated with growth work performed by Customer Meter Services technicians. Coincident with the manual review of the leak repair spending, the Company will also perform a manual review of the meter change spending sub-category to ensure only non-growth capital spend has been reported as per the FY 2012 ISR Gas Proposal, and perform any necessary transfers to also coincide with the Q4 Gas ISR Report filing.