

March 26, 2014

**BY HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02889

**RE: Docket 4473 - National Grid's Proposed FY 2015 Electric Infrastructure, Safety, and Reliability Plan**  
**Responses to Record Requests**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (the "Company"), I have enclosed the Company's responses to the seven record requests issued at the Rhode Island Public Utilities Commission's Evidentiary Hearing that was held on March 18, 2014 in the above-referenced matter.

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

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 4473 Service List  
Steve Scialabba  
Leo Wold, Esq.  
James Lanni  
Greg Booth, Division Consultant

Record Request 1

Request:

Please provide the SAIDI and SAIFI targets in Massachusetts.

Response:

Massachusetts has separate SAIFI and SAIDI targets for Massachusetts Electric Company and Nantucket Electric Company. The existing targets were established based on performance from 1996 to 2005 and went into effect in 2007. The Company has submitted new targets in the 2012 Massachusetts Service Quality Results (Dockets D.P.U. 13-SQ-11 and D.P.U. 13-SQ-12), which are pending approval by the Massachusetts Department of Public Utilities (the “Department”). The Company submitted the new targets pursuant to the Department’s order in D.P.U. 04-116-C, and the targets are based on average performance from 2002 to 2011. Both the existing and proposed targets are shown in the table below:

	<b>Existing SAIFI Target</b>	<b>Existing SAIDI Target</b>	<b>Proposed SAIFI Target</b>	<b>Proposed SAIDI Target</b>
<b>Massachusetts Electric</b>	1.431	153.98	1.449	190.86
<b>Nantucket Electric</b>	0.678	39.00	0.603	48.65

Record Request 2

Request:

Assuming level funding, what age will National Grid's RI electric assets be in 10 years and 20 years, respectively?

Response:

As discussed at the Hearing on March 18, 2014, while the Company does not currently have this information, the Company can perform the analysis required to answer this question for major equipment categories. The Company will include this analysis in its FY16 Electric ISR ("FY16 ISR") filing.

Due to the fact that there are numerous types of assets that can be considered (i.e., poles, conductor, cable, distribution transformers, power transformers, breakers, batteries, metalclad switchgear, switches, etc.), the Company will engage in a more detailed discussion with the Division and its consultant regarding which specific assets and assumptions the Company should use in the analysis. The Company will provide a straw proposal for the analysis approach and initial results using this approach for several types of key assets (such as poles, distribution transformers and metalclad switchgear) for the August 2014 meeting with the Division on the FY16 ISR Plan. The Company will then finalize the assets and assumptions it will include in the analysis before it includes the full analysis in the FY16 ISR.

Record Request 3

Request:

With regard to police detail related to vegetation management, please discuss which communities have presented more of a challenge and those who have been more willing to work with the Company to negotiate when police detail is required and under what conditions.

Response:

At this time the Company has arrangements with the towns of Burrillville, Cumberland, Warren and Bristol relative to the requirements for police details for vegetation management activities. The towns of Burrillville and Cumberland have flagging allowances instead of police details. National Grid and the towns of Warren and Bristol have worked together to ensure there is a clear understanding on where and when police details are appropriate.

We plan to perform an internal review of police protection requirements for gas crews, electric crews and vegetation management crews across all towns to determine best practices. We want to ensure we have a consistent approach across all disciplines that appropriately addresses public and employee safety.

Record Request 4

Request:

Please compare the police detail costs as a percentage of total costs in MA and NY with those in RI.

Response:

In Rhode Island, police and flagging costs were 5.6% of the Company's budget in fiscal year 2012 and 9.3% in fiscal year 2013. The Company is estimating 9.4% in fiscal year 2014. In Massachusetts, police costs were 14.6% of the Company's budget in fiscal year 2012 and 16.1% in fiscal year 2013. The Company is estimating 14.5% in fiscal year 2014. Police details are not required in New York. The Company does use flaggers when necessary for public and employee safety, but does not track these costs separately.

Record Request 5

Request:

Please indicate the third-party attachment fees that were included in base rates and the amount of third party attachment fees charged in 2013.

Response:

The third-party attachment fees included in base rates total \$850,000. In addition, 50% of all third-party attachment fees greater than \$850,000 annually are returned to customers through a credit to the Company's Storm Contingency Fund pursuant to the Distribution Rate Plan Second Amended Stipulation and Agreement approved in Docket No. 3617. Please see Attachment RR-5 for a copy of the Company's 2012 Annual Storm Contingency Fund Report filed on April 1, 2013.

The total amount of third-party attachment fees in 2013 was \$2,249,094.



Jennifer Brooks Hutchinson  
Senior Counsel

April 1, 2013

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 2509 – Storm Contingency Fund  
Annual Storm Fund Report for 2012**

Dear Ms. Massaro:

In accordance with Commission Order No. 15360 (August 19, 1997) and paragraph 4(a) of the Joint Proposal and Settlement In Lieu of Comments Submitted by The Narragansett Electric Company and The Division of Public Utilities and Carriers (the "Settlement"), approved by the Commission in Docket 2509, I enclose ten (10) copies of National Grid's<sup>1</sup> Storm Fund Report for calendar year ("CY") 2012.

Please note that the Storm Fund Report for CY 2012 covers Storm Fund activity for the period of January 1, 2012 through October 31, 2012. Because the Company recently implemented a new Enterprise Resource Planning (ERP) system, certain financial information for the calendar months of November and December 2012, which would ordinarily be included in the annual Storm Fund Report, are not currently available in sufficient detail required for the Storm Fund Report for CY 2012. When this information becomes available, the Company will update the Storm Fund Report accordingly.

Thank you for your attention to this transmittal. If you have any questions, please contact me at (401) 784-7288.

Very truly yours,

A handwritten signature in black ink that reads "Jennifer Brooks Hutchinson".

Jennifer Brooks Hutchinson

Enclosures

cc: Leo Wold, Esq.  
Steve Scialabba, RI Division  
John Bell, RI Division

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<sup>1</sup> Filed on behalf of The Narragansett Electric Company d/b/a National Grid (referred to herein as "National Grid" or the "Company").

**The Narragansett Electric Company**  
d/b/a National Grid  
Storm Fund Report for Calendar Year 2012

April 1, 2013

**The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report - Calendar Year 2012**

In compliance with the Rhode Island Public Utilities Commission (“Commission”) order in Docket No. 2509 regarding Storm Funds, The Narragansett Electric Company (“Company” or “National Grid”) submits the following annual Storm Fund Report.

Annual Escalation of the Storm Fund Threshold

The new Storm Fund Threshold, calculated on Attachment 1 of this report, is **\$796,000**, an increase of **1.87%** compared with the previous threshold of **\$781,000**. This increase reflects the percentage change in the Seasonally Adjusted Consumer Price Index for All Urban Consumers (CPI-U) for the month of December 2012 as compared to the preceding year.

Annual Change in the Storm Fund Interest Rate

The interest rate to be applied to the Storm Fund for the period March 1, 2012 through February 28, 2013 is based upon the average of the monthly rates for the twelve-month period ended December 31, 2011 for 10-year Constant Maturity Treasury Bonds as reported by the Federal Reserve Board. As filed with the Commission on January 9, 2012, this average rate for the twelve-month period ended December 31, 2011 is **2.78%**.

Incremental Attachment Fee Revenue

Pursuant to the Distribution Rate Plan Second Amended Stipulation and Settlement approved in Docket No. 3617, 50 percent of all revenue received from attachment and other telecommunication company fees for use of distribution plant in excess of \$850,000 annually is to be credited to the Company’s Storm Fund. In December 2012, **\$435,761** was credited to the Storm Fund pursuant to this provision.

Annual Report of Storm Fund Activity

Attachment 2 reflects a preliminary report of the annual Storm Fund activity, pending final accounting of storm costs incurred during the calendar year period. This report shows the

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Page 2 of 2

Annual Report of Storm Fund Activity (continued)

opening balance of the Storm Fund, monthly contributions, monthly interest applied, preliminary charges and/or credits, other entries to the Storm Fund, and the closing balance of the Storm Fund.

Attachment 3 represents the monthly detail of the preliminary storm-related charges applied to the Storm Fund during calendar year 2012 by individual storm event. Details of the costs related to these qualifying Storm Fund storm events are provided in Attachments 4 through 8, as listed below.

Attachment 4: Storm Event – August 2011

Attachment 5: Storm Event – October 2011

Attachment 6: Storm Event – January 2012

Attachment 7: Storm Event – July 2012

Attachment 8: Storm Event – October 2012

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Threshold  
R.I.P.U.C. Docket No. 2509  
Attachment 1

**The Narragansett Electric Company**  
**d/b/a National Grid**  
Annual Escalation of Storm Fund Threshold

Line No.	Description	Amount (a)
1	2012 Annual Storm Fund Threshold	\$ 781,000
2	Times Change in Consumer Price Index	1.87%
3	Additional Storm Fund Threshold	\$ 14,605
4	Actual Annual Storm Threshold for 2013	\$ 795,605
5	Proposed Annual Storm Fund Threshold for 2013	\$ 796,000

Line Notes:

- 1 Annual Threshold based on the Distribution Rate Plan Second Amended Stipulation and Settlement dated October 15, 2004
- 2 Consumer Price Index, Seasonally Adjusted, as shown below:

	Index	Percent Change
All Urban Consumers - Base Period 1982-84=100 @ 12/01/11	226.7	
All Urban Consumers - Base Period 1982-84=100 @ 12/01/12	231.0	1.87%

- 3 Line 1 times Line 2
- 4 Line 1 plus Line 3
- 5 Line 4 rounded to the nearest thousand

**The Narragansett Electric Company**  
**d/b/a National Grid**  
Annual Report of Storm Fund Activity  
For the Ten Months Ended October 31, 2012

Line No.	Month	Beginning Balance (a)	Monthly Contribution (b)	Monthly Interest (c)	Storm Charges 1/ (d)	Adjustments (e)	Ending Balance (f)
1	January-12	\$ (4,611,409)	\$ -	\$ (12,374)	\$ (1,180,171)	\$ -	\$ (5,803,954)
2	February-12	(5,803,954)	-	(15,574)	(1,856,609)	-	(7,676,138)
3	March-12	(7,676,138)	-	(17,783)	(1,240,628)	-	(8,934,549)
4	April-12	(8,934,549)	-	(20,698)	(155,570)	-	(9,110,818)
5	May-12	(9,110,818)	-	(21,107)	(238,432)	-	(9,370,356)
6	June-12	(9,370,356)	-	(21,708)	-	-	(9,392,064)
7	July-12	(9,392,064)	-	(21,758)	(55,413)	-	(9,469,235)
8	August-12	(9,469,235)	-	(21,937)	(142,237)	-	(9,633,410)
9	September-12	(9,633,410)	-	(22,317)	(257,289)	-	(9,913,017)
10	October-12	(9,913,017)	-	(22,965)	(96,919)	-	(10,032,901)
11	Ten Months Ended 10/31/12	\$ (4,611,409)	\$ -	\$ (198,222)	\$ (5,223,270)	\$ -	\$ (10,032,901)

1/ See Attachment 3 (Represents preliminary costs for the Ten Months Ended October 31, 2012)

**The Narragansett Electric Company**  
**d/b/a National Grid**  
Storm Fund Charges  
For the Ten Months Ended October 31, 2012

Line No.	Month	Aug-2011 Storm Event (a)	Oct-2011 Storm Event (b)	Jan-2012 Storm Event (c)	Jul-2012 Storm Event (d)	Oct-2012 Storm Event (e)	Total (f)
1	January-12	\$ (1,151,036)	\$ (29,135)	\$ -	\$ -	\$ -	\$ (1,180,171)
2	February-12	(1,428,865)	(123,094)	(304,651)			(1,856,609)
3	March-12	(1,117,742)	(9,414)	(113,472)			(1,240,628)
4	April-12	(56,423)	(719)	(98,428)			(155,570)
5	May-12	(238,115)	(154)	(164)			(238,432)
6	June-12						-
7	July-12	(38,151)	(17,262)				(55,413)
8	August-12	(6,443)			(135,794)		(142,237)
9	September-12				(257,289)		(257,289)
10	October-12	(273)			(\$96,646)		(96,919)
11	Ten Months Ended 10/31/12	\$ (4,037,046)	\$ (179,778)	\$ (516,715)	\$ (489,730)	\$ -	\$ (5,223,270)

Column Notes:

- (a) Represents preliminary costs associated with Tropical Storm Irene
- (b) Represents preliminary costs associated with the October 2011 snow storm
- (c) Represents preliminary costs associated with the January 2012 snow storm
- (d) Represents preliminary costs associated with the July 2012 lightning storm
- (e) Represents preliminary costs associated with Hurricane Sandy

**The Narragansett Electric Company**  
d/b/a National Grid  
**August 28, 2011 Storm Total O&M Restoration Costs**  
**Summary of Normal and Incremental Costs**

Line No.	Description	Total Restoration Costs (a)	Normal Costs (b)	Incremental Costs 1/ (c)
1	Payroll charges excluding payroll overheads for Narragansett employees	\$ 107,060	\$ (15,969)	\$ 123,029
2	Charges for transportation on Narragansett vehicles	23,322	23,322	-
3	Charges from outside companies	3,917,498	-	3,917,498
4	Charges for materials and supplies 2/	35,629	5,304	30,326
5	Charges for employee expenses	(44,469)	-	(44,469)
6	Charges for other	<u>10,663</u>	<u>-</u>	<u>10,663</u>
7	Total	<u>\$ 4,049,703</u>	<u>\$ 12,657</u>	<u>\$ 4,037,046</u>
8	Less Deductible			<u>                    </u>
9	Amount Charged to Storm Contingency Fund			<u>\$ 4,037,046</u>

1/ Incremental costs are defined as the costs which Narragansett incurred as a direct result of the storm which were over and above Narragansett's normal cost of doing business.

2/ Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Attachment 4  
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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Incremental Costs associated with Storm of August 28, 2011**

Line No.	Outside Companies	Jan-2012 (a)	Feb-2012 (b)	Mar-2012 (c)	Apr-2012 (d)	May-2012 (e)	Jul-2012 (f)	Aug-2012 (g)	Oct-2012 (h)	Amount (i)
1	Aggreko Inc	\$ -	\$ 15,994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,994
2	Asplundh Tree Expert Co	28,271				13,877				42,148
3	Carolina Pole		26,127							26,127
4	Clough Harbour & Associates LLP	72,947								72,947
5	Comfort Inn Airport		38,132							38,132
6	Corporate Chefs Inc		63,165							63,165
7	D&D Power Inc			11,757						11,757
8	Dunkin' Donuts Center Providence						36,271			36,271
9	Emera Utility Services Inc		644,443	135,358						779,801
10	Grays Power Supply			13,033						13,033
11	Hsbc Corporate Card Services		22,633							22,633
12	I B Abel Inc			105,884						105,884
13	M J Electric LLC	840,307	457,458							1,297,765
14	MTV Solutions Inc			15,294						15,294
15	N G Gilbert Corporation			91,580						91,580
16	New Hampshire Electric Cooperative				56,423					56,423
17	O'Donnell Line & Electrical Ltd			80,784						80,784
18	Orlando Utilities Commission					223,834				223,834
19	Performance Consulting Group LLC			38,867						38,867
20	Pike Electric Inc			76,757						76,757
21	Premier Utility Services LLC	151,997								151,997
22	Pro Unlimited Inc		43,583							43,583
23	Saic Energy Environment	12,527								12,527
24	Securitas Security Systems Usa Inc	14,829								14,829
25	Sumter Utilities Inc			227,143						227,143
26	Thirau LLC		110,102							110,102
27	Twin River			200,279						200,279
28	Items under \$10,000	30,108	3,134	5,601		403	1,880	6,443	272.81	47,843
29	Subtotal Outside Companies	\$ 1,150,986	\$ 1,424,770	\$ 1,002,337	\$ 56,423	\$ 238,115	\$ 38,151	\$ 6,443	\$ 273	\$ 3,917,498
30	Incremental Company Payroll			123,029						123,029
31	Incremental Materials & Supplies		3,783	26,542						30,326
31	Incremental Employee Expenses	50		(44,519)						(44,469)
32	Other		311	10,352						10,663
33	Total Incremental Costs	\$ 1,151,036	\$ 1,428,865	\$ 1,117,742	\$ 56,423	\$ 238,115	\$ 38,151	\$ 6,443	\$ 273	\$ 4,037,046
34	Less Deductible									-
35	Amount Charged to Storm Contingency Fund	\$ 1,151,036	\$ 1,428,865	\$ 1,117,742	\$ 56,423	\$ 238,115	\$ 38,151	\$ 6,443	\$ 273	\$ 4,037,046

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Attachment 5  
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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**October 29, 2011 Storm Total O&M Restoration Costs**  
**Summary of Normal and Incremental Costs**

Line No.	Description	Total Restoration Costs (a)	Normal Costs (b)	Incremental Costs 1/ (c)
1	Payroll charges excluding payroll overheads for Narragansett employees	\$ 40,269	\$ 7,436	\$ 32,833
2	Charges for transportation on Narragansett vehicles	5,491	5,491	-
3	Charges from outside companies	119,614		119,614
4	Charges for materials and supplies 2/	37,829	4,633	33,196
5	Charges for employee expenses	(6,075)	-	(6,075)
6	Charges for other	<u>211</u>	<u>-</u>	<u>211</u>
7	Total	<u>\$ 197,338</u>	<u>\$ 17,560</u>	\$ 179,778
8	Less Deductible			<u>-</u>
9	Amount Charged to Storm Contingency Fund			<u>\$ 179,778</u>

1/ Incremental costs are defined as the costs which Narragansett incurred as a direct result of the storm which were over and above Narragansett's normal cost of doing business.

2/ Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Incremental Costs associated with Storm of October 29, 2011**

Line No.	Outside Companies	Jan-2012 (a)	Feb-2012 (b)	Mar-2012 (c)	Apr-2012 (d)	May-2012 (e)	Jul-2012 (f)	Amount (g)
1	HSBC Corporate Card Services	\$ -	72,001	\$ -	\$ -	\$ -	\$ -	72,001
2	Universal Construction Company						17,262	17,262
3	Items under \$10,000	28,774	16,644	(15,941)	719	154		30,350
4	Subtotal Outside Companies	\$ 28,774	\$ 88,646	\$ (15,941)	\$ 719	\$ 154	\$ 17,262	119,614
5	Incremental Company Payroll			32,833				32,833
6	Incremental Materials & Supplies		34,448	(1,253)				33,196
7	Incremental Employee Expenses	361		(6,436)				(6,075)
8	Incremental Other			211				211
9	Total Incremental Costs	\$ 29,135	\$ 123,094	\$ 9,414	\$ 719	\$ 154	\$ 17,262	\$ 179,778
10	Less Deductible							-
11	Amount Charged to Storm Contingency Fund	<u>\$ 29,135</u>	<u>\$ 123,094</u>	<u>\$ 9,414</u>	<u>\$ 719</u>	<u>\$ 154</u>	<u>\$ 17,262</u>	<u>\$ 179,778</u>

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Attachment 6  
Page 1 of 2

**The Narragansett Electric Company**  
**d/b/a National Grid**  
**January 12, 2012 Storm Total O&M Restoration Costs**  
**Summary of Normal and Incremental Costs**

Line No.	Description	Total Restoration Costs (a)	Normal Costs (b)	Incremental Costs 1/ (c)
1	Payroll charges excluding payroll overheads for Narragansett employees	\$ 123,234	\$ 29,549	\$ 93,685
2	Charges for transportation on Narragansett vehicles	14,705	14,705	-
3	Charges from outside companies	797,901	-	797,901
4	Charges for materials and supplies 2/	109	26	83
5	Charges for employee expenses	46	-	46
6	Total	<u>\$ 935,995</u>	<u>\$ 44,280</u>	\$ 891,715
7	Less Deductible			<u>(375,000)</u>
8	Amount Charged to Storm Contingency Fund			<u>\$ 516,715</u>

1/ Incremental costs are defined as the costs which Narragansett incurred as a direct result of the storm which were over and above Narragansett's normal cost of doing business.

2/ Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Attachment 6  
Page 2 of 2

**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Incremental Costs associated with Storm of January 12, 2012**

Line No.	Outside Companies	Jan-2012 (a)	Feb-2012 (b)	Mar-2012 (c)	Apr-2012 (d)	May-2012 (e)	Amount (f)
1	Alliance Power Group LLC	\$ -	\$ 38,453	\$ -	\$ -	\$ -	\$ 38,453
2	BBC Electrical Services LLC		311,702	28,876			340,578
3	Grattan Line Construction Corporation		20,035				20,035
4	Harlan Electric Company		29,352				29,352
5	Hawkeye Electric LLC				70,245		70,245
6	HSBC Corporate Card Services				13,178		13,178
7	M J Electric LLC		26,632				26,632
8	McDonough Electric Const Corp		22,311				22,311
9	Northeast Power Line Construction Corp		23,279				23,279
10	O'Donnell Line Construction Company Inc			18,069			18,069
11	Providence Marriott Downtown	16,348					16,348
12	The Davey Tree Expert Company		21,091				21,091
13	Thirau LLC			65,929	15,006		80,934
14	National Grid USA Service Co.	15,540	13,301		0		28,841
15	Items under \$10,000	765	47,486	143	0	164	48,557
16	Subtotal Outside Companies	\$ 32,653	\$ 553,641	\$ 113,016	\$ 98,428	\$ 164	\$ 797,901
17	Incremental Company Payroll	87,943	5,285	457			93,685
18	Incremental Materials & Supplies		83				82.83
19	Incremental Employee Expenses	22	24				46
20	Total Incremental Costs	\$ 120,618	\$ 559,033	\$ 113,472	\$ 98,428	\$ 164	\$ 891,715
21	Less Deductible	(120,618)	(254,382)				(375,000)
22	Amount Charged to Storm Contingency Fund	\$ -	\$ 304,651	\$ 113,472	\$ 98,428	\$ 164	\$ 516,715

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
Attachment 7  
Page 1 of 2

**The Narragansett Electric Company**  
**d/b/a National Grid**  
**July 18, 2012 Storm Total O&M Restoration Costs**  
**Summary of Normal and Incremental Costs**

Line No.	Description	Total Restoration Costs (a)	Normal Costs (b)	Incremental Costs 1/ (c)
1	Payroll charges excluding payroll overheads for Narragansett employees	\$ 209,233	\$ 57,627	\$ 151,607
2	Charges for transportation on Narragansett vehicles	40,783	40,783	-
3	Charges from outside companies	712,164	-	712,164
4	Charges for materials and supplies 2/	39	11	28
5	Charges for employee expenses	932	-	932
6	Total	<u>\$ 963,150</u>	<u>\$ 98,420</u>	\$ 864,730
7	Less Deductible			<u>(375,000)</u>
8	Amount Charged to Storm Contingency Fund			<u>\$ 489,730</u>

1/ Incremental costs are defined as the costs which Narragansett incurred as a direct result of the storm which were over and above Narragansett's normal cost of doing business.

2/ Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

The Narragansett Electric Company  
d/b/a National Grid  
Storm Fund Report  
R.I.P.U.C. Docket No. 2509  
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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Incremental Costs associated with Storm of July 18, 2012**

Line No.	Outside Companies	Jul-2012 (a)	Aug-2012 (b)	Sep-2012 (c)	Oct-2012 (d)	Amount (e)
1	ABC Professional Tree Service Inc	\$ -	\$ 11,835			\$ 11,835
2	D&D Power Inc		47,651			47,651
3	EJ Electric Installation Co			62,878		62,878
4	Hawkeye Electric LLC				43,527	43,527
5	McDonough Electric Const Corp		73,314			73,314
6	Michels Corporation			90,244		90,244
7	Northline Utilities LLC				45,808	45,808
8	Stanley Tree Service Inc		15,398			15,398
9	The Davey Tree Expert Company		25,267			25,267
10	Thirau LLC			96,655		96,655
11	Massachusetts Electric Company	19,105				19,105
12	Niagara Mohawk Power Corp	87,058				87,058
13	National Grid USA Service Co.	20,084	38,203			58,286
14	Items under \$10,000	635	20,668	6,867	6,966	35,136
15	Subtotal Outside Companies	\$ 126,882	\$ 232,336	\$ 256,644	\$ 96,302	\$ 712,164
16	Incremental Company Payroll	133,215	17,949	193	251	151,607
17	Incremental Materials & Supplies		28			27.99
18	Incremental Employee Expenses	364	20	453	94	932
19	Total Incremental Costs	\$ 260,462	\$ 250,333	\$ 257,289	\$ 96,646	\$ 864,730
20	Less Deductible	(260,462)	(114,539)			(375,000)
21	Amount Charged to Storm Contingency Fund	\$ -	\$ 135,794	\$ 257,289	\$ 96,646	\$ 489,730

The Narragansett Electric Company  
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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**October 28, 2012 Storm Total O&M Restoration Costs**  
**Summary of Normal and Incremental Costs**

Line No.	Description	Total Restoration Costs (a)	Normal Costs (b)	Incremental Costs 1/ (c)
1	Payroll charges excluding payroll overheads for Narragansett employees	\$ 5,510	\$ 3,085	\$ 2,425
2	Charges for transportation on Narragansett vehicles	-	-	-
3	Charges from outside companies	262,341	-	262,341
4	Charges for materials and supplies 2/	41,896	23,455	18,441
5	Charges for employee expenses	<u>77</u>	<u>-</u>	<u>77</u>
6	Total	<u>\$ 309,824</u>	<u>\$ 26,540</u>	283,284
7	Less Deductible			<u>(283,284)</u>
8	Amount Charged to Storm Contingency Fund			<u>\$ -</u>

1/ Incremental costs are defined as the costs which Narragansett incurred as a direct result of the storm which were over and above Narragansett's normal cost of doing business.

2/ Materials and supplies were allocated between normal costs and incremental costs using the ratio of incremental payroll to total payroll.

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**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Incremental Costs associated with Storm of October 28, 2012**

Line No.	Outside Companies	Oct-2012 (a)	Amount (b)
1	National Grid USA Service Co.	\$ 261,850	\$ 261,850
2	Items under \$10,000	491	491
3	Subtotal Outside Companies	\$ 262,341	\$ 262,341
4	Incremental Company Payroll	2,425	2,425
5	Incremental Materials & Supplies	18,441	18,441
6	Incremental Employee Expenses	77	77
7	Total Incremental Costs	\$ 283,284	\$ 283,284
8	Less Deductible	(283,284)	(283,284)
9	Amount Charged to Storm Contingency Fund	\$ -	\$ -

Record Request 6

Request:

Please identify the oldest piece of infrastructure on the distribution system, together with its age.

Response:

The Company's oldest pieces of equipment date from the 1920's. The oldest major pieces of equipment in Rhode Island are circuit breakers at the South Street and Harris Avenue substations in Providence. These circuit breakers were installed in 1929, which makes them 85 years old. This information is based on the Company's existing records, which do contain some gaps relative to age data of assets. For example, as the Company explained in its response to Record Request 5 in Docket No. 4382, the Company does not have age data for approximately 7% of the distribution poles in Rhode Island.

### Record Request 7

#### Request:

Please indicate which jurisdictions do not remove major storm events from their reliability analysis (which do not use the IEEE standards).

#### Response:

All jurisdictions in which National Grid operates (Massachusetts, New York, and Rhode Island) remove major storm events from their reliability reporting to determine whether Service Quality Standards (MA/RI) or Reliability Performance Mechanisms (NY) are met. Rhode Island is the only jurisdiction that uses some form of the IEEE 1366 criteria for exclusions<sup>1</sup>, where a major event day is any calendar day where the log (SAIDI) is more than 2.5 standard deviations above the five-year average.

In Massachusetts, events are excluded when more than 15% of the customers within a given company (Massachusetts Electric or Nantucket Electric) are interrupted or when the Massachusetts Governor declares a State of Emergency. For reporting purposes only, the Company does provide its reliability metrics using the IEEE 1366 criteria<sup>2</sup> to the Massachusetts Department of Public Utilities, along with its standard service quality reporting.

In upstate New York, events are excluded when more than 10% of customers in any given Region are interrupted, or when service to any customer in the Region is interrupted for more than 24 hours. The Company's service territory in New York is divided into eight (8) Regions.

While only the graph excluding Major Event Days was included in the ISR presentation on March 18, 2014, the Company does track, review, and report reliability information including Major Event Days. In the Company's annual Service Quality Docket, for each event defined as a Major Event Day, the Company includes the following information:

1. Start date/Time of event.
2. Number/Location of crews on duty (both internal and external crews).
3. Number of crews assigned to restoration efforts.
4. The first instance of mutual aid coordination.
5. First contact with material suppliers.
6. Inventory levels: pre-event/daily/post-event.

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<sup>1</sup>Rhode Island uses a modified version of the IEEE criteria that includes all events greater than 1 minute, rather than all events greater than 5 minutes as in the standard.

<sup>2</sup> Reporting in Massachusetts also uses a modified version of the IEEE criteria, including all events greater than 1 minute, rather than all events greater than 5 minutes.

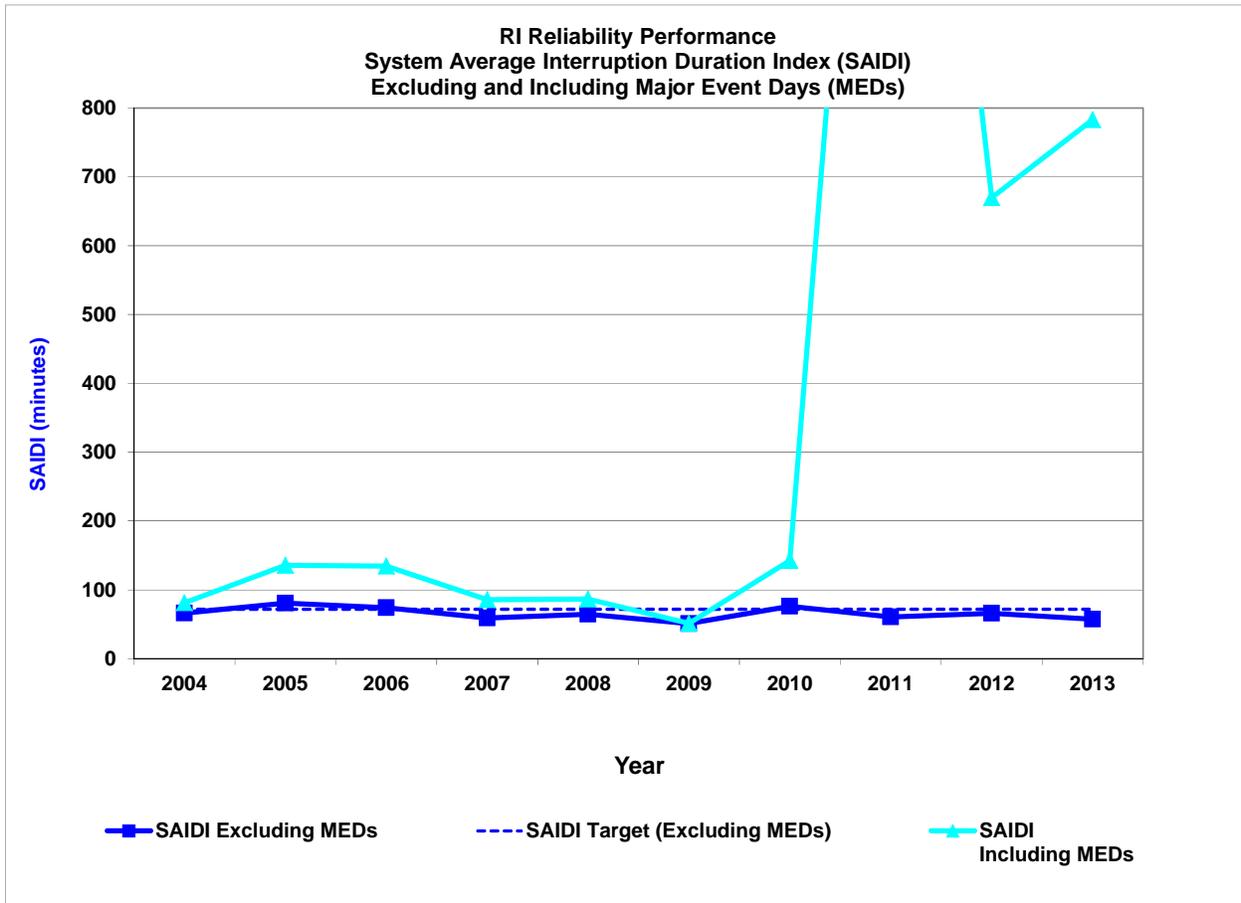
Record Request 7, page 2

7. Date/Time of request for external crews.
8. Date/Time of external crew assignment.
9. Number of customers out of service by hour.
10. Impacted area.
11. Cause.
12. Weather impact on restoration.
13. Analysis of protective device operation.
14. Summary of customers impacted.

Below, the Company has included Duration (SAIDI) and Frequency (SAIFI) reliability performance graphs, which show Major Event Days both included and excluded. The interruptions by cause graph shows Major Event Days included.

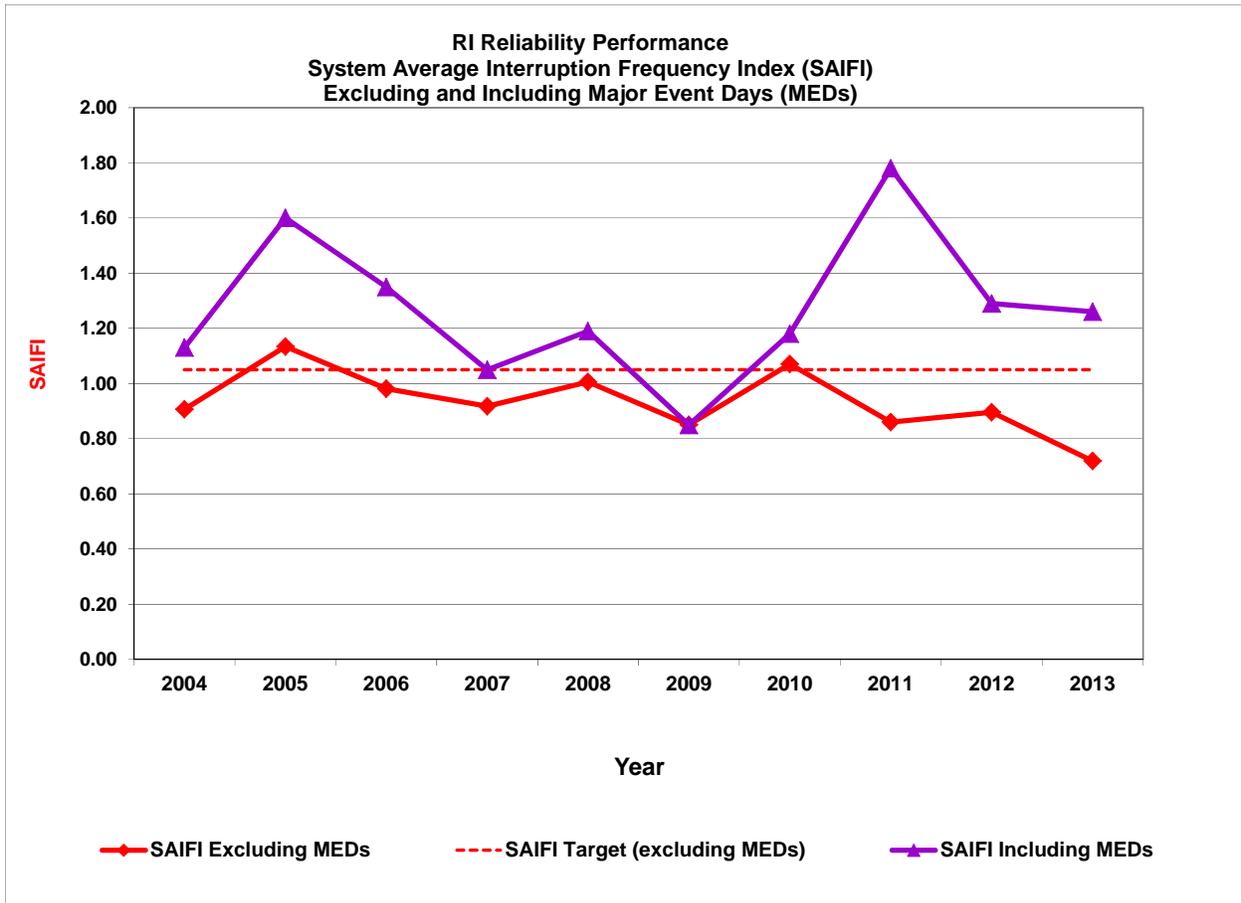
By excluding Major Event Days, the Company can normalize performance to look at trends which can then be addressed. If Major Event Days are included, they can skew the analysis so that instead of measuring whether performance is better than normal, or improving over time, the Company would be measuring the variation in weather conditions.

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Note that the 2011 SAIDI was 1,947 minutes, primarily driven by Tropical Storm Irene.

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Record Request 7, page 5

