

February 28, 2014

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4474 - National Grid's Proposed FY 2015 Gas Infrastructure, Safety, and Reliability Plan
Response to Follow-up Request - Division 1-14

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed ten (10) copies of the Company's follow-up response to Division 1-14, issued by the Rhode Island Division of Public Utilities and Carriers (the "Division") on February 19, 2014 in the above-referenced proceeding.

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

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Steve Scialabba
Leo Wold, Esq.
James Lanni
Don Ledversis

¹ The Narragansett Electric Company d/b/a National Grid (hereinafter referred to as "National Grid" or the "Company").

Division 1-14
Follow-up Data Request

Request:

In the FY 2015 Gas ISR Plan, please refer to the Gas System Reliability section on pages 9 through 14 and Table 1 and Table 2 on pages 17-18, respectively. Please provide an explanation and breakdown of all Gas System Reliability sub-categories for the proposed \$10.4 million in spending, not just the major categories discussed in this section.

Also, please provide an updated explanation for the need for the Company's proposal to replace the Old Mill Lane regulator station in Middletown, Rhode Island.

Response:

Gas System Reliability Budget

Included in \$10,424,000 for Gas System Reliability are the following categories and sub-categories of capital work that the Company did not provide specific written detail in the Gas System Reliability section of the FY 2015 Gas ISR Plan:

- Gas System Control - \$135,000
 - In addition to the \$1.0 million for System Automation and Control, the Company proposes to spend \$135,000 to upgrade its digital communications used to bring information into its Gas Control Center and to replace obsolete telemetry units located in the field.

- I&R Reactive - \$952,000
 - In addition to the \$4.6 million for Pressure Regulating facilities, the Company is proposing to spend \$952,000 on its Pressure Regulating 'Reactive' Program, which will allow for the replacement and/or installation of equipment (e.g. valves, pressure regulators, etc.) located at existing pressure regulating facilities.

- Capital Tools & Equipment - \$1,082,000
 - The Company is proposing to spend approximately \$1,082,000 on purchasing the required tools & equipment needed for Company crews to perform the work outlined in the FY2015 Gas ISR filing. Examples of such tools and equipment include sawcutters, locating equipment, welding equipment, tapping equipment and electrofusion machines.
 - *Capital Tools, Maintenance - \$541,000 for the Maintenance workforce
 - **Capital Tools, Construction - \$318,000 for the Construction workforce
 - ***Capital Tools, Service - \$223,000 for the Service workforce

Old Mill Lane, Middletown Gas Regulator Station

The existing gas regulator station located at Old Mill Lane, Middletown is a single-feed station serving approximately 2,000 customers. This station was relocated back in 2007 due to flooding occurrences. Since 2007, the design standards of gas regulating stations have improved to increase reliability and safety. To bring this station up to current design and process safety standards, the scope of work includes the installation of a prefabricated gas regulating station which contains dual-run pressure regulators. The dual-run (or redundant run) feature is particularly important at single-feed stations as it improves the reliability of natural gas service to customers and allows Company employees to safely perform maintenance activities at the station without interrupting service to customers. In addition, the Company evaluated upgrading the existing station with a second run, however, it was determined that this option was not cost effective.