

January 2, 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
Responses to Commission Data Requests – Set 1

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed ten (10) copies of the Company's response to the Commission's First Set of Data Requests, which contained only one data request within the set.

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").

Commission 1-1

Request:

Please provide a copy of any data responses provided to the Division of Public Utilities and Carriers as part of its review of National Grid's FY 2015 Gas Infrastructure, Safety, and Reliability Proposal prior to being filed with the Commission.

Response:

Attached are copies of the Company's responses and attachments that were provided to the Division of Public Utilities and Carriers ("Division") as part of the Division's review of the Company's proposed FY 2015 Gas Infrastructure, Safety and Reliability Plan.

Thomas R. Teehan
Senior Counsel



December 4, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

Rhode Island Division of Public Utilities and Carriers
c/o Luly Massaro, Clerk
89 Jefferson Boulevard
Warwick, RI 02888

RE: National Grid's Proposed FY 2015 Gas Infrastructure, Safety, and Reliability Plan Responses to Division Data Requests – Set 1

Dear Ms. Massaro:

As a follow up to the meeting with National Grid and the Division on November 22, 2013, I have enclosed five (5) copies of National Grid's responses to the Division's First Set of Data Requests issued at the meeting on November 22, 2013 concerning 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,

A handwritten signature in blue ink that reads "T. Teehan".

Thomas R. Teehan

Enclosure

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

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-1

Request:

Please provide a Table 3 for FY2014 to date as the Company included in last year's plan detailing forecast, actual and variance spending by categories

Response:

The table below was included as Attachment A to the Second Quarter report, FY2014 Gas ISR which was provided on November 22, 2013:

Attachment A							
US Gas-Distribution							
The Narragansett Electric Company d/b/a National Grid - RI Gas							
Capital Spending by Investment Categories							
FY 2014 thru September 30, 2013							
(\$000)							
INVESTMENT CATEGORIES	Budget	FYTD		Variance	FY14 - Total		
		Actual			Budget	Forecast	Variance
Proactive Main Replacement Program	\$18,971	\$23,144	\$4,173		\$33,362	\$33,362	\$0
Service Replacement Program	\$2,050	\$1,497	(\$552)		\$3,100	\$2,000	(\$1,100)
Public Works Program*	\$842	\$2,776	\$1,933		\$1,821	\$3,741	\$1,920
Reactive Main Replacement Program	\$323	\$100	(\$224)		\$500	\$400	(\$100)
Mandated Program	\$6,650	\$6,196	(\$454)		\$13,522	\$13,522	(\$0)
Reliability Programs	\$3,682	\$2,954	(\$729)		\$8,987	\$9,323	\$336
Special Projects (I-195, Exeter, and Gas Pilot)	\$1,919	\$0	(\$1,919)		\$4,000	\$1,550	(\$2,450)
TOTAL CAPITAL INVESTMENTS	\$34,438	\$36,667	\$2,228		\$65,291	\$63,898	(\$1,393)
() denotes an under-spend *Public Works Program includes reimbursements which will be credited as received throughout the year.							

The Narragansett Electric Company
d/b/a National Grid

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-2

Request:

For Proactive Main Replacements, how many requests did the Company receive in FY2012, 2013 and 2014?

Response:

The table below summarizes the total spending, total installed footage, total abandoned footage, and total project count for the Proactive Main Replacement Program for FY2012, FY2013, and FY2014 (through September 30, 2013).

	FY2012	FY2013	*FY2014
Total Spending	\$26.0M	\$32.1M	\$23.1
Total installed footage (miles)	41.7	50.9	40.7
Total abandoned footage (miles)	45.9	45.9	19.9
Total project count (complete or in progress)	145	162	134

*FY2014 data is through September 30, 2013.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-3

Request:

Referencing Question Division 1-2, what was the cost of the work that was performed for these requests for each year?

Response:

Please refer to the Company's response to Division 1-2.

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-4

Request:

Please provide the cost of the cast iron steel and main project for the City of Newport.

Response:

As part of a major public works project in the City of Newport, National Grid will be relaying approximately 3,450 feet of 12 inch Low Pressure (LP) Cast Iron (CI) main on Broadway Street from Washington Square to Malbone Road with 12 inch LP Plastic and 320 feet of 6 inch and smaller diameter LP CI with 6 inch and 4 inch LP Plastic main. This work is broken down into 3 sections. The designs for the first 2 sections are completed. The third section is still under design. The estimated costs associated with this project are detailed below:

Section 1 – 400 feet of 12 inch CI relay with 12 inch Plastic, Estimate = \$82K

Section 2 – 1500 feet of 12 inch CI relay with 12 inch Plastic, 120 feet of 6 inch and smaller CI relay, Estimate = \$310K

Section 3 – 1550 feet of 12 inch CI relay with 12 inch Plastic, 200 feet of 6 inch and smaller CI relay, Estimate = Low \$300K (design at 50% completed)

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-5

Request:

Referencing Question Division 1-4, please update the status of that project.

Response:

Please refer to the Company's response to Division 1-4.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-6

Request:

Please provide reimbursement data for Public Works projects for FY2012, 2013 and 2014.

Response:

The reimbursements collected as part of the Public Work Program for the years requested are as follows:

FY2012 - \$959, 103

FY2013 - \$950,218

FY2014 - \$0 through 9/30/13 (Current forecast is \$1.0M by the end of the fiscal year.)

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-7

Request:

Referencing Question Division 1-6, how much does the Company anticipate receiving in reimbursements in FY2015?

Response:

The current FY2015 year end forecast is \$1.3 million.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-8

Request:

Please update the status of the engineering, design and construction of the Exeter LNG facility.

Response:

An Engineering, Procure, Construct (EPC) contractor (CHI) has been engaged to perform the work. Expected deliverables for FY2014 include the engineering and design of the project and order placement for long lead time materials. The estimated cost for FY2014 is approximately \$900K. Expected deliverables for FY2015 include the ordering of the balance of materials, the delivery of those materials, and construction. The estimated cost for FY2015 is approximately \$1.5 million.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-9

Request:

How much was collected for the Gas Pilot Expansion Program to date?

Response:

To date, the Company has collected \$16,385 from customers in CIAC contributions for the Gas Pilot Expansion Program for projects #50 and #188 which have moved forward as partial projects.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-10

Request:

Referencing Question Division 1-9, how much has been used to date?

Response:

Through September 30, 2013 there has been no spending recorded related to the Gas Pilot Expansion Program. However, please see the Company's response to Division Question 1-11 which states that currently two specific projects are moving forward at this time and the Company will report these cost in its third quarter FY2014 Gas ISR report.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-11

Request:

Referencing Question Division 1-9, please provide a description, estimated cost and status for each of the 12 potential projects identified for the Gas Pilot Expansion Program.

Response:

Please refer to the table below which details the status of each of the 12 potential projects identified. Project #50 and project #188 have moved forward as partial projects. Project #271 has been determined to be no longer viable due to recent paving, and it is now under a five year moratorium.

Rhode Island ISRPilot Projects (As Of 9/23/13)										
Project Category:	Project #:	Town:	Potential Customers:	Sales Leads:		Signed Letters Of Intent:		Signed Contracts:		Jobs Sold:
				Received:	% of Potential:	Signed:	% of Potential:	Signed:	% of Potential:	
Residential Only	213	Bristol	55	3	5%	2	4%	0	0%	0
	19	North Kingstown	66	20	30%	8	12%	0	0%	0
	2	North Kingstown	48	15	31%	19	40%	5	10%	0
	141	Warwick	43	3	7%	0	0%	0	0%	0
All Other	271	Wakefield	58	5	9%	0	0%	0	0%	0
	50	North Kingstown	66	9	14%	10	15%	6	9%	1
	14	Portsmouth	131	35	27%	15	11%	1	1%	0
	188	Narragansett	50	11	22%	7	14%	5	10%	1
	93	Cranston	266	72	27%	23	9%	0	0%	0
	37	Covenry	191	42	22%	32	17%	6	3%	0
	38/46	West Warwick	393	66	17%	25	6%	0	0%	0
	129	East Greenwich	93	19	20%	10	11%	0	0%	0
Total:			1460	300	21%	151	10%	23	2%	2

Division 1-11, page 2

Project Category:	Project #:	Town:	Total Main Costs Only (Loaded)
Residential Only	213	Bristol	\$92,677
	19	North Kingstown	\$149,170
	2	North Kingstown	\$68,887
	141	Warwick	\$102,676
All Other	271	Wakefield	\$266,493
	50	North Kingstown	\$328,629
	14	Portsmouth	\$127,405
	188	Narragansett	\$116,461
	93	Cranston	\$696,796
	37	Coventry	\$424,654
	38/46	West Warwick	\$1,037,546
	129	East Greenwich	\$304,857

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-12

Request:

Please provide an update for the FY2014 Gas Expansion Pilot Program and an explanation of the proposed modifications for the program for the FY 2015 Gas ISR.

Response:

Please see Attachment 1 to Question Division 1-12 for an explanation of the lessoned learned from the FY 2014 Gas Expansion Pilot Program and the rationale and benefits of the proposed FY 2015 modifications to the program.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013
Attachment 1 to Division Question 1-12
Page 1 of 2

FY2014 Gas Expansion Pilot Program Summary

In spite of intensive marketing campaign and outreach efforts for the FY2014 ISR Gas Expansion Pilot Program, only two small, partial projects were able to move forward, serving six and seven new customers, respectively. An extensive Company review of these efforts and feedback from customers identified several major lessons which form the basis of the proposed changes and modifications to the FY2015 pilot program designed to simplify the process and program for customers.

Lesson #1 Offers to customers that vary based on the number of participating customers are too complicated and the uncertainty forms a major barrier to participation
Issue: Need to provide a simple, fixed offer to customers

Lesson #2: Customer economics remain strained by the customer conversion costs alone and there is very little room, if any, for additional costs such as CIACs
Issue: Need to provide a special, significantly reduced offer for the pilot program

Lesson #3: Customer interest can vary significantly project to project and within projects, as well as beyond projects
Issue: Need to provide criteria that enable flexibility to respond to customer interest

FY2015 Gas Expansion Pilot Proposals

- Simplified project eligibility criteria
 1. Introduce a Density Test - Maximum of 70 feet of main per prospective customer*
 2. Modify the Commitment Requirement - A minimum of 10% of prospective customers must commit, and minimum of three customers must commit (relevant for very small projects)
- Modify the CIAC requirements by introducing a modest fixed charge for participation in the Gas Pilot Program (e.g. \$950 vs. \$800 standard service fee) in lieu of the variable CIAC based on number of committed customers
- Provide the complete cost of the main expansions from the ISR Gas Expansion Pilot Program funds with service fee premiums credited to customers in the next ISR reconciliation filing.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013
Attachment 1 to Division Question 1-12
Page 2 of 2

- The previously identified 12 FY2014 projects will automatically be eligible for the revised FY2015 program with the projects to be pursued in the order of density
 - Add a market-based approach to the program by reserving a portion of the Gas Expansion pilot funds (e.g. \$750k of the \$3M) for those customer-initiated projects that meet the eligibility criteria. This will provide the Company with the necessary flexibility to address both proactive and reactive identified projects.
 - Asking for \$3M in FY2015 to support the revised Gas Expansion Pilot Program with any unspent FY2014 funds to be returned to customers in the FY2014 reconciliation filing.
- * Cross referencing with the prior project list for the FY2014 pilot, the pool of potential projects meeting this density threshold is over 33 projects, with over 5,000 prospective customers, which can be served with over 60 miles of main. Such a project pool would provide sufficient opportunity for FY2015 and beyond.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-13

Request:

Please provide the details of the Tiverton Take Station Project, specific to the type of work to be performed (relief valve and building).

Response:

The scope of work at Tiverton includes replacing the building exterior, installing an additional layer of over-pressure protection and relocating the odorant injection point. The design for the over-pressure protection (e.g. relief valve) is expected to be finalized within the next few months.

Commission 1-1

Request:

Please provide a copy of any data responses provided to the Division of Public Utilities and Carriers as part of its review of National Grid's FY 2015 Gas Infrastructure, Safety, and Reliability Proposal prior to being filed with the Commission.

Response:

Attached are copies of the Company's responses and attachments that were provided to the Division of Public Utilities and Carriers ("Division") as part of the Division's review of the Company's proposed FY 2015 Gas Infrastructure, Safety and Reliability Plan.

Thomas R. Teehan
Senior Counsel



December 4, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

Rhode Island Division of Public Utilities and Carriers
c/o Luly Massaro, Clerk
89 Jefferson Boulevard
Warwick, RI 02888

RE: National Grid's Proposed FY 2015 Gas Infrastructure, Safety, and Reliability Plan Responses to Division Data Requests – Set 1

Dear Ms. Massaro:

As a follow up to the meeting with National Grid and the Division on November 22, 2013, I have enclosed five (5) copies of National Grid's responses to the Division's First Set of Data Requests issued at the meeting on November 22, 2013 concerning 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,

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Thomas R. Teehan

Enclosure

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

The Narragansett Electric Company
d/b/a National Grid

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-1

Request:

Please provide a Table 3 for FY2014 to date as the Company included in last year's plan detailing forecast, actual and variance spending by categories

Response:

The table below was included as Attachment A to the Second Quarter report, FY2014 Gas ISR which was provided on November 22, 2013:

Attachment A							
US Gas-Distribution							
The Narragansett Electric Company d/b/a National Grid - RI Gas							
Capital Spending by Investment Categories							
FY 2014 thru September 30, 2013							
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INVESTMENT CATEGORIES	Budget	FYTD		Variance	FY14 - Total		Variance
		Actual			Budget	Forecast	
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Special Projects (I-195, Exeter, and Gas Pilot)	\$1,919	\$0	(\$1,919)		\$4,000	\$1,550	(\$2,450)
TOTAL CAPITAL INVESTMENTS	\$34,438	\$36,667	\$2,228		\$65,291	\$63,898	(\$1,393)
() denotes an under-spend *Public Works Program includes reimbursements which will be credited as received throughout the year.							

The Narragansett Electric Company
d/b/a National Grid

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-2

Request:

For Proactive Main Replacements, how many requests did the Company receive in FY2012, 2013 and 2014?

Response:

The table below summarizes the total spending, total installed footage, total abandoned footage, and total project count for the Proactive Main Replacement Program for FY2012, FY2013, and FY2014 (through September 30, 2013).

	FY2012	FY2013	*FY2014
Total Spending	\$26.0M	\$32.1M	\$23.1
Total installed footage (miles)	41.7	50.9	40.7
Total abandoned footage (miles)	45.9	45.9	19.9
Total project count (complete or in progress)	145	162	134

*FY2014 data is through September 30, 2013.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-3

Request:

Referencing Question Division 1-2, what was the cost of the work that was performed for these requests for each year?

Response:

Please refer to the Company's response to Division 1-2.

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-4

Request:

Please provide the cost of the cast iron steel and main project for the City of Newport.

Response:

As part of a major public works project in the City of Newport, National Grid will be relaying approximately 3,450 feet of 12 inch Low Pressure (LP) Cast Iron (CI) main on Broadway Street from Washington Square to Malbone Road with 12 inch LP Plastic and 320 feet of 6 inch and smaller diameter LP CI with 6 inch and 4 inch LP Plastic main. This work is broken down into 3 sections. The designs for the first 2 sections are completed. The third section is still under design. The estimated costs associated with this project are detailed below:

Section 1 – 400 feet of 12 inch CI relay with 12 inch Plastic, Estimate = \$82K

Section 2 – 1500 feet of 12 inch CI relay with 12 inch Plastic, 120 feet of 6 inch and smaller CI relay, Estimate = \$310K

Section 3 – 1550 feet of 12 inch CI relay with 12 inch Plastic, 200 feet of 6 inch and smaller CI relay, Estimate = Low \$300K (design at 50% completed)

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-5

Request:

Referencing Question Division 1-4, please update the status of that project.

Response:

Please refer to the Company's response to Division 1-4.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-6

Request:

Please provide reimbursement data for Public Works projects for FY2012, 2013 and 2014.

Response:

The reimbursements collected as part of the Public Work Program for the years requested are as follows:

FY2012 - \$959, 103

FY2013 - \$950,218

FY2014 - \$0 through 9/30/13 (Current forecast is \$1.0M by the end of the fiscal year.)

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-7

Request:

Referencing Question Division 1-6, how much does the Company anticipate receiving in reimbursements in FY2015?

Response:

The current FY2015 year end forecast is \$1.3 million.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-8

Request:

Please update the status of the engineering, design and construction of the Exeter LNG facility.

Response:

An Engineering, Procure, Construct (EPC) contractor (CHI) has been engaged to perform the work. Expected deliverables for FY2014 include the engineering and design of the project and order placement for long lead time materials. The estimated cost for FY2014 is approximately \$900K. Expected deliverables for FY2015 include the ordering of the balance of materials, the delivery of those materials, and construction. The estimated cost for FY2015 is approximately \$1.5 million.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-9

Request:

How much was collected for the Gas Pilot Expansion Program to date?

Response:

To date, the Company has collected \$16,385 from customers in CIAC contributions for the Gas Pilot Expansion Program for projects #50 and #188 which have moved forward as partial projects.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-10

Request:

Referencing Question Division 1-9, how much has been used to date?

Response:

Through September 30, 2013 there has been no spending recorded related to the Gas Pilot Expansion Program. However, please see the Company's response to Division Question 1-11 which states that currently two specific projects are moving forward at this time and the Company will report these cost in its third quarter FY2014 Gas ISR report.

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-11

Request:

Referencing Question Division 1-9, please provide a description, estimated cost and status for each of the 12 potential projects identified for the Gas Pilot Expansion Program.

Response:

Please refer to the table below which details the status of each of the 12 potential projects identified. Project #50 and project #188 have moved forward as partial projects. Project #271 has been determined to be no longer viable due to recent paving, and it is now under a five year moratorium.

Rhode Island ISRPilot Projects (As Of 9/23/13)										
Project Category:	Project #:	Town:	Potential Customers:	Sales Leads:		Signed Letters Of Intent:		Signed Contracts:		Jobs Sold:
				Received:	% of Potential:	Signed:	% of Potential:	Signed:	% of Potential:	
Residential Only	213	Bristol	55	3	5%	2	4%	0	0%	0
	19	North Kingstown	66	20	30%	8	12%	0	0%	0
	2	North Kingstown	48	15	31%	19	40%	5	10%	0
	141	Warwick	43	3	7%	0	0%	0	0%	0
All Other	271	Wakefield	58	5	9%	0	0%	0	0%	0
	50	North Kingstown	66	9	14%	10	15%	6	9%	1
	14	Portsmouth	131	35	27%	15	11%	1	1%	0
	188	Narragansett	50	11	22%	7	14%	5	10%	1
	93	Cranston	266	72	27%	23	9%	0	0%	0
	37	Covenry	191	42	22%	32	17%	6	3%	0
	38/46	West Warwick	393	66	17%	25	6%	0	0%	0
	129	East Greenwich	93	19	20%	10	11%	0	0%	0
Total:			1460	300	21%	151	10%	23	2%	2

The Narragansett Electric Company
d/b/a National Grid

In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-11, page 2

Project Category:	Project #:	Town:	Total Main Costs Only (Loaded)
Residential Only	213	Bristol	\$92,677
	19	North Kingstown	\$149,170
	2	North Kingstown	\$68,887
	141	Warwick	\$102,676
All Other	271	Wakefield	\$266,493
	50	North Kingstown	\$328,629
	14	Portsmouth	\$127,405
	188	Narragansett	\$116,461
	93	Cranston	\$696,796
	37	Coventry	\$424,654
	38/46	West Warwick	\$1,037,546
	129	East Greenwich	\$304,857

The Narragansett Electric Company
d/b/a National Grid
In Re: Rhode Island Division's Review of FY 2015 Proposed Gas ISR Plan
Responses to Division's First Set of Data Requests
Issued November 22, 2013

Division 1-12

Request:

Please provide an update for the FY2014 Gas Expansion Pilot Program and an explanation of the proposed modifications for the program for the FY 2015 Gas ISR.

Response:

Please see Attachment 1 to Question Division 1-12 for an explanation of the lessoned learned from the FY 2014 Gas Expansion Pilot Program and the rationale and benefits of the proposed FY 2015 modifications to the program.

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FY2014 Gas Expansion Pilot Program Summary

In spite of intensive marketing campaign and outreach efforts for the FY2014 ISR Gas Expansion Pilot Program, only two small, partial projects were able to move forward, serving six and seven new customers, respectively. An extensive Company review of these efforts and feedback from customers identified several major lessons which form the basis of the proposed changes and modifications to the FY2015 pilot program designed to simplify the process and program for customers.

Lesson #1 Offers to customers that vary based on the number of participating customers are too complicated and the uncertainty forms a major barrier to participation
Issue: Need to provide a simple, fixed offer to customers

Lesson #2: Customer economics remain strained by the customer conversion costs alone and there is very little room, if any, for additional costs such as CIACs
Issue: Need to provide a special, significantly reduced offer for the pilot program

Lesson #3: Customer interest can vary significantly project to project and within projects, as well as beyond projects
Issue: Need to provide criteria that enable flexibility to respond to customer interest

FY2015 Gas Expansion Pilot Proposals

- Simplified project eligibility criteria
 1. Introduce a Density Test - Maximum of 70 feet of main per prospective customer*
 2. Modify the Commitment Requirement - A minimum of 10% of prospective customers must commit, and minimum of three customers must commit (relevant for very small projects)
- Modify the CIAC requirements by introducing a modest fixed charge for participation in the Gas Pilot Program (e.g. \$950 vs. \$800 standard service fee) in lieu of the variable CIAC based on number of committed customers
- Provide the complete cost of the main expansions from the ISR Gas Expansion Pilot Program funds with service fee premiums credited to customers in the next ISR reconciliation filing.

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- The previously identified 12 FY2014 projects will automatically be eligible for the revised FY2015 program with the projects to be pursued in the order of density
 - Add a market-based approach to the program by reserving a portion of the Gas Expansion pilot funds (e.g. \$750k of the \$3M) for those customer-initiated projects that meet the eligibility criteria. This will provide the Company with the necessary flexibility to address both proactive and reactive identified projects.
 - Asking for \$3M in FY2015 to support the revised Gas Expansion Pilot Program with any unspent FY2014 funds to be returned to customers in the FY2014 reconciliation filing.
- * Cross referencing with the prior project list for the FY2014 pilot, the pool of potential projects meeting this density threshold is over 33 projects, with over 5,000 prospective customers, which can be served with over 60 miles of main. Such a project pool would provide sufficient opportunity for FY2015 and beyond.

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Division 1-13

Request:

Please provide the details of the Tiverton Take Station Project, specific to the type of work to be performed (relief valve and building).

Response:

The scope of work at Tiverton includes replacing the building exterior, installing an additional layer of over-pressure protection and relocating the odorant injection point. The design for the over-pressure protection (e.g. relief valve) is expected to be finalized within the next few months.