

February 1, 2016

VIA HAND DELIVERY AND ELECTRONIC MAIL

Luly Massaro, Commission Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 4590- Gas Infrastructure, Safety, and Reliability Plan FY 2017
National Grid Reply Comments

Dear Ms Massaro:

In connection with the above-referenced docket, enclosed for filing with the Rhode Island Public Utilities Commission (PUC), please find National Grid's¹ reply comments to the written comments submitted by the Division of Public Utilities and Carriers (Division) on January 25, 2016 regarding the programmatic aspects of the Company's proposed Gas Infrastructure, Safety, and Reliability Plan for Fiscal Year 2017 (FY 17 Plan). The Company responds to the following points by the Division:

1. Mandated Programs – Pipeline Integrity Programs (IMP)

The IMP is a subprogram of the Mandated Programs category in the FY 17 Plan. As detailed in the FY 17 Plan, this program is to develop a plan for the testing and/or replacement of the Company's higher pressure facilities and pipelines (greater than 124 psig). The program includes the reconstruction of warning signage for three (3) high pressure pipe-line crossings under the Providence River in the vicinity of the Providence LNG plant. This sign replacement is necessary to ensure the safety of the Company's facilities underneath a navigable waterway.² In its written comments, the Division expressed concern with possible duplicative spending on this signage if the existing pipelines are replaced in the future and new pipeline(s) are installed in a new location, thereby requiring the signage to be either moved or replaced entirely at an additional expense to customers. The Division has asked for assurances that this is not the case.³

While the Company cannot unequivocally state that there will not be a need to move or replace the signage at some future date, the Company has not proposed any projects to replace these three (3) pipe-line crossings in its five-year Gas ISR Spending Forecast (as shown in Table 2 of the FY 17 Plan). In the event that the Company did propose such replacement, the

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

² See FY 17 Plan at 22.

³ See Division Comments at 2-3.

Company would first confer with the Division. The Company would also like to note that the requirement to refurbish / upgrade the two (2) existing signs is in accordance with **CFR 192.317 Protection from Hazards of Existing Pipelines**. The current signs have deteriorated to a point in which the signs no longer adequately provide a warning for the pipeline crossings. Therefore, the Company believes it is appropriate to include this signage replacement as part of its FY 17 Plan. As the Company proceeds with the design process, it will assess the potential for re-use of the sign(s) or portions of the sign(s) should it become necessary to move or replace the sign(s) in the future.

2. Natural Gas Leak Trends

In its written comments, the Division also expressed concern with the recent natural gas leak trends found in the Company's Risk Assessment Compliance Filing, Docket No. 4540, 2014 System Integrity Report/Trend Based Integrity Analysis, submitted to the PUC on October 23, 2015. The Division stated that its position going forward will be to "focus on a separate more aggressive unprotected steel gas service replacement program." The Company understands that the Division is not proposing such a program as part of the FY 17 Plan. The Company is currently reviewing the service leak rate trend, and has met with the Division to review the findings. The Company is committed to developing a mutually acceptable plan for service replacements in the future.

Thank you for your attention to this matter.

Respectfully submitted,

The Narragansett Electric Company
d/b/a National Grid

By its attorney,



Jennifer Brooks Hutchinson (RI Bar #6176)
National Grid
280 Melrose Street
Providence, RI 02907
401-784-7288

cc: Docket 4590 Service List
Leo Wold, Esq.
Steve Scialabba, Division

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Joanne M. Scanlon

February 1, 2016
Date

Docket No. 4590 - National Grid's FY 2017 Gas Infrastructure, Safety and Reliability (ISR) Plan - Service List 11/27/15

Name/Address	E-mail Distribution	Phone
Jennifer Brooks Hutchinson, Esq. National Grid. 280 Melrose St. Providence, RI 02907	jennifer.hutchinson@nationalgrid.com ;	
	celia.obrien@nationalgrid.com ;	
	Joanne.scanlon@nationalgrid.com ;	
	John.nestor@nationalgrid.com ;	
David Iseler Melissa Little National Grid	David.Iseler@nationalgrid.com ;	
	Melissa.Little@nationalgrid.com ;	
	Suhila.NouriNutile@nationalgrid.com ;	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	Lwold@riag.ri.gov ;	401-222-2424
	Steve.scialabba@dpuc.ri.gov ;	
	James.lanni@dpuc.ri.gov ;	
	John.spirito@dpuc.ri.gov ;	
	Don.ledversis@dpuc.ri.gov ;	
	dmacrae@riag.ri.gov ; jmunoz@riag.ri.gov ;	
David Effron Berkshire Consulting 12 Pond Path North Hampton, NH 03862-2243	Djeffron@aol.com ;	603-964-6526
File an original & nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Todd.bianco@puc.ri.gov ;	
	Patricia.Lucarelli@puc.ri.gov ;	
	Sharon.ColbyCamara@puc.ri.gov ;	
Christopher Kearns, OER	Christopher.Kearns@energy.ri.gov ;	
	Danny.Musher@energy.ri.gov ;	
	Nicholas.ucci@energy.ri.gov ;	