

IN RE: NATIONAL GRID'S ELECTRIC
INFRASTRUCTURE, SAFETY,
AND RELIABILITY
ISR PLAN FOR FY 2017

Although the Company received favorable bid responses, the number of miles that the Company intends to trim, sideline prune or remove trees does not change. Thus, the Company must plan and budget for the same amount of Police Detail regardless of the contractor cost estimate. In responding to this record request, the Company's \$850,000 budget was reevaluated using a two-

pronged approach; historical cost/mile for Police Detail and historical cost of Police Detail as a percentage of total vegetation management expenses. A summary of these calculations follows:

ISR Year	Miles	Total VM \$	Police Detail \$	\$/Mile	% Police Detail/ Total VM
FY 2014	1,408	8,529,815	768,950	546	9.01%
FY 2015	1,202	8,029,095	645,770	537	8.04%
FY 2016 (forecast)	1,314	8,884,000	750,000	571	8.44%
Avg. FY14-FY16				551	8.50%

Applying the historical averages to the FY 2017 budget and estimated 1,295 miles of proposed work results in the following calculated Police Detail budgets:

	Avg.\$/Mile Methodology	% Total Budget Methodology
Calculated Police Detail Budget	\$714,042	\$745,000
Original Police Detail Budget	\$850,000	\$850,000
Adjustment	(135,958)	(105,000)
Total VM	\$8,719,042	\$8,750,000
\$/Mile	551	575
% Total Budget	8.19%	8.51%

The average \$/mile methodology results in a greater reduction (\$135,958), but one that results in the Police Detail cost forecast at 8.19% of the total VM budget, which is below the average Police Detail to total VM budget ratio of 8.5% for the prior three years. An alternate methodology, which utilizes the total VM budget as a basis to estimate Police Detail costs, provides a Police Detail budget that forecasts costs of \$575/mile, somewhat above the historical average of \$551/mile. The adjustment to Police Detail using this method would be \$105,000.

Response provided by: Gregory Booth, P.E.