

Docket No. 4770
Forty-First Set of Data Requests of the
Division of Public Utilities and Carriers to National Grid
April 3, 2018

Multi-Jurisdictional GIS Enhancement Project

41-1. Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project and, as a result, the Company proposes to move forward with a multi-jurisdictional deployment. Was the affiliate's proposal to move forward with GIS Enhancement included in the Joint Proposal settlement that was filed with the NY PSC on January 19, 2018? If yes, why didn't the Company disclose this at the January 29 technical session in Docket 4780 or disclose this prior to March 27 in any of the many data responses in this docket that addressed the GIS Enhancement project?

Response can be found on Bates page(s) 1.

41-2. Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project. Please describe how the costs of the GIS Enhancement project will be recovered in New York.

Response can be found on Bates page(s) 2.

41-3. Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project.

- a. Please state what the cost will be to Niagara Mohawk for the project and the years in which the costs will be incurred.
- b. Please provide a breakdown between (i) GIS software enhancements approved by New York that have the potential to be utilized by other affiliated jurisdictions and (ii) the costs of populating New York specific data (as described in the response to Division 19-11). If the approved cost of the multi-jurisdictional component in (i) above for New York is different than the figure given in Table 3-7, Bates page 55 of PST-1, please explain why.

Response can be found on Bates page(s) 3.

41-4. Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project.

- a. Please provide a schedule showing how the costs of the multi-jurisdictional GIS Enhancement project will be allocated among the affiliates in New York, Massachusetts, and Rhode Island.
- b. Please explain whether and how the allocation of costs among affiliates would change from that which is provided in response to sub-part (a) above if the Massachusetts Department of Public Utilities and the Rhode Island Public Utilities Commission do not approve cost recovery mechanisms for the multi-jurisdictional GIS Enhancement project.
- c. If approval of cost recovery is not obtained for the multi-jurisdictional project from Massachusetts and Rhode Island, will Niagara Mohawk be charged 100% of the costs of the software enhancements as was originally proposed in the Rhode Island Only scenario to be charged to Narragansett Electric in PST-1, Bates page 55, Table 3-7, had Rhode Island chose to move forward alone? If not, explain why not. If yes, does the settlement in New York allow Niagara Mohawk to recover 100% of those multi-jurisdictional costs?
- d. If approval of cost recovery is not obtained from the Rhode Island Public Utilities Commission for the GIS Enhancements, but New York moves forward with the project, will Narragansett Electric be allocated any costs from the project? If not, please explain why not. If yes, please explain why this would be the case.

Response can be found on Bates page(s) 4-5.

- 41-5. Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project. If approval of cost recovery is not obtained for the multi-jurisdictional project from Massachusetts and Rhode Island, and Narragansett Electric at a later date (after the calendar and fiscal year in which the software enhancements were made) decided to use the enhanced GIS system and populate it with Rhode Island data in a later year, would the Service Company charge Narragansett Electric any of the costs incurred in any prior years for the initial software enhancements that were incurred as a result of the New York approved project? If yes, please explain why. If not, please explain why not.

Response can be found on Bates page(s) 6.

Division 41-1

Request:

Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project and, as a result, the Company proposes to move forward with a multi-jurisdictional deployment. Was the affiliate's proposal to move forward with GIS Enhancement included in the Joint Proposal settlement that was filed with the NY PSC on January 19, 2018? If yes, why didn't the Company disclose this at the January 29 technical session in Docket 4780 or disclose this prior to March 27 in any of the many data responses in this docket that addressed the GIS Enhancement project?

Response:

Yes. The GIS Data Enhancement project was included in the Company's affiliate's, Niagara Mohawk Power Corporation (Niagara Mohawk), initial rate case proposal (Cases 17-E-0238 and 17-G-0239) and Joint Proposal settlement position. The Company indicated in its initial filing that similar GIS Data Enhancement proposals had been made in New York and Massachusetts, but they had not yet been approved by the New York Public Service Commission and the Massachusetts Department of Public Utilities, respectively. Also, during the January 26, 2018 technical session in Docket No. 4780, the Company disclosed that Niagara Mohawk had filed a Joint Proposal regarding its rate case with the New York Public Service Commission, thus indicating that Niagara Mohawk had reached agreement with the parties on a settlement agreement in that case. The Company also stated that the Joint Proposal was pending with the New York Public Service Commission for consideration and that it anticipated an Order in March or April 2018. Once the New York Public Service Commission's Order in Cases 17-E-0238 and 17-G-0239 dated March 15, 2018 adopted the terms of the Joint Proposal, the Company provided that information in relevant data requests filed in this docket.

Division 41-2

Request:

Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project. Please describe how the costs of the GIS Enhancement project will be recovered in New York.

Response:

The New York Public Service Commission's Order in Cases 17-E-0238 and 17-G-0239 dated March 15, 2018 adopted the terms of the Joint Proposal, which allowed the Company's affiliate, Niagara Mohawk Power Corporation, to recover GIS Data Enhancement project expenses forecast to be as follows:

GIS Data Enhancement Project Expense Forecast, (\$000s)	Year Ending March 31, 2019	Year Ending March 31, 2020	Year Ending March 31, 2021
Data Enhancements (Non-IS)	\$4,000.0	\$4,000.0	\$4,000.0
System Enhancements (IS)	\$3,110.2	\$0.0	\$0.0

Estimated expenditures on this project for the period April 1, 2018 through March 31, 2021 were included as part of revenue requirements in the rate case and will be recovered through rates commencing April 1, 2018.

Division 41-3

Request:

Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company’s New York affiliate received approval to move forward with the GIS Enhancement project.

- a. Please state what the cost will be to Niagara Mohawk for the project and the years in which the costs will be incurred.
- b. Please provide a breakdown between (i) GIS software enhancements approved by New York that have the potential to be utilized by other affiliated jurisdictions and (ii) the costs of populating New York specific data (as described in the response to Division 19-11). If the approved cost of the multi-jurisdictional component in (i) above for New York is different than the figure given in Table 3-7, Bates page 55 of PST-1, please explain why.

Response:

- a. The New York Public Service Commission’s Order in Cases 17-E-0238 and 17-G-0239 dated March 15, 2018 adopted the terms of the Joint Proposal, which allowed the Company’s affiliate, Niagara Mohawk Power Corporation, to recover GIS Data Enhancement project expenses forecast to be as follows:

GIS Data Enhancement Project Expense Forecast (\$000s)	Year Ending March 31, 2019	Year Ending March 31, 2020	Year Ending March 31, 2021
Data Enhancements (Non-IS)	\$4,000.0	\$4,000.0	\$4,000.0
System Enhancements (IS)	\$3,110.2	\$0.0	\$0.0

- b. Please see the response to part a. above for the breakdown of GIS System Enhancements (IS) and Data Enhancements (Non-IS). The \$3.11 million estimated cost for the System Enhancements (IS) element of the project is close to the estimated cost in Table 3.7, Bates Page 55 of Schedule PST-1, which shows \$3.05 million for the GIS project System Enhancements (IS) costs for the Rhode Island Only Scenario. There is a very small difference in the cost for the two proposals because of the fact that the Rhode Island proposal was prepared later and with the knowledge that some of the New York project scope was in the process of being undertaken.

Division 41-4

Request:

Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project.

- a. Please provide a schedule showing how the costs of the multi-jurisdictional GIS Enhancement project will be allocated among the affiliates in New York, Massachusetts, and Rhode Island.
- b. Please explain whether and how the allocation of costs among affiliates would change from that which is provided in response to sub-part (a) above if the Massachusetts Department of Public Utilities and the Rhode Island Public Utilities Commission do not approve cost recovery mechanisms for the multi-jurisdictional GIS Enhancement project.
- c. If approval of cost recovery is not obtained for the multi-jurisdictional project from Massachusetts and Rhode Island, will Niagara Mohawk be charged 100% of the costs of the software enhancements as was originally proposed in the Rhode Island Only scenario to be charged to Narragansett Electric in PST-1, Bates page 55, Table 3-7, had Rhode Island chose to move forward alone? If not, explain why not. If yes, does the settlement in New York allow Niagara Mohawk to recover 100% of those multi-jurisdictional costs?
- d. If approval of cost recovery is not obtained from the Rhode Island Public Utilities Commission for the GIS Enhancements, but New York moves forward with the project, will Narragansett Electric be allocated any costs from the project? If not, please explain why not. If yes, please explain why this would be the case.

Response:

- a. Table 1 below presents the proposed schedule of costs for the GIS Data Enhancement projects for the Company's affiliates in New York (NY), Massachusetts (MA), and Rhode Island (RI) assuming a multi-jurisdictional deployment scenario. The System Enhancements work could be beneficial to multiple jurisdictions and is expected to occur in Fiscal Year 2019. The timing of the jurisdictionally specific Data Enhancements work can vary between jurisdictions considering regulatory approval and alignment with other efforts, such as the Advanced Distribution Management System (ADMS) projects. As a result of the New York Public Service Commission's Order in Cases 17-E-0238 and 17-G-0239 dated March 15, 2018, which adopted the terms of the Joint Proposal, National Grid expects to begin the Data Enhancements work in New York first and then progress

in New England in future years. This flexibility, and uncertainty with the deployment schedule, is a reason why the Company believes the annual review and cost reconciliation mechanisms proposed in the Power Sector Transformation (PST) Plan filing are appropriate. Considering feedback during Docket No. 4780, the Company will re-evaluate this schedule and would consider in its proposed December 1, 2018 PST Plan filing the advancement of the Rhode Island Data Enhancement work to begin in Fiscal Year 2020.

Table 1: Proposed GIS Data Enhancement Project Schedule of Costs – Multi-Jurisdiction Deployment Scenario

Multi-Jurisdiction Deployment (All Jurisdictions)					
Forecasted Spending by Jurisdiction	NY	MA	RI		
Data Enhancements (Non-IS)	\$12,008,096	\$10,581,035	\$3,082,767		
System Enhancements (IS)	\$1,460,156	\$1,154,891	\$434,953		
Forecasted Annual Spending	FY2019	FY2020	FY2021	FY2022	FY2023
Data Enhancements (Non-IS)	\$4,002,699	\$4,002,699	\$8,557,299	\$4,554,601	\$4,554,601
NY	\$4,002,699	\$4,002,699	\$4,002,699	\$0	\$0
MA	\$0	\$0	\$3,527,012	\$3,527,012	\$3,527,012
RI	\$0	\$0	\$1,027,589	\$1,027,589	\$1,027,589
System Enhancements (IS)	\$3,050,000	\$0	\$0	\$0	\$0
NY	\$1,460,156	\$0	\$0	\$0	\$0
MA	\$1,154,891	\$0	\$0	\$0	\$0
RI	\$434,953	\$0	\$0	\$0	\$0

- b. If the project progresses only in New York, then all System Enhancement costs would be allocated to the Company’s New York affiliate, and only the New York Data Enhancement work would be completed.
- c. Yes. The project would progress as a New York only project, and all costs would be allocated to Niagara Mohawk Power Corporation (Niagara Mohawk). The settlement in New York allows Niagara Mohawk to recover 100 percent of the project costs including all System Enhancement costs.
- d. As discussed above in the response to part c., the project would progress as a New York only project, and no costs are estimated to be allocated to the Company. If, during the implementation of the project, it is determined that elements of the project will provide a benefit to the Company, then those costs would be appropriately allocated regardless of the status of cost recovery approval.

Division 41-5

Request:

Referring to the response to Division 32-23 (Docket 4770), the response indicates that the Company's New York affiliate received approval to move forward with the GIS Enhancement project. If approval of cost recovery is not obtained for the multi-jurisdictional project from Massachusetts and Rhode Island, and Narragansett Electric at a later date (after the calendar and fiscal year in which the software enhancements were made) decided to use the enhanced GIS system and populate it with Rhode Island data in a later year, would the Service Company charge Narragansett Electric any of the costs incurred in any prior years for the initial software enhancements that were incurred as a result of the New York approved project? If yes, please explain why. If not, please explain why not.

Response:

No. The costs associated with the project are operation and maintenance costs and, therefore, would not be reallocated beyond the fiscal year in which they were incurred.