

Raquel J. Webster Senior Counsel

February 24, 2022

BY ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

RE: Docket 5210 - Proposed FY 2023 Gas Infrastructure, Safety and Reliability Plan <u>Responses to PUC Data Requests – Set 4</u>

Dear Ms. Massaro:

I have enclosed the electronic version of National Grid's¹ response to the Public Utilities Commission's Fourth Set of Data Requests, containing one request, in the above-referenced matter.²

Thank you for your attention to this matter. If you have any questions, please contact me at 781-472-0531.

Very truly yours,

Hebsto

Raquel J. Webster

Enclosures

cc: Docket 5210 Service List Leo Wold, Esq. Al Mancini, Division John Bell, Division Rod Walker, Division

¹ The Narragansett Electric Company d/b/a National Grid.

 $^{^2}$ Per a communication from Commission counsel on October 4, 2021, the Company is submitting an electronic version of this filing followed by six (6) hard copies filed with the Clerk within 24 hours of the electronic filing.

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

<u>February 24, 202</u>2 Date

Docket No. 5210 - National Grid's FY 2023 Gas Infrastructure, Safety and Reliability (ISR) Plan - Service List 12/22/2021

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PUC 4-1 Wampanoag Trail and Tiverton Gate State Heaters Replacement and Ownership Transfer

Request:

On Bates 59, National Grids list the following qualitative benefits at both take stations: "Creation of verifiable inspection and maintenance records for the new assets," and "Reduction in dependency on the pipeline operators to operate and maintain safety critical equipment."

- a. Is transfer of ownership the only means to create a verifiable inspection and maintenance record for the new assets? If not, is it the least-cost means?
- b. Does this statement indicate that National Grid believes that depending on pipeline operators to operate and maintain safety critical equipment increases risk? If so, why?

Response:

- a. A transfer of ownership is the only means that both parties would agree to and aligns with National Grid's strategy of owning, operating and maintaining heat and regulation assets. These assets play the largest role in controlling downstream system pressures. In addition, cost of ownership and maintenance of the assets are still passed down to the customer by either supply or base rate mechanisms depending on the agreement between the two parties. A single-party "National Grid own, operate, and maintenance agreement" would be considered the least-cost means because other ownership and maintenance agreements may lead to an increase in the total cost of ownership over the life of the asset when taking the risks of two-party asset decision making into account.
- b. National Grid believes that depending on pipeline operators, to operate and maintain safety critical equipment that directly impacts its downstream pressure systems, specifically heat and regulation, show that risk increases relative to the level of risk mitigation National Grid achieves through its robust maintenance requirements and design decisions. Both factors are part of National Grids quantitative risk assessments used to demonstrate this relative risk reduction.