Thomas R. Teehan
Senior Counsel

January 24, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4237 - Commission Investigation relating to Stray and Contact Voltage Occurring in Narragansett Electric Company Territories
National Grid Response to Power Survey Company Comments

Dear Ms. Massaro:

On behalf National Grid[1] enclosed is an original and ten (10) copies of the Company's response to the January 4, 2013, comments of Power Survey Company in the above-captioned proceeding.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,

Thomas R. Teehan

Enclosure

cc: Docket 4237 Service List
Steve Scialabba
Leo Wold, Esq.

[1] The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company").

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically submitted to the individuals listed below. The Commission received hard copies of this transmittal.

Joanne M. Scanlon

January 24, 2013
Date

Docket No. 4237 – Commission's Proceeding Relating to Stray and Contact Voltage Pursuant to Enacted Legislation Service List updated 10/1/12

Name	E-mail Distribution List	Phone
Thomas Teehan, Esq. Celia B. O'Brien, Esq. National Grid 280 Melrose Street Providence, RI 02907-1438	Thomas.teehan@nationalgrid.com Celia.obrien@nationalgrid.com Joanne.scanlon@nationalgrid.com	401-784-7667
Michael R. Kirkwood, General Mgr./CEO Pascoag Utility District 253 Pascoag Main St. PO Box 107 Pascoag, RI 02859	mkirkwood@pud-ri.org Jallaire@pud-ri.org	401-568-6222
William L. Bernstein, Esq. 627 Putnam Pike Greenville, RI 02828	wlblaw@verizon.net	401-949-2228
Michael McElroy, Esq. 21 Dryden Lane PO Box 6721 Providence, RI 02940-6721	Michael@McElroyLawOffice.com	401-351-4100
Dr. Albert Cassaza	albertrc@optimum.net	
Joseph A. Keough, Jr., Esq. Keough & Sweeney 41 Mendon Ave. Pawtucket, RI 02861	jkeoughjr@keoughsweeney.com	401-724-3600
Roz Rustigian Contact Voltage Information Ctr. (CVIC)	rozrustigian@rustigianrugs.com	401-489-8667
Cliff McGinnes	ifrtruck35@mac.com	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	lwold@riag.state.ri.us Sscialabba@ripuc.state.ri.us Dstearns@ripuc.state.ri.us Acontente@ripuc.state.ri.us	401-222-2424 ext. 2299

	Tkogut@ripuc.state.ri.us	
	jlanni@ripuc.state.ri.us	
	jmunoz@riag.ri.gov	
	dmacrae@riag.ri.gov	
Greg Booth Power Services, Inc.	gbooth@powerservices.com	919-256-5900
Michael White Power Services, Inc.	mwhite@powerservices.com	
Original & 10 copies file w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888	Lmassaro@puc.state.ri.us	401-780-2107
	Cwilson@puc.state.ri.us	
	Adalessandro@puc.state.ri.us	
	dshah@puc.state.ri.us	
	anault@puc.state.ri.us	
	nucci@puc.state.ri.us	
Joseph J. McGair, Esq. Petrarca & McGair, Inc.	jjm@petrarcamcgair.com	401-821-1330
Kelly Mahoney, Governor's Policy Office	Kelly.Mahoney@governor.ri.gov	401-222-8135

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

COMMISSION INVESTIGATION RELATING TO STRAY AND CONTACT VOLTAGE OCCURRING IN NARRAGANSETT ELECTRIC COMPANY TERRITORIES

DOCKET NO. 4237

RESPONSE OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID TO JANUARY 4, 2013 COMMENTS OF POWER SURVEY COMPANY

These comments provide the response of The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company") to the comments made in Power Survey Company's ("Power Survey") January 4, 2013 letter concerning the pilot program conducted by the Company as part of its Request for Proposal ("RFP") process and the Company's decision to award the contract for contact voltage surveying and testing to Premier Utility Services ("Premier"). In its comments, Power Survey attempts to challenge the statistical validity of the Company's RFP pilot program and states that it previously offered to assist the Company in designing an appropriate pilot. It also claims that recent testing conducted by Premier for Rochester Gas and Electric Company ("RG&E") in New York, and a subsequent review of Power Survey's testing in Rochester, supports its claim that Power Survey's equipment has superior capabilities.

The Company strongly disagrees with all of Power Survey's claims for the following reasons, which are discussed in detail below:

1. The Company's pilot program was designed and implemented fairly for all vendors, and its results were valid and appropriately reflected the areas surveyed and tested.

2. When provided an opportunity to raise issues with the Company's pilot program, Power Survey offered no suggestions to amend or modify the pilot, either in design, length or controls.

3. When provided the opportunity to demonstrate its claim of the superior capabilities of its equipment in the pilot program, Power Survey chose not to participate.

When closely examined, it is clear that Power Survey's comments fail to provide complete and accurate information. In addition, a number of Power Survey's comments have no basis in fact and conflict with previous public statements. Each of the comments raised by Power Survey is addressed in more detail below.

Background

Before addressing each of Power Survey's comments, it is important to note that the Company designed an RFP and pilot program that would be fair to any potential vendor and transparent to the Rhode Island Public Utilities Commission ("Commission"). From the experience that its affiliate, Niagara Mohawk Power Corporation ("Niagara Mohawk") had with Power Survey and Premier in New York, the Company was well aware of the disagreement between these vendors concerning the capability of their individual equipment technologies. That disagreement manifested itself in the public comments filed by both vendors between September 6, 2012 and September 21, 2012 in this case. Power Survey declined to participate in the pilot program that the Company attempted to conduct in early September, and chose to challenge the pilot program process right from the start, indicating its unwillingness to participate unless the pilot program was modified. Power Survey offered to assist in that effort[1]; however, as explained below, when provided the opportunity to raise any issues or offer suggested changes in the pilot program, Power Survey simply again chose not to participate. Rather than participate in the pilot program and demonstrate the capabilities of its equipment (which would have enabled Power Survey to properly raise any concerns with the pilot program), Power Survey chose to continue attacking the pilot program process, as demonstrated in its January 4, 2013 letter.[2]

Power Survey's January 4, 2013 Comments

1. **Statistical Validity of the Pilot Program**

In its comments, Power Survey implies that the results of the Company's pilot program in which Premier participated raises serious concerns about the statistical validity of the pilot. Specifically, Power Survey maintains that the "detection rate" of less than one percent demonstrates a statistical insignificance of the pilot, especially in light of the fact the Company had a higher expected detection rate. Power Survey also goes on to state that a number of unknown hazards were missed. There are several issues with these arguments.

First, the Company's expectation of a higher detection rate is not evidence of any statistical insignificance. The Company has no mobile technology to pre-test the pilot areas for comparison purposes and its expectation was simply an estimate. Nor is the fact that only two elevated hazard locations were found support Power Survey's claim. As

---

[1] See Power Survey's September 5, 2012 and September 21, 2012 public comments in this case.

[2] The Company respects the fact that Power Survey has no obligation to participate in the pilot program and can choose not to participate simply for business reasons alone.

shown below, the pilot program's findings-per-mile[3] were consistent with the results that were experienced when Niagara Mohawk initiated contact voltage scanning in Buffalo, Niagara Falls, Albany, Schenectady, Utica and Syracuse in New York. As Mr. Cass testified at the hearing in this matter, after the results of those initial scans, because of the low number of elevated voltage findings in Schenectady, Utica and Syracuse, scanning and testing in these communities was discontinued. At the same time, because of the large number of findings in Buffalo, Niagara Mohawk had to add an additional annual scan of that city. (Transcript of the September 24, 2012, proceeding in this matter ("Tr."), at 120-121)

The Company designed the pilot program in Providence to cover a maximum of 20 miles, or 15 percent of the total miles in the designated contact voltage risk areas ("DCVRA"). The pilot survey actually covered 12 miles, or eight percent of the total DCVRAs, with two findings of elevated voltage confirmed. When considered in light of Niagara Mohawk's experience in New York, the low number of confirmed findings in the pilot program simply does not support Power Survey's argument that the pilot program results were insignificant.

The table below shows the number of miles surveyed and the number of elevated voltage findings found in the initial surveys for the New York cities *that were tested by Power Survey* for Niagara Mohawk, as compared to the Providence pilot.

City	**Miles Surveyed in First Mobile Survey**	**Findings Found in First Mobile Survey Rate**	**Findings per Mile**	**Comments**
Albany	396	101	0.26	Annual testing continues
Buffalo	1,444	2,677	1.85	Updated Safety Order and Mobile Survey frequency increased to two times per year
Niagara Falls	265	54	0.20	Annual testing continues

[3] In this letter, the term "finding" refers to a confirmed elevated voltage condition of greater than one volt using a manual testing device after detecting a "hit" from the mobile testing equipment, and the term "hit" refers to an initial elevated electric field reading from the mobile testing equipment.

Schenectady	192	13	0.07	Updated Safety Order and Mobile Surveys discontinued after first survey
Syracuse	611	12	0.02	Updated Safety Order and Mobile Surveys discontinued after first survey
Utica	321	13	0.04	Updated Safety Order and Mobile Surveys discontinued after first survey
Providence Pilot – 8% of contact voltage risk areas	12	2	0.17	

The data in the table above illustrates that there can be significant variability in the number of findings by geographic locations and that a low number of findings in itself is not indicative that the pilot design or results were statistically insignificant. The findings of the Company's pilot are not inconsistent with what occurred in the initial surveying in other communities in New York.

Furthermore, Power Survey's calculation of a one percent detection rate is invalid and misleading. A detection rate would be calculated by dividing the number of detected elevated voltage findings by the number of total elevated voltage findings known to exist. As the total elevated voltage findings known to exist was an unknown number in this case, there is no way to determine a detection rate.

Power Survey also claims that "false positives" and the fact that the device alarm caused investigations every 316 feet raise serious concerns. Again, the Company disagrees with these statements. The "false positives" are increased field readings by the mobile testing technology. These increased field readings are then investigated and can be either attributed to a contact voltage event or to an elevated field reading from another source, such as overhead sources (e.g. traffic signal, ornamental light or overhead distribution). In particular, during the pilot, Premier and Company personnel observed that the traffic signal hits were attributed to the design of the type of traffic signal used in Providence at intersections. Specifically, the exposed wires in the neck of the traffic signal approximately twenty feet in the air were registered by Premier's technology as a potential hit. At each of these locations, Premier manually tested all utility and third-party metallic objects within a thirty-foot radius. While the Company used the term

"false positive" in its December 17, 2012 compliance filing, more accurately these readings from the traffic signals are just one example of a legitimate increased field reading registered by the mobile testing technology that was found upon investigation to be a normal operating occurrence, and not a contact voltage finding. As noted above, except for the two findings discovered and discussed in the Company's December 17, 2012 compliance filing, these manual investigations uncovered no further elevated voltage readings. This extensive manual testing in these areas further validates that elevated voltage conditions were not missed as a result of the "false positives".

Finally, of concern is Power Survey's statement that an unknown number of elevated voltage hazards were missed during the pilot. Power Survey provides no details or information to support this claim, which is purely speculative. If Power Survey was aware of specific elevated voltage hazards that were missed during the pilot, for public safety reasons, the Company would have expected that Power Survey would have immediately notified the Company. No information has been forthcoming. As previously stated, the extensive manual testing in the areas of the mobile elevated field readings confirms that elevated voltage conditions were not missed as a result of the "false positives".

2. <u>Power Survey's Offer to Assist in the Design of the Pilot Program</u>

As stated above, to provide for a fair and transparent pilot program, the Company sought to avoid any ex parte discussions that could have suggested that the pilot program would be designed with a bias to favor a particular vendor. As such, the Company did not meet with either vendor individually to discuss the pilot program, but rather conducted a bidders conference on December 4, 2012[4] to explain the specifics of the pilot program and to permit any vendor to suggest any modification or raise issues with the program.

Contrary to Power Survey's claim that, on the bidders call, the Company could not answer simple questions, the Company responded to all questions. At the beginning of the call, Power Survey stated upfront its objections to conducting a pilot. The Company acknowledged that, while it could not force any vendor to participate in the pilot program, it encouraged Power Survey to take part in the pilot. Furthermore, the Company notified the participants that the results from the pilot would be used along with other components provided in the bid, such as pricing, to select a vendor. The Company also informed Power Survey that, pursuant to the Commission's directives, a failure to participate in the pilot program would result in disqualifying Power Survey from the RFP process. Power Survey indicated that it would post its decision concerning whether it would participate on the Company's Ariba procurement system site by the end of that week, Friday, December 7, 2012.[5]

---

[4] The bidders conference was originally scheduled for November 30, 2012, but had to be re-scheduled because of an emergency with a key National Grid employee who was needed for the conference.

[5] On December 10th, Power Survey provided an email to the Company stating that it would not participate in the pilot program.

On the bidders call, the Company provided an overall description of the pilot program. The Company indicated that it would conduct the pilot for both vendors over a designated route covering a maximum of twenty miles in areas that included a significant number and type of underground and street lighting assets as well as privately owned structures, such as signs, fences, and private lighting. The Company stated that it would have underground crews on standby, as well as inspectors to guard any fault or area where elevated voltage was discovered during the pilot program until it could be made safe. Police details were coordinated with the City of Providence to control traffic and to safely perform the pilot program. A coin toss would be used to determine the vendor order with the first vendor beginning to survey and test the designated route at 8:00 PM and the second vendor beginning at 10:00 PM. To ensure that no vendor had an advantage or attempted to pretest the designated pilot route, the vendors were informed that they would receive the designated route just before they began their survey. Each vendor was to be escorted by National Grid employees to ensure that the identical route was taken and to observe utilized ground lengths, recorded hits, findings and voltage levels. Company employees would then verify all voltage readings and provide resources to correct or make safe and or guard any public safety hazard that was discovered.

The only issue that arose on the call was the potential mileage to be tested during the pilot. Both Power Survey and Premier expressed concern over being able to complete the assigned route, and the Company discussed the possibility of shortening the route identically for both vendors if it became apparent that it was not possible to complete the route. Neither vendor objected to, or commented on, this response.

Power Survey claims that it made "numerous recommendations as to how the proposed pilot could be improved, including those mentioned within [their] September 21, 2012 filing to the Commission" and that "[t]hese suggestions were largely ignored." In fact, the only specific recommendations the Company received from Power Survey to alter the pilot were those recommendations made in the September 21st letter. During the December 4th bidders conference call, Power Survey did not offer any specific suggestions to change the pilot, either in design, length or controls to be taken. Instead, Power Survey continued to claim that a pilot was not necessary.

Power Survey's claim that its September 21, 2012 public comments were largely ignored is factually incorrect and unsupported. Importantly, Power Survey's statement that there was no specific process in the pilot to protect and address a major fault that might be found during testing by the initial vendor was specifically addressed at the September 24, 2012 hearing. In response to a question from Ms. Wilson-Frias, Ms. Grimsley and Mr. Cass stated that public safety would be the overriding factor, if such a situation arose, that Company personnel would use their best judgment to either guard or repair any major elevated voltage found by the first pilot vendor, but in any case it should not affect the overall results of the scanning and testing. (Tr. at 88-90)[6] This issue was again reviewed with both vendors on the December 4th bidders conference call.

---

[6] As noted above, a coin toss would determine which vendor may face this situation, if at all, during the pilot.

Power Survey's September 21, 2012 statement that the pilot program does not consider the multivariate nature of contact voltage is also incorrect. The pilot area included sections of the DCVRAs which would test the ability to detect all possible targets at varying voltages and distances, including but not limited to manhole covers, streetlights, traffic lights, private lighting, sidewalks, catch basins, fences, and street furniture. The Company reviewed this with both vendors on the December 4th bidders conference call as well.

Likewise, Power Survey's September 21, 2012 statement that the pilot program small sample size is inadequate is equally unsupported and conflicts with Power Survey's subsequent concerns. The pilot area was designed to cover a maximum of twenty miles, or 15 percent of the total miles in the DCVRAs. Again, the Company discussed this with both vendors on the December 4th bidders conference call. The pilot survey actually covered 12 miles, or eight percent of the total DCVRAs. As noted above, both Power Survey and Premier expressed a concern during the bidders conference about the number of miles for the pilot. Specifically, both vendors raised a concern that the sampling size may be too large to effectively complete the survey in the time allotted. The Company noted that the pilot would be shortened identically for both vendors if time constraints arose. Neither vendor objected to the potential shortening of the route or offered alternatives, such as to perform testing over several nights. Nor did they raise concerns that the length of the route was too short to provide a statistically significant sample. The Company maintains that a pilot covering eight percent of the total DCVRAs is statistically significant.

Additionally, Power Survey's claim that the overall evaluation criteria are not defined is incorrect. On the December 4th bidders conference call, the Company informed both vendors that the bid would be awarded based primarily on a comparison of the results of findings from the pilot and pricing components in the bids. Primarily, the Company would be looking at the number of elevated voltage results found and validated by the Company and determining if there were elevated voltage conditions missed by one vendor, but found by another.

Lastly, Power Survey asserted that the pilot program required a qualified independent evaluator. The Company determined that this recommendation by Power Survey was unnecessary and directly conflicts with Power Survey's prior position in New York. The Company personnel that participated in the Rhode Island pilot are qualified to evaluate the pilot program. Mr. Cass, who participated in the Rhode Island pilot program, is directly responsible for contact voltage detection issues in Rhode Island, New York and Massachusetts and has extensive dealings with Power Survey in New York. In fact, Power Survey took no issue in 2010 when Company personnel evaluated Premier's results and decided based on that evaluation to use Power Survey. Power Survey goes so far as to note this information in its public comments of September 5, 2012 in this case. Power Survey offers no explanation as to why Company personnel were qualified to evaluate these vendors' results in 2010 in New York, but are currently not qualified to evaluate the same vendors' results in Rhode Island.

3. Rochester Benchmarking

Finally, Power Survey again attempts to challenge the effectiveness of Premier's mobile equipment by virtue of the results of a December 2012 survey for RG&E. At this time, the Company understands that RG&E is preparing its filing to the New York Public Service Commission ("NY PSC") with the test results from its December 2012 testing by Premier. While the Company is not in a position at this time to offer specific additional information on the dispute in Rochester, it can offer the following observations from the information provided in this case.

In the December 17, 2012 RFP compliance filing, the Company noted that RG&E had used Premier for its mobile surveying and testing so as to continue to provide the Commission with the most updated information as to what was taking place in other jurisdictions on contact voltage issues. As the Commission is aware from the public comments filed by Power Survey and Premier in this case, the issue of accuracy and capabilities of each vendor's' mobile equipment has been a very contentious issue in New York since 2010. That contention continues with the NTS Rochester Benchmarking study, ("NTS study") which Power Survey claims provides the Commission with a "critical missing link" on the capabilities of Premier's mobile equipment.

In fact, a careful reading of the NTS study fails to support any of Power Survey's claims as to the capabilities and accuracy of Premier's mobile equipment. The NTS study speaks only to Power Survey's findings and does not address Premier's findings in Rochester. Moreover, the NTS study offers no opinion on the capabilities and accuracy of either Premier or Power Survey's mobile equipment. This is because the NTS study only seeks to confirm Power Survey's *manual* testing findings *after* a mobile hit was detected, instead of examining a side-by-side comparison of each vendor's *mobile* equipment capabilities.

Nevertheless, of greater concern is the lack of information on how the testing was performed. For example, something as simple as the length of the ground lead or the suitability of the ground during manual testing may impact the observed voltage reading. Weather conditions and the time of the testing can also impact findings. Because no information on these and other factors has been provided, it simply is not possible for the Company to know how Power Survey conducted its study or how Premier conducted its study in Rochester. In short, the NTS Rochester Benchmarking report does not provide the "critical missing link".

The lack of consistency and controls apparent in the Rochester benchmarking underscores why in Rhode Island the Company designed its pilot program to ensure a controlled process and that a valid comparison and evaluation of each vendor's equipment could be made. As noted above, each vendor was to be escorted by National Grid employees on the same night so as to minimize the impact of external factors and to ensure that the identical route was taken and to observe used grounding, recorded hits/findings, and to verify all voltage levels. Unfortunately, Power Survey chose not to participate and demonstrate the capabilities of its equipment. Thus, a more complete comparison of the results from each vendor was not possible.

The Company finds it interesting that the process that Power Survey used in Rochester of attempting a side-by-side comparison is simply an uncontrolled version of the pilot process that it refused to participate in for the Company in Rhode Island. Rather than directly participate in an unbiased, controlled side-by-side comparison in Rhode Island, Power Survey continues to provide after-the-fact comparisons between the two vendors from uncontrolled testing in support of its claim of the superior capabilities of Power Survey's equipment.

Conclusion

The information above demonstrates that the Company takes public safety and concern about elevated voltage very seriously, and these concerns guided the Company in the development and implementation of a fair and unbiased pilot program. The Company was and continues to be disappointed that Power Survey did not participate in the pilot. However, when provided an opportunity to discuss the pilot program on the December 4th bidders call, Power Survey consistently maintained that the Company did not need a pilot program, rather than offering suggestions on how to improve the proposed pilot. Likewise, when presented with an opportunity to back-up its claim of its equipment's superior capabilities by participating in the pilot, Power Survey chose not to take advantage of that opportunity.

On the other hand, Premier did participate in the pilot program. The National Grid personnel who accompanied Premier determined that Premier successfully completed the pilot within the requirements and criteria set forth in the RFP. The Company is satisfied that Premier's mobile equipment is capable of scanning and testing within the voltage standards approved in this proceeding. In addition, Premier's bid prices were significantly less than Power Survey's bid prices. Because Power Survey chose not to participate in the pilot, the Company has been provided no rationale that would justify such an extensive premium to ratepayers for the same scanning and testing.

Accordingly, in compliance with the Commission's directive that any vendor that does not participate in the pilot program is to be disqualified from the RFP process, the Company is prepared to award the contract for surveying and testing the DCVRAs in Rhode Island to Premier and awaits the Commission's determination of the specific timeframe for the initial survey and testing.