

March 15, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4382 - National Grid's Proposed FY 2014 Electric Infrastructure,
Safety, and Reliability Plan
Response to Commission Data Request - Set 4**

Dear Ms. Massaro:

On behalf of National Grid¹, I have enclosed ten (10) copies of the Company's response to Commission Data Request 4-1, which was the only question issued in the Commission's Fourth Set of Data Requests concerning the above-captioned proceeding.

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

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 4382 Service List
Leo Wold, Esq.
Steve Scialabba, Division

¹ The Narragansett Electric Company d/b/a National Grid (hereinafter referred to as "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 transmitted to the individuals listed below. Paper copies of this filing were hand delivered to the Rhode Island Public Utilities Commission.

March 15, 2013

Joanne M. Scanlon

Date

Docket No. 4382 National Grid's FY 2014 Electric Infrastructure, Safety and Reliability Plan - Service List as of 1/29/13

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The Narragansett Electric Company
d/b/a National Grid
R.I.P.U.C. Docket No. 4382
In Re: Proposed FY 2014 Electric Infrastructure,
Safety and Reliability Plan
Response to Commission's Fourth Set of Data Requests
Issued March 12, 2013

Commission 4-1

Request:

Please provide the FY 2013 ISR Third Quarter Report. If it is not available, please provide a detailed explanation of the reason.

Response:

The Company's FY 2013 Electric ISR quarterly report covering the period October 1, 2012 through December 31, 2012 is not available. Typically, the Company submits its quarterly ISR reports within 45-60 days of the close of the period. However, as a result of a major system conversion recently undertaken by the Company, certain financial information ordinarily included in the quarterly report is not available at this time. Therefore, the Company is unable to provide its third quarter FY 2013 Electric ISR quarterly report at this time. The Company proposes to file the report as soon as the necessary information is available after the financial close of the Company's fiscal year is completed.

Please note that the Division of Public Utilities and Carriers ("Division") has requested information about the status of the implementation of the Company's new financial system. A copy of the Division's letter is attached as Attachment COMM 4-1. The Company is in the process of preparing responses that are due to be submitted to the Division on or before April 10, 2013. The answers provided also will be responsive to the request in this data request seeking an explanation of the reason for the delay in the filing of the Company's third quarter FY 2013 Electric ISR quarterly report. The Company proposes to provide a copy of the responses to the Commission when submitted to the Division, which also will be responsive to this request.



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

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Peter F. Kilmartin, Attorney General

March 11, 2013

Thomas Teehan, Esq.
National Grid
280 Melrose Street
Providence, RI 02907

Re: Division Investigation Into National Grid's Implementation of U.S Foundation Program

Dear Mr. Teehan,

Please provide a status of the implementation of the new financial accounting system of National Grid. This system was described in the rate case, Docket 4323, in the direct testimony of Michael Laflamme, pages 40-46. It was described as the U.S. Foundation program with estimated costs of \$356.7 million. Media reports have indicated significant problems associated with payroll issues, as well as National Grid's inability to provide W-2's to employees in a timely fashion. Further, the February 20, 2013 National Grid monthly RIPUC filing of GCR deferred balances states that the January 2013 actual deferred balance is not available following implementation of the new financial system.

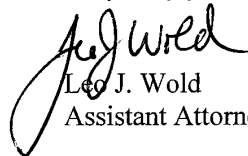
To date, the Division is unaware of any official notification of the problem to the Commission or Division. Rather than issuing a litany of specific data requests at this point regarding the status of the system, the Division is requesting that National Grid, as a regulated public utility with a public service obligation, provide a report to the Division and Commission within 30 days that describes and explains, at a minimum:

- The nature of the problem.
- What information cannot be currently extracted from the system?
- At the time of the system cut-over, did National Grid also run its existing system(s) in parallel in the event of problems with the new system? If not, please explain the rationale in deciding not to run parallel systems for a period of time.
- What processes have been affected by problems encountered in the implementation

- of the new financial accounting system?
- What regulatory reports and reporting requirements in the National Grid USA service territories and regulatory jurisdictions, state and federal, have been affected by problems encountered?
 - How are reporting requirement and filings specific to the Rhode Island PUC affected?
 - What is the present status of the new financial accounting system?
 - What is the realistic estimate of the time frame for resolution of remaining system problems?
 - Has implementation of the new system affected the billing function or any other function where the Company interfaces with customers?
 - What has been the cost of addressing the system problems and how does this affect the \$357.6 million U.S. Foundation Program cost estimate provided in RIPUC Docket 4323?
 - Please provide any other pertinent information or facts that would inform the Rhode Island utility regulators regarding problems encountered in the implementation of the U.S. Foundations Program.

Thank you for your anticipated cooperation with this matter.

Very truly yours,


Leo J. Wold
Assistant Attorney General

cc: Thomas F. Ahern, Administrator, DPUC