

July 27, 2016

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Annual Environmental Report for Gas Service  
For Period April 1, 2015 – March 31, 2016**

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's<sup>1</sup> annual Environmental Report for Gas Service (Report) for the period April 1, 2015 through March 31, 2016, related to natural gas service in Rhode Island. This Report contains a description of the environmental remediation sites as well as the expenses incurred during the reporting period.

In accordance with the settlement of the 2012 Distribution Adjustment Charge (DAC) proceeding in Docket No. 4339 and the Rhode Island Public Utilities Commission's Order No. 21005 (April 8, 2013) in that proceeding, the Company must include in its annual Environmental Report for Gas Service all asset sales or exchanges involving real property that the Company has acquired or may acquire that are funded by its customers through the Distribution Adjustment Clause. In addition, any such future profits from the sale of land for which acquisition costs have been included in the Environmental Response Cost Factor in the Distribution Adjustment Clause must be credited to customers. For the reporting period, there were no such sales of real property.

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2153.

Very truly yours,



Celia B. O'Brien

Enclosures

cc: Leo Wold, Esq.  
Steve Scialabba, Division  
Bruce Oliver, Division

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<sup>1</sup>The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

**National Grid**

**Environmental Report for  
Gas Service**

**For Period  
April 1, 2015 – March 31, 2016**

**July 27, 2016**

**Submitted to:  
Rhode Island Public Utilities Commission**

Submitted by  
**nationalgrid**

**ENVIRONMENTAL REPORT**

For Period  
April 1, 2015 – March 31, 2016

**A. 642 Allens Avenue, Providence, Rhode Island**

This site is the former Sassafras Point Manufactured Gas Plant (MGP), which operated from 1910 until 1953. The site abuts the Providence River in a heavily industrialized area and is currently the location of The Narragansett Electric Company’s (National Grid or the Company) central gas supply facility. The Phase 1 remediation project (addressing 4.5 acres) was completed in October 2002 and a Closure Report was filed with the Rhode Island Department of Environmental Management (RIDEM) in December 2002. A Site Investigation Report (SIR) addressing the remaining 37.5 acres of the site was submitted to RIDEM in April 2003. The Company performed supplemental site investigation activities during this reporting period and the Company anticipates submitting a SIR Addendum to RIDEM. Until National Grid receives a closure letter from RIDEM for Phase 1 remedial activities and completes additional investigation activities, it is unclear what, if any, additional investigation or remediation will be necessary. The Company continues to perform semi-annual groundwater/non-aqueous phase liquid (NAPL) gauging, groundwater sampling and reporting to RIDEM, as well as maintenance of a boom in the Providence River. Costs reported during this period also include those associated with environmental support and planning for several facility-related projects and environmental field support for utility repairs; stockpile management and disposal; and completion of a supplemental drainage investigation to support planning for the former holder 18/21 area remedy.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity (1)
907+908	642 Allens Ave	\$ 20,447,889		\$ 20,783,287	\$ 335,398
	Sub-Total	\$ 20,447,889		\$ 20,783,287	\$ 335,398

(1) The Company identified an overpayment of \$227.55 on a GZA GeoEnvironmental, Inc. invoice and is pursuing reimbursement, which will be reflected in the FY17 report.

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$218,935
2	Construction/Disposal/Removal Costs	\$96,913
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$19,550
	Total	\$335,398

**ENVIRONMENTAL REPORT**

For Period  
April 1, 2015 – March 31, 2016

**B. 170 Allens Avenue, Providence, Rhode Island**

Citizens Gas Light began MGP operations at this site circa 1875. After Providence Gas acquired the plant in 1877, it was known as the South Station Plant. This former MGP operated until 1916. Subsequent to its use as a gas plant, this site was operated for over eighty years as a bulk fuel oil storage yard by a succession of companies including Cargill, Inc. (Cargill). In November 1998, Providence Gas received a letter of responsibility from RIDEM relating to possible contamination. Cargill has also received a letter of responsibility from RIDEM for the site. An investigation was initiated to determine the extent of contamination, as well as the extent of the Company's responsibility. In September 2009, Cargill Petroleum, Rhode Island State Piers, LLC and the Company received a Letter of Non-Compliance from RIDEM requiring that the parties complete certain activities at the site. The completion of the RIDEM-approved upland remedy for the site, which included the installation of a containment wall, excavation and off-site thermal treatment of certain impacted soils and construction of an engineered cap (including installation of regulation-required integrated storm water treatment systems) occurred in 2014. Activities performed this year were primarily associated with the operation, monitoring, and maintenance of the implemented upland remedy including submittal of monthly progress reports to RIDEM. Costs incurred during the period also include the following activities: legal-related matters associated with negotiating additional terms to the agreement with another potentially responsible party (i.e., Cargill); property-related activities including water usage; and a credit for rental of the parking lot by Rhode Island Hospital totaling \$5,200.00 (the credit was included in Category 5 Other Costs).

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity (1)
379	170 Allens Ave.	\$ 7,900,757	\$ 7,986,062	\$ 85,305
	Sub-Total	\$ 7,900,757	\$ 7,986,062	\$ 85,305

(1) A credit of \$12,000 received from Rhode Island Hospital for parking lot rental was inadvertently credited to the incorrect account, and is in the process of being corrected. The credit will be reflected in the FY17 report.

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$78,643
2	Construction/Disposal/Removal Costs	\$2,395
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$9,141
5	Other Costs (includes Company labor, materials & expenses)	(\$4,874)
	Total	\$85,305

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**Valley Resources Sites in Rhode Island**

The Company's contribution action against Southern Union Company (SU) relating to the remediation of the Mendon Road site in Attleboro, Massachusetts was dismissed following the sale of SU's Rhode Island gas assets to the Company in August 2006. The suit, which alleged that SU shared liability for the Mendon Road site, which was allegedly contaminated with coal gas manufacturing waste transported from a former MGP in Pawtucket, Rhode Island, was dismissed by the Company because the Purchase and Sale Agreement between the Company and SU allocated to the Company the environmental liability for the Mendon Road site, the Tidewater MGP site in Pawtucket and the Hamlet Avenue MGP site in Woonsocket.

As a further result of the allocation of environmental liability in the Purchase and Sale Agreement, the proceeds from the bankruptcy claim by the Company and SU against the Stone and Webster entities of approximately \$6.129 million, which had been held in an escrow account pending the resolution of the contribution dispute between the Company and SU, were liquidated to the Company in January 2007 and have been applied to the Rhode Island gas and electric environmental response funds.

**C. Mendon Road, MA**

This project is associated with the Mendon Road remediation following discovery of MGP wastes at this location. No further work is anticipated on this project.

		Bal @		Bal @	April 1– March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
781	Mendon Rd, Cumberland	\$ 121,355		\$ 121,355	\$ 0
	Sub-Total	\$ 121,355		\$ 121,355	\$ 0

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$0
	Total	\$0

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For Period  
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***D. Pawtucket (Tidewater) MGP, Rhode Island***

This project is associated with the site investigation and remediation activities at the former MGP and power plant site at this location. Following the Purchase and Sale Agreement between the Company and SU, 80 percent of the costs associated with the site are assumed by electric operations of the Company, with the remaining 20 percent assumed by the gas operations of the Company.

The 28-acre site was the location of a former MGP which operated from the 1880s until 1954. In addition the property housed a power plant that operated from the 1890s until 1976. The site currently houses gas and electrical operations, including a gas regulator station, an electrical substation and two transmission towers. Site investigation activities have been performed at the site since 1986. Costs incurred during this reporting period are associated with the design of, and preliminary permitting associated with, repair of the south washout area (including preparation and submittal of a Short Term Response Action Plan); planning for environmental support during the City’s proposed Max Read Field expansion which includes a portion of the southern area of the site; environmental support associated with the City of Pawtucket Master Plan redevelopment project which includes the northern portion of the site; clean-out of the three remaining former gas manufacturing buildings; preparation for and demolition of three former gas manufacturing buildings; maintenance of publicly available sources of information regarding the Tidewater Environmental Project (including National Grid Tidewater website and two bulletin boards near the site) per the RIDEM-approved Public Involvement Plan; continuation of a RIDEM-required limited soil gas sampling program; release notification related to a hydraulic oil line rupture from a truck delivering backfill for the building demolition project; fence repair; annual groundwater monitoring and quarterly NAPL gauging and preparation of a report to document past sampling; bi-weekly site inspections; and preparation of bi-weekly and monthly status reports for submittal to RIDEM.

		Bal @		Bal @	April 1– March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
782	Tidewater St, Pawtucket	\$ 1,380,435		\$ 1,542,818	\$ 162,383,
	Sub-Total	\$ 1,380,435		\$ 1,542,818	\$ 162,383

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$47,579
2	Construction/Disposal/Removal Costs	\$103,909
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$2,833
5	Other Costs (includes Company labor, materials & expenses)	\$8,062
	Total	\$162,383

**ENVIRONMENTAL REPORT**

For Period  
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**E. Woonsocket (Hamlet Ave.) MGP, Rhode Island**

This project is associated with the site investigation and remediation activities at the former MGP site at this location. Following the Purchase and Sale Agreement between the Company and SU, 80 percent of the costs associated with the former MGP site are assumed by electric operations, with the remaining 20 percent assumed by the gas operations of the Company.

The site was the location of a MGP, which operated from 1852 until approximately 1913. The gas regulator station was demolished in July 2015 and the site is currently vacant. Site visits were performed during this reporting period to provide environmental support during substation upgrade activities and replacement of a gas main. Both of these projects were completed during the reporting period. Investigations on the North Holder and substation areas of the site were completed and a Summary Letter was submitted to RIDEM on September 21, 2015. Based on the results of the investigations, the Company's environmental consultant recommended that RIDEM assign a new case number to the substation and substation access road areas, as MGP-related contaminants are not present in these areas. RIDEM assigned a new case number to the substation and access road areas in February 2016. In addition, costs were incurred for preparation and submittal on February 15, 2016 of a Supplemental Site Investigation Work Plan to RIDEM for investigations in the area between the railroad bridge and the adjacent Front Street property.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
783	Hamlet Ave, Woonsocket	\$ 121,255		\$ 140,529	\$ 19,274
	Sub-Total	\$ 121,255		\$ 140,529	\$ 19,274

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$18,848
2	Construction/Disposal/Removal Costs	\$857
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	-\$431
	Total	\$19,274

**ENVIRONMENTAL REPORT**

For Period  
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**F. PCB Regulated Pipe Abandonment, Rhode Island**

In 1998, the U.S. Environmental Protection Agency (EPA) enacted a major change to regulations 40 CFR Parts 750 and 761 governing polychlorinated biphenyls (“PCBs”). These new regulations are commonly referred to as the “MegaRule.” Among other matters, the MegaRule addresses the testing, characterization, and disposal of PCB-contaminated pipe in natural gas distribution systems. This project tracks costs associated with the analytical testing of condensate and wipe test samples and disposal of PCB-contaminated condensate, drip water, and pipe. Costs for this program were \$217K and \$215K for fiscal years 2014 and 2015, respectively, and \$213K in fiscal year 2016. Project costs for the past 3 years were higher than those incurred in prior reporting years because of the accelerated replacement of gas services and mains to improve system reliability.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
307	PCB Reg - Pipe Abandonment	\$ 1,180,490		\$ 1,393,153	\$ 212,663
	Sub-Total	\$ 1,180,490		\$ 1,393,153	\$ 212,663

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	-\$77
2	Construction/Disposal/Removal Costs	\$212,434
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$306
	Total	\$212,663



**ENVIRONMENTAL REPORT**

For Period  
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**G. 18 and 21 Holders at 642 Allens Avenue, Providence, Rhode Island**

This project tracks environmental costs associated with the decommissioning of the No. 18 and No. 21 former gas holders and associated structures at this former MGP. The Former Gas Holders 18 and 21 were decommissioned during Fiscal Year 2010. No future costs are anticipated with this project.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
700	18 & 21 Holders Allens Av	\$ 2,776,743		\$ 2,776,743	\$ 0
	Sub-Total	\$ 2,776,743		\$ 2,776,743	\$ 0

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$0
	Total	\$0

**ENVIRONMENTAL REPORT**

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**H. 18 Canal Street, Westerly, Rhode Island – Mercury Spill**

On December 9, 1996, approximately half an ounce of mercury was released to the site soils and RIDEM was notified. Remediation contractors conducted various remedial activities at the site to address the release including the shipment of approximately 14 cubic yards of contaminated soil offsite for disposal. In a February 10, 1999 letter, RIDEM requested additional information and a response was submitted to RIDEM on December 22, 1999. The Company then submitted a letter to RIDEM on February 7, 2000 requesting No Further Action with regard to the mercury release. RIDEM has not yet responded. No future costs are anticipated with this project.

		Bal @		Bal @		April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016		Activity
161	Mercury Spill Canal St Westerly	\$ 29,133		\$ 29,133		\$ 0
Sub-Total		\$ 29,133		\$ 29,133		\$ 0

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$0
Total		\$0

**ENVIRONMENTAL REPORT**

For Period  
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**I. 18 Canal Street, Westerly, Rhode Island – MGP Site**

This property is a former MGP that the Company operated at this location from 1885 to 1953. SU owned this property prior to its acquisition by the Company. Future environmental costs associated with the former MGP will be assumed by electric operations.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
144	Soil Invest Canal St Westerly	\$ 82,184		\$ 82,184	\$ 0
Sub-Total		\$ 82,184		\$ 82,184	\$ 0

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$0
Total		\$0

**ENVIRONMENTAL REPORT**

For Period  
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**J. 9 JT Connell Highway, Newport, Rhode Island**

This property is the Company’s former Newport operations center. Low levels of environmental contamination were discovered during due diligence investigations related to a sale of the property. The Company no longer owns the property. Groundwater contamination necessitated continued groundwater monitoring and reporting.

All remedial actions are now complete and RIDEM issued a Letter of Compliance to the Company on January 13, 2005 indicating no further action is required. The groundwater monitoring wells were closed in July 2005 and no future costs are anticipated.

		Bal @		Bal @		April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016		Activity
178	Site Inv. Connell Hwy Newport	\$ 44,092		\$ 44,092		\$ 0
	Sub-Total	\$ 44,092		\$ 44,092		\$ 0

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$0
	Total	\$0

**ENVIRONMENTAL REPORT**

For Period  
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***K. Thames & Wellington, Newport, Rhode Island***

On June 28, 2006, the Company received a Letter of Responsibility from RIDEM requesting a site investigation for this property. An MGP operated at this location from the early 1890s until approximately 1955. In the 1980s, the site was developed for mixed residential and commercial use with the construction of condominiums and commercial buildings. The Company has completed site investigation activities under the RIDEM regulations, as well as two significant RIDEM-approved Short-Term Response Actions (storm drain sealing/lining program and soil cap installation). A Remedial Action Evaluation Report was submitted to RIDEM for this site. Costs reported this period are for work associated with report preparation associated with annual groundwater monitoring; environmental support of a minor facility upgrade at the Wellington; planning and environmental support for geotechnical borings associated with utility upgrades at the City of Newport Microstrainer facility; and preparation of monthly status reports to RIDEM regarding ongoing and proposed site activities.

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity
	Thames & Wellington Inv.	\$ 5,512,492	\$ 5,640,324	\$ 127,832
	Sub-Total	\$ 5,512,492	\$ 5,640,324	\$ 127,832

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$54,037
2	Construction/Disposal/Removal Costs	\$4,308
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$49,991
5	Other Costs (includes Company labor, materials & expenses)	\$19,495
	Total	\$127,832

**ENVIRONMENTAL REPORT**

For Period  
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***L. Mercury Seal Regulator Replacement Program, Rhode Island***

This project is associated with the Company’s current mercury seal regulator (MSR) replacement program. This program has a proactive goal to remove all known MSRs from the distribution system. Over 9,000 MSRs have been replaced to date. The work is continuing and includes independent real-time vapor screening of all MSR locations prior to, during, and following MSR removal to document that all mercury was properly contained. Actions taking place during this reporting period include removal of 14 MSRs, no spill cleanup, and removal of impacted vent piping at two additional locations. The average cost per MSR removal during this 12-month period was \$1231, which is similar to the FY15 average of \$1,172. The cost of the spill clean-up was \$0 and the cost of the impacted vent piping removal was \$4332.50.

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity
171	Mercury Regulator Replace Program	\$ 3,073,261	\$ 3,094,828	\$ 21,567
	Sub-Total	\$ 3,073,261	\$ 3,094,828	\$ 21,567

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$20,964
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$603
	Total	\$21,567

**ENVIRONMENTAL REPORT**

For Period  
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***M. Miscellaneous MGP Program Costs, Rhode Island***

Costs for this project are associated with general costs and Company project management costs for the gas operations MGP program.

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity
	Miscellaneous MGP Program	\$ 338,701	\$ 372,891	\$ 34,190
	Sub-Total	\$ 338,701	\$ 372,891	\$ 34,190

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$12,728
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$21,462
	Total	\$34,190

**ENVIRONMENTAL REPORT**

For Period  
April 1, 2015 – March 31, 2016

**N. Insurance Recovery Activities**

Costs for this project are associated with insurance recovery claims for the investigation and remediation of Company sites.

		Bal @		Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015		03/31/2016	Activity
	Insurance Recovery Activities	\$ 1,245,516		\$ 1,302,189	\$ 56,673
	Sub-Total	\$ 1,245,516		\$ 1,302,189	\$ 56,673

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$56,673
5	Other Costs (includes Company labor, materials & expenses)	\$0
	Total	\$56,673



**ENVIRONMENTAL REPORT**

For Period  
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**O. East Providence (First Ave) Holder**

The parcel was purchased by the Providence Gas Company in April 1872. The site is the location of two former remote gasholders (referred to as Holders 11 and 20). Available information indicates that gas holder 11 was destroyed during the Hurricane of 1938 and gas holder 20 was present until circa 1972. The property currently houses active natural gas lines and below-grade gas regulator stations. Costs incurred during this period are for work associated with installation of a fence around the southern portion of the Site including off-site soil disposal; preparation and submittal of a summary memorandum of soil management associated with the regulator tie-in upgrade activities; coordinating with RIDEM to obtain the Remedial Approval Letter; quarterly Site inspections for draft ELUR compliance; and annual groundwater monitoring activities including submittal of the annual monitoring report.

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity
	East Providence (First Ave) Holder	\$ 270,886	\$ 331,289	\$ 60,403
	Sub-Total	\$ 270,886	\$ 331,289	\$ 60,403

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$24,844
2	Construction/Disposal/Removal Costs	\$22,018
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$0
5	Other Costs (includes Company labor, materials & expenses)	\$13,541
	Total	\$60,403

**ENVIRONMENTAL REPORT**

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**P. 560 Thames Street, Newport, RI**

Based on a review of Sanborn Maps, this MGP was in operation by 1870, and was first listed as the Newport Gas Company in 1876, and then Newport Gas Light Company in 1893. It appears to have become operational sometime between 1850 and 1870. This MGP pre-dated the MGP located at 551 Thames Street. In March 2016, National Grid was contacted by the Rhode Island Department of Environmental Management regarding this site, as apparent MGP waste was identified during the reconstruction of the gasoline service station located on the northwestern portion of the this MGP. Costs incurred during this period are for legal review to determine potential liability.

		Bal @	Bal @	April 1-March 31
I. Environmental Expenses		04/01/2015	03/31/2016	Activity
	560 Thames Street, Newport, RI	\$ 0	\$ 2,237	\$ 2,237
	Sub-Total	\$ 0	\$ 2,237	\$ 2,237

Cost Breakdown by Category		Payments During this Period
1	Consulting Costs	\$0
2	Construction/Disposal/Removal Costs	\$0
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$2,237
5	Other Costs (includes Company labor, materials & expenses)	\$0
	Total	\$2,237

**ENVIRONMENTAL REPORT**

For Period  
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***SUMMARY OF FISCAL YEAR 2016 COSTS***

		Payments During this Period
1	Consulting Costs	\$455,538
2	Construction/Disposal/Removal Costs	\$463,798
3	Regulatory Oversight Costs (RIDEM/EPA/NBC)	\$0
4	Property Purchases/Settlements/Legal	\$120,874
5	Other Costs (includes Company labor, materials & expenses)	\$77,712
	Total	\$1,117,923
		Payments During this period
A.	642 Allens Avenue, Providence, Rhode Island	\$335,398
B.	170 Allens Avenue, Providence, Rhode Island	\$85,305
C.	Mendon Road, MA	\$0
D.	Pawtucket (Tidewater) MGP, Rhode Island	\$162,383
E.	Woonsocket (Hamlet Ave.) MGP, Rhode Island	\$19,274
F.	PCB Regulated Pipe Abandonment, Rhode Island	\$212,663
G.	18 & 21 Holders at 642 Allens Avenue, Providence, RI	\$0
H.	18 Canal Street Mercury Spill, Westerly, Rhode Island	\$0
I.	18 Canal Street, Westerly, Rhode Island	\$0
J.	9 JT Connell Highway, Newport, Rhode Island	\$0
K.	Thames & Wellington, Newport, Rhode Island	\$127,832
L.	Mercury Seal Regulator Replacement Program, RI	\$21,567
M.	Miscellaneous MGP, Rhode Island	\$34,190
N.	Insurance Litigation Haz Waste	\$56,673
O.	East Providence (First Ave) Holder	\$60,403
P.	560 Thames Street, Newport, RI	\$2,237
	Total	\$1,117,923

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<b>Consulting Costs</b>			
<b>Site</b>	<b>Consultant Name</b>	<b>Purpose of Consultant Costs</b>	<b>Costs</b>
642 Allens Ave, Providence, RI	GZA GeoEnvironmental, Inc.	Groundwater/NAPL monitoring; boom maintenance; environmental support & planning during utility work; supplemental site investigation activities; preparation of environmental remedy documents for capping former Holder 18 & 21 area	\$199,400
	Coneco Engineers & Scientists, Inc.	Health & safety monitoring	\$19,536
170 Allens Ave, Providence, RI	GZA GeoEnvironmental, Inc.	Upland remedy monitoring and reporting	\$69,933
	EECS, Inc.	Project management activities	\$8,710
Pawtucket (Tidewater) MGP, RI	GZA GeoEnvironmental, Inc.	Public involvement activities; investigation activities; groundwater/NAPL/air monitoring; reporting	\$45,920
	Potomac	Community relations consulting	\$1,659
Woonsocket (Hamlet Ave) MGP	GZA GeoEnvironmental, Inc.	Environmental support for substation, gas main, and regulator station work; site investigation and summary letter preparation; preparation of site investigation work plan	\$15,409
	EECS, Inc.	Project management activities	\$1,377
	Coneco Engineers & Scientists, Inc.	Environmental support for substation, gas main, and regulator station work	\$2,062
PCB Regulated Pipe Abandonment	N/A	N/A	(\$77)
Holder at 642 Allens Ave, Providence, RI	N/A	N/A	\$0
Thames & Wellington, Newport	GZA GeoEnvironmental, Inc.	Environmental support of minor facility upgrades at the Wellington and environmental support and planning for utility upgrades at the City of Newport Microstrainer facility; reporting	\$54,037
Miscellaneous MGP, RI	EECS, Inc.	Project management activities	\$12,713
	GZA GeoEnvironmental, Inc.	Reallocation of FY15 filing support to specific sites	(\$900)
	Potomac	Community relations consulting	\$915
Insurance Recovery Activities	N/A	N/A	\$0
East Providence Holder	GZA GeoEnvironmental, Inc.	Environmental support during gas regulator tie-in; site inspections; ground water monitoring; reporting	\$21,644
	Vanasse Hangen Brustlin, Inc	Property survey for southern fence installation	\$3,200
560 Thames Street, Newport, RI	N/A	N/A	\$0

**ENVIRONMENTAL REPORT**

For Period  
April 1, 2015 – March 31, 2016

<b>Contractor/Disposal</b>			
<b>Site</b>	<b>Contractor Name</b>	<b>Task</b>	<b>Costs</b>
642 Allens Ave, Providence, RI	Clean Harbors Environmental Services, Inc. (Clean Harbors)	Waste disposal, support for sheen mitigation/boom maintenance; groundwater management support; environmental support for supplemental investigation Management of MGP residuals encountered during building demolition; test pit investigation, stockpile relocation onto former Holder 18	\$55,558
	T Ford Company, Inc. (T Ford)		\$41,355
170 Allens Ave, Providence, RI	Clean Harbors	Waste disposal	\$2,395
Pawtucket (Tidewater) MGP, RI	Clean Harbors	Waste disposal; miscellaneous support	\$587
	T Ford	Building demolition activities	\$103,052
	Citiworks	Fence repair	\$270
PCB Regulated Pipe Abandonment	Clean Harbors	Pipe removal and disposal	\$212,434
Woonsocket (Hamlet Ave) MGP	Clean Harbors	Waste disposal	\$857
18&21 Holders at 642 Allens Ave	N/A	N/A	\$0
18 Canal Street Mercury Spill, Westerly, RI	N/A	N/A	\$0
18 Canal Street MGP, Westerly, RI	N/A	N/A	\$0
9 JT Connell Highway, Newport	N/A	N/A	\$0
Thames & Wellington, Newport	Clean Harbors	Waste disposal	\$2,523
	New Hampshire Boring, Inc.	Environmental support for City of Newport project	\$1,785
Mercury Seal Regulator (MSR) Replacement Program	Clean Harbors	MSR and impacted vent piping removal	\$20,964
Miscellaneous MGP, RI	N/A	N/A	\$0
Insurance Recovery Activities	N/A	N/A	\$0
East Providence Holder	Clean Harbors	Waste disposal	\$2,187
	Citiworks	Fence installation	\$19,831
560 Thames Street, Newport, RI	N/A	N/A	\$0