

February 14, 2020

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: Docket 4916 – FY2020 Gas Infrastructure, Safety, and Reliability Plan
Quarterly Update – Third Quarter Ending December 31, 2019**

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed ten copies of the Company's fiscal year (FY) 2020 Gas Infrastructure, Safety, and Reliability (ISR) Plan quarterly update for the third quarter ending December 31, 2019.

Pursuant to the provisions of the approved FY 2018 Gas ISR Plan, the Company committed to providing quarterly updates on the progress of its Gas ISR program to the Rhode Island Public Utilities Commission and the Rhode Island Division of Public Utilities and Carriers.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 4916 Service List
Leo Wold, Esq.
John Bell, Division
Al Mancini, Division

¹The 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 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

February 14, 2020
Date

Docket No. 4916 - National Grid's FY 2020 Gas Infrastructure, Safety and Reliability (ISR) Plan - Service List 8/15/2019

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Gas Infrastructure, Safety, and Reliability Plan

The Narragansett Electric Company

FY 2020 Quarterly Update

Third Quarter - Ending December 31, 2019

Executive Summary

Fiscal year (FY) 2020 Gas Infrastructure, Safety, and Reliability (ISR) results through the third quarter (Attachment A) reflect that the Company¹ has spent approximately \$91.68 million of an estimated year-to-date (YTD) budget of \$101.33 million, resulting in a year-to-date under-spending variance of \$9.64 million.² The spend through the third quarter includes actual spending of \$28.62 million of an estimated year-to-date budget of \$28.70 million for Non-Discretionary work, resulting in a year-to-date under-spending variance of \$0.09 million. In addition, the spend through the third quarter includes actual spending of \$63.07 million of an estimated year-to-date budget of \$72.62 million on Discretionary work, resulting in a year-to-date under-spending variance of \$9.56 million. To date, the \$91.68 million of actual spend represents approximately 78 percent of the total FY 2020 annual Gas ISR budget of \$118.00 million. Total year-end spend is currently forecasted to be \$9.09 million below the budgeted total, at \$108.92 million. Projected under-spend for the Proactive Main Replacement and Reliability programs are partially offset by projected over-spend in the Mandated programs. A summary level forecast is provided in Attachment A. Additional details supporting this forecast are provided in Attachment B. In the sections below, the Company explains in more detail the primary drivers for spending to-date and the forecast for each category.

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

² This excludes the Southern Rhode Island Gas Expansion Project.

FY 2020 Gas ISR results through the third quarter (Attachment A) reflect the Company's Southern Rhode Island Gas Expansion Project (Gas Expansion Project) is slightly below the YTD budget. In total, for the Gas Expansion Project through the third quarter, the Company has spent approximately \$36.61 million of an estimated year-to-date budget of \$36.93 million, resulting in a year-to-date under-spending variance of \$0.31 million. YTD results (Attachment B & C) reflect the Company spent approximately \$34.38 million for Construction – Pipeline compared to a YTD budget of \$33.07 million, resulting in a fiscal YTD over-spending variance of \$1.31 million. At this time, the Construction - Pipeline category is projected to on budget at \$39.92 million at fiscal year-end. To start the fiscal year, the Main Installation encountered more ledge than was originally anticipated, which delayed the pipe installation schedule. The Company and its contractor took measures to increase the weekly pipe install rate and the project was able to install the full 12,640 feet of pipeline scheduled for Phase 1, out of which, natural gas has been introduced into 11,550 feet of the newly installed pipe, which helped meet the forecasted gas demand before the winter weather. The remaining footage of pipeline, approximately 1,090 feet, has been installed and capped in Phase 1 and will be gassed in during Phase 2 of the project. This approach was followed to ensure gas customers would not be impacted during the heating season.

YTD results (Attachment B & C) reflect that the Company spent approximately \$2.24 million for Existing Facilities projects compared to a YTD budget of \$3.86 million, resulting in a fiscal YTD under-spending variance of \$1.62 million. At this time, the Existing Facilities category is forecasted to be \$1.84 million below the \$4.54 million budget, at \$2.70 million. The majority of the material testing for the Maximum Operating Pressure (MOP) project has been completed, but some work and the corresponding spending will now carry into FY 2021. Additionally, although some Existing Facilities and New Regulator Station planning activities for future years were able to be accelerated into FY 2020, the field work start date for several projects can be deferred a year, into FY 2022 and FY 2023, because of demand forecast changes and the corresponding

preparation will primarily occur in the fiscal year before the start of the field work, which is the reason for lower forecasted spending in FY 2020.

FY 2020 Capital Spending by Category

Non-Discretionary Work³

Public Works Program – \$0.44 million variance to budget year-to-date

Through the third quarter of FY 2020, the Company has spent \$13.59 million, net reimbursements, against a projected YTD budget of \$13.16 million for the Public Works program, resulting in an over-budget variance of \$0.44 million. A primary driver of the over-budget variance is undetermined reimbursements for a bridge project in North Smithfield, which is causing the reimbursements category to be behind the YTD budget by \$0.80 million. At the time of this report, although not reflected in the Attachment A or B forecasts through December 31, 2019, the company now anticipates the reimbursements will be received prior to year-end and the reimbursements category will be on budget for the fiscal year. YTD the Non-Reimbursable sub-category has spent \$12.89 million against a project YTD budget of \$13.36 million, resulting in an under-spending variance of \$0.47 million. The Non-Reimbursable under-spending variance is due to the timing of when work requests were received and permitting issues in Providence. To date, for FY 2020, the Company has installed 14.3 miles of a plan of 14.0 miles for new gas main and has abandoned 6.2 miles of a plan of 11.0 miles of leak-prone pipe through the Public Works program. As of December 31, 2019, the overall Public Works Program category was projected to be under-spent by \$0.55 million at fiscal year-end, although that forecasted under-spend will increase to approximately \$1.13 million once the on-budget

³ Non-Discretionary programs include projects that are required by legal, regulatory code, and/or agreement, or which are the result of damage or failure, with limited exceptions.

reimbursements are factored into the fiscal year forecast beginning January 2020. As noted above, the forecasted under-spend for Public Works is the result of the Company receiving and starting work later than originally forecasted and the timing of when the Company has been able to receive permits from cities and towns, which the Company applied for later in the construction season due to when the Company received the work requests.

Mandated Programs – \$0.36 million under-spending variance to budget year-to-date

Through the third quarter of FY 2020, the Company has spent approximately \$15.03 million of a projected year-to-date budget of \$15.38 million for Mandated Programs, resulting in an under-spending variance of \$0.36 million. Two drivers of the YTD under-spend are the Reactive Leaks and Reactive Service Replacement categories, though those categories are forecasted to be on-budget at year-end. The third is the YTD under-spending in the Corrosion category as the corrosion surveys have found the condition of pipes to be in more favorable shape and resulted in a higher percentage of operating expense repair work and a lower percentage of capitalized pipe replacement work. The YTD under-spend in these categories is partially offset by budget over-spend in several categories, primarily driven by the purchase meters category which has incurred higher than forecasted spend due to receiving some meters in FY 2020 instead of FY 2019, higher meter shop costs as the result of hiring two new employees in advance of upcoming employee retirements in that department, along with higher unit costs for meters purchased from alternate suppliers because of a meter shortage from a primary supplier. The Pipeline Integrity Verification Program (IVP) is also offsetting the underspend, as the program does not have a budget for FY 2020 but has incurred closeout costs, primarily for work performed in FY 2019 with the invoices paid in FY 2020. At this time, the Mandated programs are expected to over-spend by \$1.14 million at fiscal year-end, which is driven by forecasted over-spend in Purchase Meters and Reactive Main Replacement, which had more work materialize than was originally forecasted.

Damage/Failure Reactive Program – \$0.17 million variance to budget year-to-date

Through the third quarter of FY 2020, the Company has not spent any of the projected year-to-date budget of \$0.17 million for the Damage/Failure Reactive program, resulting in an under-spending variance of \$0.17 million. At this time, the Damage/Failure Reactive program category is projected to be \$0.20 million under-budget at fiscal year-end.

Discretionary Work⁴

Proactive Main Replacement Program – \$3.84 million under-spending variance to budget year-to-date

Through the third quarter of FY 2020, the Company spent approximately \$53.09 million of a projected year-to-date budget of \$56.93 million for the Proactive Main Replacement program, resulting in an under-spending variance of approximately \$3.84 million. To date, for FY 2020, the Company has installed 45.5 miles of new main against a plan of 44.0 miles and has abandoned 32.9 miles of leak-prone pipe of a plan of 38.0 miles. The Company has completed the majority of the main installation mileage for FY 2020 and continues to pursue the main installation for the remaining project work, as weather and permits allow. The primary activity for the Proactive Main Replacement program for the remainder of FY 2020 is focused on completing the abandonment of leak-prone pipe where new gas main has been installed to replace it. The company is actively working towards meeting the total FY 2020 abandonment target of 61 miles (comprised of Main Replacement, System Reinforcement, Public Works, and System Reliability programs). At this time, the Proactive Main Replacement program category is projected to under-spend by \$7.00 million at fiscal year-end, which has two primary drivers. The first is the Leak Prone Pipe sub-category, the underspend is due in part to shifting higher

⁴ Discretionary programs are not required by legal, regulatory code, or agreement, or a result of damage or failure, with limited exceptions.

cost planned work from Providence to lower cost areas throughout Rhode Island, due to the delay in receiving Providence permits, which was noted in the first and second quarter reports of FY 2020. The second is the Large Diameter LPCI sub-category, the underspend is due to the delay in receiving Providence permits, which resulted in a majority of the planned FY 2020 work being deferred until FY 2021.

Reliability Programs – \$5.71 million under-spending variance to budget year-to-date

Through the third quarter of FY 2020, the Company has spent \$9.98 million of a projected year-to-date budget of \$15.69 million for Reliability programs, resulting in an under-spending variance of \$5.71 million for this category. There are several drivers of this under-spending variance. The first driver is the Pressure Regulating Facilities projects located in Providence, which were delayed due to the permitting issues and in some cases will have the work deferred until FY 2021 and funds not spent or allocated to other Reliability programs in FY 2020. Pressure Regulating Facilities is also under spent because of a project delay in Pawtucket due to an easement issue and that project has been deferred until FY 2021. The second driver is the System Automation program and the timing of installing telemetry at some regulator stations, although this category is forecasted to be on budget for FY 2020. The third driver is the LNG program spending due to delays associated with vendor contract negotiations and timing of project start dates. The fourth driver is the Take Stations category, which is under-spent versus budget because some FY 2020 work was pulled forward into FY 2019 and potential work to replace it may not be able to be completed until FY 2021. The fifth driver is the deferral until FY 2021 of a portion of the Heater Program at the Laten Knight Take Station for contractor availability and pricing. At this time, the Reliability programs are expected to under-spend by \$2.47 million at fiscal year-end. The forecasted underspend in several categories, as described above, is partially offset by forecasted over-spend of \$3.59 million on the Allens Avenue Multi Station Rebuild project, which will incur higher than expected costs for the project, but separately was also able to accelerate a portion of the project timeline, which will pull forward a

\$1.30 million scope of project work from FY 2021 into FY 2020; the \$1.30 budget reduction is reflected in the FY 2021 ISR Proposal issued to the Rhode Island Public Utilities Commission on December 20, 2019.

FY 2020 Southern Rhode Island Gas Expansion Project Spending by Category

Construction

Pipeline – \$1.31 million over-spending variance to budget year-to-date

The Company issued a Lump Sum contract to Bond Brothers, Inc. (Bond) for constructing all three phases of the Southern Rhode Island Gas Expansion Project (the Project). Phase 1 (12,640-feet) of construction commenced on April 22, 2019. In the first nine months, the Company has installed 12,640-feet of 20-inch pipe at a cost of \$34.37 million versus a year-to-date budget of \$33.07 million. At the beginning of the fiscal year, the forecast anticipated having 12,640-feet installed by December 31, 2019 at an approximate cost of \$33.70 million. On June 22, 2019, the Company and Bond implemented a Recovery Plan which expected to have 12,640-feet installed by November 15, 2019; the need for a schedule Recovery Plan was primarily driven by schedule delays necessary to remove excess bedrock, which exceeded the original project assumptions.

With the implementation of the Recovery Plan, the project was able to install the full 12,640 feet of pipeline scheduled for Phase 1, out of which, natural gas has been introduced into 11,550 feet of the newly installed pipe on November 25, 2019, which helped meet the forecasted gas demand before the winter weather. The remaining footage of pipeline, approximately 1,090 feet, has been installed and capped in Phase 1 and will be gassed in during Phase 2 of the project. This approach was followed to ensure gas customers would not be impacted during the heating season.

As noted above, the project is forecasted to have the full 12,640 feet of pipeline for Phase 1 installed in FY 2020. The project is forecasted to be on budget at \$39.92 million for FY 2020.

Existing Facilities

Maximum Operating Pressure (MOP) Project - Material Testing of Cranston and West Warwick Line (Cranston Line) to increase MOP from 150 psig to 200 psig – \$1.05 million under-spending variance to budget year-to-date

Year-to-date, this Project has incurred costs of \$2.19 million, of a year-to-date budget of \$3.24 million, resulting in an under-spending variance of \$1.05 million. FY 2020 project activities include project scoping, preparation, and the beginning of material testing in the field. There are two drivers of the \$1.05 million under-spending variance. The first is that the completed work has gone smoothly, and actual incurred costs have been slightly lower than originally estimated, as no sites encountered the need for dewatering and the team was able to open multiple locations at the same time. The second is that due to the later than initially forecasted field work start date, the material verification work and excavation at 2 of the 43 locations originally planned for FY 2020, has not been completed and will likely be deferred until FY 2021. Additionally, retesting will be conducted at 2 test sites in FY 2021. From the Existing Facilities FY 2020 budget of \$4.54 million, this project has been allocated a fiscal year budget of \$3.56 million. The remaining \$0.98 million has been allocated equally to the two projects for Existing Facilities – Project Development, which are described below.

To maximize the benefit of the Project, which will have an MOP of 200 psig, the pressure of the existing 5.2 miles (27,578 feet) of main making up the Cranston Line must be increased from 150 psig to 200 psig. The purpose of this Project is to perform material verification on the existing Cranston Line to confirm the line can operate at 200 psig, prior to increasing the MOP to 200 psig. The Project calls for material verification at 43 locations consisting of 26 excavation sites.

The Company's FY 2020 Gas ISR plan in Docket No. 4916 included \$4.54 million of material testing work to be completed in FY 2020. Upon further review of the existing facilities portfolio,

the Company decided to complete the material verification work in FY 2020 as planned and shift the actual pressure increase to FY 2021. The shift did not change the total anticipated cost of \$4.537 million but was forecasted to cause an under-spending variance of \$0.98 million in FY 2020 based on the excavation and material verification pricing agreements which were reached with two contractors in July 2019.

The remaining FY 2020 budgeted funds, or forecasted under-spend, of \$0.98 million were allocated equally to fund anticipated preparation work in two associated categories, Regulator Station Investment projects and a Proposed New Regulator Station, all of which were beneficial to start in FY 2020 and are part of the same overall “Existing Facilities” portfolio. As of the beginning of FY 2020, these two categories were set to begin field work in FY 2021 and FY 2022, although the work has now been deferred until FY 2022 and FY 2023 and did not have budgeted funding in FY 2020 for the preparation work.

To complete the FY 2020 Material Verification MOP Project work, the Company entered into pricing agreements with two contractors, M.S.R. Utility Maintenance Corporation (MSR) for excavation and Massachusetts Material Technologies (MMT) for materials verification testing. The excavation work generally consists of creating 5-foot x 8-foot holes around and 2-feet below the section of pipe being tested. Once a section of pipe is exposed, any protective coating is being removed prior to material verification testing. The material verification work generally consists of strapping test equipment onto the live pipeline and collecting mechanical and chemical data to confirm the pipe can handle the 200 psig.

Existing Facilities - Project Development

Regulator Station Investment - Upgrades to Existing Pressure Regulating Facilities and Remote Operating Valve Installation– \$0.28 million under-spending variance to allocated year-to-date budget of \$0.31 million

To date, the Company has completed the needs analysis, started the options analysis, and completed the conceptual designs to support the opinions analysis. For the remainder of FY 2020 and into FY 2021, the Company will be performing the following activities: completing the options analysis, project development and starting the design for the Regulator Station Investment – Upgrades to Existing Pressure Regulating Facilities at Cranston Take Station and Cowesett Regulator Station, and Remote Operating Valve Installation. As reflected in the current FY 2020 Forecast and the Proposed FY 2021 ISR Plan, most of the field work for these two projects is now forecasted to occur in FY 2022. Total year-end spend is currently forecasted to be \$0.34 million below the allocated budget total of \$0.49 million. Although some planning activities for future years were able to be accelerated into FY 2020, the field work start date for several projects can be deferred a year, into FY 2022 and FY 2023, because of demand forecast changes and the corresponding preparation will primarily occur in the fiscal year before the start of the field work.

New Regulator Station Installation – \$0.23 million under-spending variance to allocated year-to-date budget of \$0.25 million

For FY 2020 and into FY 2021, the Company will be performing the needs analysis and starting the options analysis for the New Regulator Installation project. Year-to-date, this project has incurred costs of \$0.02 million and the total year-end spend is forecasted to be \$0.441 million below the allocated budget total of \$0.491 million. As reflected in the Proposed FY 2021 ISR Plan, the majority of planning work for this project is forecasted to occur in FY 2021 and FY 2022 and the majority of the field work is forecasted to occur in FY 2023.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4916
FY 2020 Gas Infrastructure, Safety, and Reliability Plan
FY 2020 Quarterly Update
Third Quarter Ending December 31, 2019
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Attachment A - Summary

The Narragansett Electric Company
d/b/a National Grid - RI Gas
Capital Spending by Investment Categories - Summary
FY 2020 through December 31, 2019
(\$000)

Investment Categories	FYTD			FY20 - Total		
	Budget	Actual	Variance	Budget	Forecast	Variance
NON-DISCRETIONARY						
Public Works*	\$13,156	\$13,592	\$436	\$16,940	\$16,390	(\$550)
Mandated Programs	\$15,382	\$15,025	(\$357)	\$19,403	\$20,538	\$1,135
Damage / Failure (Reactive)	\$167	\$0	(\$167)	\$250	\$50	(\$200)
NON-DISCRETIONARY SUB-TOTAL	\$28,705	\$28,617	(\$87)	\$36,593	\$36,978	\$385
DISCRETIONARY						
Proactive Main Replacement	\$56,934	\$53,089	(\$3,845)	\$62,881	\$55,884	(\$6,998)
Reliability Programs	\$15,690	\$9,978	(\$5,712)	\$18,528	\$16,055	(\$2,473)
SUBTOTAL DISCRETIONARY (Without Gas Expansion)	\$72,624	\$63,067	(\$9,557)	\$81,410	\$71,939	(\$9,471)
Southern RI Gas Expansion Project	\$36,927	\$36,614	(\$313)	\$44,459	\$42,623	(\$1,836)
DISCRETIONARY TOTAL (With Gas Expansion)	\$109,551	\$99,682	(\$9,869)	\$125,869	\$114,562	(\$11,307)
GAS ISR TOTAL (Without Gas Expansion)	\$101,329	\$91,685	(\$9,644)	\$118,003	\$108,917	(\$9,085)
GAS ISR TOTAL (With Gas Expansion)	\$138,256	\$128,299	(\$9,957)	\$162,462	\$151,540	(\$10,921)

() in Variance column denotes an under-spend

*Public Works Program includes reimbursements which will be credited as received throughout the year.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4916
FY 2020 Gas Infrastructure, Safety, and Reliability Plan
FY 2020 Quarterly Update
Third Quarter Ending December 31, 2019
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Attachment B - Breakout

**The Narragansett Electric Company
d/b/a National Grid - RI Gas
Capital Spending by Investment Categories - Detail
FY 2020 through December 31, 2019
(\$000)**

Investment Categories	Budget	FYTD			FY20 - Total		
		Actual	Variance		Budget	Forecast	Variance
NON-DISCRETIONARY							
Public Works							
CSC/Public Works - Non-Reimbursable	\$13,359	\$12,890	(\$469)		\$16,940	\$15,891	(\$1,049)
CSC/Public Works - Reimbursable	\$884	\$984	\$100		\$1,381	\$1,381	\$0
CSC/Public Works - Reimbursements	(\$1,086)	(\$282)	\$804		(\$1,381)	(\$882)	\$499
Public Works Total	\$13,156	\$13,592	\$436		\$16,940	\$16,390	(\$550)
Mandated Programs							
Corrosion	\$938	\$237	(\$701)		\$1,166	\$666	(\$500)
Purchase Meters (Replacements)	\$2,967	\$4,549	\$1,582		\$3,400	\$4,400	\$1,000
Pipeline Integrity IVP (Integrity Verification Program)	\$0	\$180	\$180		\$0	\$183	\$183
Reactive Leaks (CI Joint and Service Replacment)	\$9,159	\$7,683	(\$1,476)		\$12,104	\$12,104	\$0
Service Replacements (Reactive) - Non-Leaks/Other	\$1,699	\$1,444	(\$254)		\$2,063	\$2,063	(\$0)
Main Replacement (Reactive) - Maintenance (incl Water Intrusion)	\$619	\$910	\$291		\$670	\$1,100	\$430
Other Mandated	\$0	\$22	\$22		\$0	\$22	\$22
Mandated Total	\$15,382	\$15,025	(\$357)		\$19,403	\$20,538	\$1,135
Damage / Failure (Reactive)							
Damage / Failure Total	\$167	\$0	(\$167)		\$250	\$50	(\$200)
NON-DISCRETIONARY TOTAL	\$28,705	\$28,617	(\$87)		\$36,593	\$36,978	\$385
DISCRETIONARY							
Proactive Main Replacement							
Main Replacement (Proactive) - Leak Prone Pipe	\$51,319	\$51,396	\$77		\$57,184	\$53,442	(\$3,742)
Main Replacement (Proactive) - Large Diameter LPCI Program	\$4,365	\$1,023	(\$3,341)		\$4,418	\$1,162	(\$3,256)
Atwells Avenue	\$1,250	\$670	(\$580)		\$1,280	\$1,280	\$0
Proactive Main Replacement Total	\$56,934	\$53,089	(\$3,845)		\$62,881	\$55,884	(\$6,998)
Reliability							
Gas System Control	\$467	\$304	(\$163)		\$571	\$571	\$0
System Automation	\$1,166	\$924	(\$242)		\$1,198	\$1,198	(\$0)
Heater Program	\$1,241	\$674	(\$567)		\$1,250	\$698	(\$552)
Pressure Regulating Facilities	\$4,118	\$922	(\$3,196)		\$4,695	\$939	(\$3,757)
Allens Ave Multi Station Rebuild	\$4,342	\$4,293	(\$49)		\$4,437	\$8,029	\$3,592
Take Stations	\$925	\$18	(\$907)		\$1,050	\$126	(\$924)
Valve Installation/Replacement	\$0	\$0	\$0		\$159	\$0	(\$159)
Gas System Reliability - Gas Planning	\$280	\$322	\$42		\$1,303	\$768	(\$536)
I&R - Reactive	\$1,169	\$1,277	\$107		\$1,372	\$1,372	(\$0)
LNG	\$1,018	\$199	(\$818)		\$1,434	\$1,020	(\$414)
Replace Pipe on Bridges	\$133	\$691	\$558		\$200	\$699	\$499
Access Protection Remediation	\$186	\$17	(\$169)		\$256	\$33	(\$223)
Tools & Equipment	\$644	\$337	(\$307)		\$603	\$603	\$0
Reliability Total	\$15,690	\$9,978	(\$5,712)		\$18,528	\$16,055	(\$2,473)
SUBTOTAL DISCRETIONARY (Without Gas Expansion)	\$72,624	\$63,067	(\$9,557)		\$81,410	\$71,939	(\$9,471)
Southern RI Gas Expansion Project							
Pipeline	\$33,065	\$34,375	\$1,310	\$0	\$39,922	\$39,922	\$0
Existing Facilities	\$3,862	\$2,240	(\$1,622)	\$0	\$4,537	\$2,701	(\$1,836)
Southern RI Gas Expansion Project Total	\$36,927	\$36,614	(\$313)		\$44,459	\$42,623	(\$1,836)
DISCRETIONARY TOTAL (With Gas Expansion)	\$109,551	\$99,682	(\$9,869)		\$125,869	\$114,562	(\$11,307)
GAS ISR TOTAL (Without Gas Expansion)	\$101,329	\$91,685	(\$9,644)		\$118,003	\$108,917	(\$9,085)
GAS ISR TOTAL (With Gas Expansion)	\$138,256	\$128,299	(\$9,957)		\$162,462	\$151,540	(\$10,921)

() in Variance column denotes an under-spend

Attachment C - Gas Expansion Cost Detail

**The Narragansett Electric Company
d/b/a National Grid - RI Gas
Southern Rhode Island Gas Expansion Project - Cost Detail by Category
FY 2020 through December 31, 2019**

Pipeline

Cost Element	YTD Actuals	YTD Budget	Variance to Budget	Total FY20 Budget
Internal Labor	\$688,855			
Contractors	\$25,410,694			
Materials	\$1,999,241			
Other/Overhead	\$6,276,137			
Grand Total	<u>\$34,374,927</u>	<u>\$33,065,000</u>	<u>\$1,309,927</u>	<u>\$39,922,433</u>

Existing Facilities

Cost Element	YTD Actuals	YTD Budget	Variance to Budget	Total FY20 Budget
Internal Labor	\$64,432			
Contractors	\$1,709,442			
Materials	-			
Other/Overhead	\$465,841			
Grand Total	<u>\$2,239,715</u>	<u>\$3,862,109</u>	<u>(\$1,622,394)</u>	<u>\$4,537,000</u>

() in Variance column denotes an under-spend