Snapshot of National Grid’s gas safety priorities in New York State

- 8,000 employees work in NYS
- 2.4 million gas customers
  o NYC – 1.2 million
  o UNY – 590k
  o Long Island – 568k
- National Grid’s gas distribution pipeline system in NYS
  o NYC – 4,135 miles
    ▪ 1,940 miles LPP, 47% of distribution
    ▪ Cast Iron (1,622 miles)
    ▪ Unprotected Steel (318 miles)
    ▪ 2013 - 41 miles replaced through all programs
    ▪ 2014 – 45 miles projected through all programs
    ▪ At current run rate, 43 year LPP replacement plan
  o Staten Island – 900 miles
    ▪ 225 miles LPP, 25% of distribution
    ▪ Cast Iron (133 miles)
    ▪ Unprotected Steel (92 miles)
    ▪ 2013 - 7 miles replaced through all programs
    ▪ 2014 – 8 miles projected through all programs
    ▪ At current run rate, 28 year LPP replacement plan
  o UNY – 8,594 miles
    ▪ 783 miles LPP, 9% of distribution
    ▪ Cast Iron (548 miles)
    ▪ Unprotected Steel (235 miles)
    ▪ 2013 – 35 miles replaced through all programs
    ▪ 2014 – 43 miles projected through all programs
    ▪ At current run rate 18 year LPP replacement plan
  o LI – 7,892 miles
    ▪ 3,927 miles LPP, 46% of distribution
    ▪ Cast Iron (331 miles)
    ▪ Unprotected Steel (3,193 miles)
    ▪ Aldyl- A Plastic (403 miles)
    ▪ 2013 - 57 miles replaced through all programs
    ▪ 2014 – 70 miles projected through all programs
    ▪ At current run rate, 55 year LPP replacement plan

National Grid is the largest distributor of natural gas in the northeast US, serving more than 3.5 million customers in Massachusetts, Rhode Island and New York. In New York, National Grid owns and operates three gas distribution utilities that provide services to approximately 2.4 million customers in Upstate New York, Long Island and New York City – specifically Brooklyn, Staten Island and parts of Queens.

National Grid’s number one priority is the safety of the public, our customers and our employees. To that end, we are committed to the safe and reliable operation of our natural gas facilities. To help ensure public safety, National Grid crews continually monitor, test, repair and upgrade the underground distribution system that delivers natural gas.

Over the past few years, National Grid has:

- Implemented a comprehensive pipeline integrity management policies and procedures that meet or exceed federal and state regulations.
- Invested more than $2 billion on gas infrastructure in New York over a five year period (2009-2013). During that period, National Grid retired more than 400 miles of leak prone pipe and replaced nearly 22,000 gas services.

Over the next two years, National Grid will invest more than $1 billion in gas infrastructure projects in New York. These investments will be focused on:
• Replacing old and leak-prone mains and service to enhance the safety and integrity of our gas distribution system.
• Installing and upgrading mains and other facilities to accommodate the increasing number of prospective customers requesting oil-to-gas conversions.
• Investing in upstream gas infrastructure that will allow for significant load growth to meet increasing demand.

Working with our regulators, gas utilities and other stakeholders, National Grid welcomes the opportunity to develop a strategy to enhance the safety and reliability of New York’s gas infrastructure. As part of that strategy, we are focused on:

**Accelerating Main Replacement Programs**

Accelerating the rate of main replacements is the best long-term approach to reducing leaks on the gas system and enhancing overall safe operations. Over time, accelerated main replacement will significantly reduce leak rates. These infrastructure improvements will come at a significant cost. The challenge is balancing the need to invest in our gas system while, at the same time, maintaining stable gas rates for our customers. Therefore, natural gas utilities and regulators should work cooperatively to develop mechanisms to fund accelerated main replacement.

**Increasing Gas Safety Public Awareness**

Public education and outreach is a key component of gas safety – and National Grid is looking at ways to improve the effectiveness of our communications with customers, including more to support education and coordination with first responders (police, fire, ambulance) responding to potential gas incidents on gas safety practices.

**Focusing on Third-Party Damage Prevention**

Damage to gas facilities from third parties digging near pipelines is a major cause of gas accidents. In addition to the detrimental impacts on safety and reliability, utilities spend millions of dollars every year repairing excavator damages to the gas system. The utility industry and regulators have taken numerous steps to reduce the occurrence of third-party damage, including developing an effective “one call” 811 Dig Safe system. Given the outsized role that third-party damages play in causing gas accidents, and the serious safety and economic consequences, we believe the industry and stakeholders should work collaboratively to reduce the occurrence of these incidents. With increased awareness and coordination among utilities, regulators, municipalities and excavators, the industry can significantly reduce the occurrence of third party damages.

**Leveraging Gas Safety Technology**

National Grid is focused on bringing new technology, methods and systems to our day-to-day work that will improve our ability to identify, monitor, repair and replace gas assets that pose any risk to public safety. At National Grid, our investments in technology include:

• Developing an Integrated Leak Management System that will help the company monitor and address system leaks.
• Leveraging new pipeline inspection technologies, including self-propelled robotic crawlers, that allow for additional in-line inspections of pipeline segments with tight-radius bends and other features that had previously precluded such inspections.
• Deploying state-of-the-art combustible gas indicators, pipeline lining solutions and main inspection technology.
• Increasing use of “low dig” technologies, such as horizontal directional drilling and keyhole mini-drill rigs that will allow us to work more efficiently and safely.

Over the next few years, we expect to see the continued development of cost-effective gas safety technologies that will further enhance our performance. National Grid will look to be a leader in supporting technology that promotes safe and efficient gas operations.

**National Grid’s Commitment to Gas Safety**

While National Grid and other gas utilities have a long history of safe and responsible operation in New York, recent gas incidents demonstrate the need for constant vigilance and improvement in the area of gas safety – and as one of the largest natural gas utilities in New York and the country, National Grid is committed to taking a leadership position in the industry on this issue.