

October 16, 2009

VIA ELECTRONIC MAIL

Mr. Keith Malmedal
President
NEI Electric Power Engineering, Inc.
P.O. Box 1265
Arvada, Colorado 80001

Re: New Hampshire December 2008 Ice Storm Assessment Report

Dear Mr. Malmedal:

Granite State Electric Company d/b/a National Grid (“National Grid”) has reviewed the *New Hampshire December 2008 Ice Storm Assessment Report* (“report”) prepared by NEI Electric Power Engineering (“NEI”) and identified the following factual errors that require correction. Please note that these errors are limited to those impacting National Grid. National Grid has no comment with respect to other errors that might exist for the other utilities.

1. **Page I-7, footnote 5, O’Brien, P. “RE: Current number of National Grid Meters.” Email to Nelson, J., July 8, 2009.**

This citation is incorrect. The email cited does not contain the information found in Figure I-5. The correct citation should be to National Grid’s response to data request NEI 11-1.

2. **Page II-3, footnote 3, National Grid (June 17, 2009) Data Response NG0020.NEI.**

This citation is incorrect. The correct citation is to page 10 of National Grid’s December 2008 Ice Storm Report.

3. **Page II-8, “Another way to look at Table II-4 is that it shows the obstacles each utility faced and the amount of damage each utility had to repair to restore its customers.”**

This statement is inaccurate because nowhere in Table II-4 or the report is there any information as to the extent of damage National Grid faced, or the repairs required, in order to restore its customers.

4. **Page II-16, “6:00 a.m. - . . . National Grid requests no additional crews.”**

This statement is inaccurate. National Grid did request additional crews during the 6:00 a.m. Northeast Mutual Aid Group (“NEMAG”) call, but none were available.

5. **Page II-20, “10:05 p.m. – National Grid records last customer power restored.”**

The time should be changed to 10:19 p.m., as reflected at page 10 of National Grid’s December 2008 Ice Storm Report.

6. **Page II-34, Table II-8 National Grid Storm Restoration Performance Matrix**

For the categories “Customer call centers should have begun ramping up staffing levels to handle incoming customer calls” and “Calls to mutual assistance utilities and contractors should have been made at earliest moment,” NEI gave National Grid an open circle, indicating that “improvement is required as stated in the report.” The report, however, tells a different story, demonstrating that National Grid should have received an “effective with no improvements noted” rating.

Specifically, at page II-81 NEI stated: “The fact that nearly 100% of all calls received during the storm restoration effort were answered indicates that National Grid’s call center staffing levels were appropriate.” There is no finding anywhere in the report that National Grid’s call center staffing levels were inadequate at any time before or after the storm.

With respect to mutual assistance calls, National Grid participated in the first NEMAG call on December 11 and was the utility that requested the participants for the next call be expanded to include the New York Mutual Assistance Group and the Mid-Atlantic Mutual Assistance Groups. National Grid also pre-positioned line crews in Albany, New York ahead of the storm and transferred ten contractor line crews from its Massachusetts service area to New Hampshire during the afternoon of December 11, so that they would be in position to travel to New Hampshire without delay. NEI concluded, at page II-44, that “National Grid began preparation several days ahead of the December 2008 ice storm” and that its “preparation helped it to respond more quickly once the storm occurred and its scope became apparent.” NEI also found that National Grid allocated more assets per outage than the other utilities. The report is replete with similar references about the fact that National Grid began preparing for the storm days in advance and was able to secure more crews and restore customers faster than the other utilities.

In light of these findings, the ratings should be changed to accurately reflect National Grid’s performance as “effective with no improvements noted.”

7. **Page II-67, “As a result, National Grid continued unsuccessfully, to request resources from mutual assistance utilities.”**

NEI cites to National Grid’s response to Staff 1-20 for support for this statement, but a review of the response reveals that the term “unsuccessfully” appears nowhere within. The actual sentence from the response reads: “As a result, National Grid continued to request resources from mutual assistance utilities.” Thus, NEI’s insertion of the term “unsuccessfully” is misleading and must be redacted. It is misleading for the obvious reason that it is not found in the actual response. It is also misleading because the term makes it seem as if National Grid received no mutual assistance crews when, in reality,

National Grid requested that mutual aid participants from outside the New England area be invited to participate in the next call. This took place and National Grid received additional mutual aid crews from outside the area. It also fails to note that NEI specifically found that National Grid received all the crews that it needed – even more so – which enabled it to be the first utility to restore power in the state.

8. **Page II -72, “The electric utilities should continue to maintain their existing mutual aid agreements with NEMGA and NEPPA for use in future storm restoration efforts.”**

“NEMGA” should be changed to “NEMAG.”

9. **Page II-75, “At 6:00 a.m. on Day 2, Friday, December 12, the Municipal Room in North Andover, Massachusetts was activated and readied to accept calls from the southern communities of the Unitil’s New Hampshire service territory – Pelham, Salem, and Windham.**

The word “the Unitil’s” should be changed to “National Grid.” Also, the town of Derry should be included in the list of communities.

10. **Pages II-81 and II-82, footnotes 168 and 169, National Grid (March 27, 2009) Data Response Staff 2-9. NHPUC.**

The citations are both incorrect and should be changed to page 14 of National Grid’s December 2008 Ice Storm Report.

11. **Pages III-5 to III-6, “Additionally, comments from hundreds of citizens were solicited by the NHPUC after the storm at a series of ten town hall meetings held to gather input from the public. Those comments point repeatedly to communication failures.”**

This statement is misleading because it fails to mention that no one attended the two public hearings held for National Grid in Derry and Salem. Thus, while the comments may have pointed to communication failures as to the other utilities, this was not the case for National Grid.

12. **Page III-15, “Conclusion: Critical customer lists are not being consistently updated and coordinated with local cities and towns.”**

This statement is incorrect. National Grid holds annual town meetings with local officials to update critical customer lists. In addition, National Grid contacts critical customers directly to update pertinent information.

13. **Page III-16, “Conclusion: None of the utilities’ emergency plans include procedures for communications with telephone and cable companies” and “Recommendation No. 4: Each electric utility should expand its emergency response plans to include procedures for communicating with telephone and cable companies so vital telecommunications can be restored as quickly as possible.”**

This statement is incorrect. Section .118.01 of National Grid's New England Electric Emergency Procedures, a copy of which is attached as Exhibit 1-1 to National Grid's response to Staff 1-1, details procedures for communications with telephone utilities. As such, National Grid requests that it be removed from this conclusion and the accompanying recommendation.

14. **Pages III-16 to III-17, "Conclusion: Security was inadequate during the December 2008 ice storm" and "Recommendation No. 5: Each electric utility should arrange for security services as part of its emergency plan."**

These statements are incorrect. Section .116 of National Grid's EEP details the Company's security procedures during an emergency, and includes a specific provision for the arrangement of security services. During the storm, National Grid had security in place at its staging areas and there is no evidence cited by NEI that this security was inadequate. As such, National Grid requests that it be removed from this conclusion and the accompanying recommendation.

15. **Page III-19, "Conclusion: The utilities' current storm drill does not include participation by state and local governments, mutual aid, first responders, telecommunication companies, or other utilities."**

This statement is inaccurate and misleading. National Grid's New England System Storm Drill includes contact with mutual aid and telecommunication companies. It also includes contact with state and local officials and first responders to validate contact information.

Thank you for your time and attention. Please contact me at (781) 907-1850 with any questions.

Respectfully submitted,



Patric R. O'Brien

cc: Lynn Fabrizio, Esq. (via overnight and electronic mail)
Tom Frantz (via electronic mail)
Randy Knepper (via electronic mail)