

Date of Request: October 24, 2016  
Due Date: November 3, 2016

ALJ Request No. ALJ-34  
KEDNY/ KEDLI Req. No. BULI-760

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID  
THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid  
Case 16-G-0059 The Brooklyn Union Gas Company d/b/a National Grid NY

Request for Information

**ALJ Third Set of Questions regarding Joint Proposal filed September 7, 2016**

FROM: ALJ David Van Ort and Judge Costello

TO: National Grid,

SUBJECT: JP Sec. IV.5.9

Request: To KEDNY:

- 1) Provide explanation of the permitting process in New York City, the nature of work to be performed and why it could result in a Notice of Violation (NOV) being issued to KEDNY.
- 2) Describe what action(s) the company has taken in an effort to mitigate the issuance of NOV's.

Response:

1. To construct, operate and maintain KEDNY's natural gas distribution system, the Company must regularly excavate in streets and sidewalks in the City of New York. For all non-emergency work, the Company secures a street opening permit in advance from the NYC Department of Transportation. The Company electronically submits a permit application, which is reviewed by the NYC DOT and a permit is issued. The permit indicates, among other items, the area to be excavated and any work restrictions.

From time to time, the Company receives violations in connection with these street openings. The violations include failure to follow permit conditions, work hour restrictions, working outside of the permit area, and failure to restore the area to the DOT's standards. Many of these violations are the result of unanticipated field conditions (e.g., subsurface facilities, parking conditions, heavy traffic) that necessitate work beyond the scope of the permit. For example, the Company may be required to work in a larger area or for a longer period than was contemplated at the time the permit was secured because of the conditions observed when the underground facilities are exposed. To complete the job, the Company will perform work that does not strictly conform to the

permit stipulations in these cases. The Company may also work beyond the permit scope to expedite construction activities to accommodate local parking, traffic flow on critical roadways, or local business needs.

The Company works with the NYC DOT to amend street opening permits, when possible. However, changes to the scope/duration of street work that are identified in real time or during off hours do not afford the opportunity to secure permit modifications. The Company's efforts to coordinate permit modifications have been further challenged by a steady increase in the number of permits required in connection with KEDNY's increased construction activity. In 2014, the Company applied for approximately 20,000 street opening permits in NYC (including KEDLI's territory in the Rockaways); in 2015, approximately 35,000. For 2016, the Company anticipates it will apply for more than 40,000 permits.

2. KEDNY is focused on reducing the number of violations related to street opening permits. The Company is providing additional training to field personnel on the permitting process and requirements. The Company is also reviewing its work practices to enhance compliance with permit restrictions. Finally, KEDNY is developing key performance indicators (KPIs) to track and report on permit violations. The KPI results will be distributed to all involved business units to increase awareness and improve performance.

To promote further improvements, the Joint Proposal (Section IV, 5.9) provides that the Company will submit an annual report to the Commission describing its efforts to reduce instances of permit violations.

Name of Respondent:  
Company (James Molloy)

Date of Reply:  
October 28, 2016