STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission Regarding An Examination of Artificial Intelligence Utilization in the Operations of Public Utilities and Other Regulated Entities	**)**	**Case 26-M-0552**

nationalgrid

RESPONSE TO THE ORDER INITIATING PROCEEDING

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I. INTRODUCTION AND SUMMARY

The Brooklyn Union Gas Company d/b/a National Grid NY ("KEDNY"), KeySpan Gas East Corporation d/b/a National Grid ("KEDLI"), and Niagara Mohawk Power Corporation d/b/a National Grid ("Niagara Mohawk") (collectively, "National Grid" or the "Company") respectfully submit this response to the New York Public Service Commission's ("Commission") September 17, 2026 "Order Initiating Proceeding" in the above-referenced docket (the "Order") concerning the use of artificial intelligence ("AI") by regulated utilities. Consistent with the Order, this response provides: (1) an inventory of use cases of AI systems used by National Grid in its electric and gas operations; and (2) the Company's policies, procedures, and protocols governing the use of AI systems within its operations.

National Grid supports the Commission's proactive approach to examining the use of AI across regulated utility operations. This proceeding appropriately recognizes that, while AI presents significant opportunities to improve operations, its deployment requires accountability, transparency, explainability, and human oversight to safeguard customers and maintain the safety and reliability of New York's energy systems. National Grid shares these objectives and supports responsible innovation.

Consistent with the Order, the Company details its in-operation AI use cases and AI governance policies in this response. National Grid's AI governance approach is aimed at responsibly ensuring the Company's AI usage reinforces human oversight and continues to preserve and protect the public interest. The Company refreshes its AI governance, which is owned by the Chief Data Office, to capture changes in the technology and policy landscape.

National Grid welcomes the opportunity to collaborate with the Commission and the Department of Public Service Staff ("Staff") to establish clear expectations for transparency, governance, and accountability, while preserving utilities' ability to evaluate and implement applications and adapt practices as technologies and standards evolve.

II. INVENTORY OF AI SYSTEM USE-CASES

National Grid's inventory captures in-operation AI systems currently deployed as of the filing date. Table 1 below defines the AI types referenced in the inventory. The inventory does not include proofs of concept, early-stage minimum viable products ("MVPs"), or systems still in development that are not operational.

A. Inventory Methodology

The inventory provides a detailed description of National Grid's in-operation AI systems, including:

- **AI System Used:** Specifies whether a tool leverages machine learning, generative AI, large language models, natural language processing, or computer vision. Please see Table 1 for definitions.
- **Functional Objective:** The business objective and operating context.
- **Human Oversight:** Classification of human oversight guardrails, as defined in Table 2, below. All of the AI use cases are non-autonomous and require human oversight.

Table 1: Types of AI Systems Identified in the Order

AI Type	Definition
Machine Learning	AI that learns patterns from data to make predictions or perform tasks without being explicitly programmed for every outcome.
Generative AI	AI that learns patterns from large datasets to generate new content, such as text, images, code, audio, or video.
Large Language Model	A type of generative AI trained on large amounts of text and other information to understand and generate language-based content.
Natural Language Processing	AI techniques focused on processing and working with human language, including text and speech.
Computer Vision	Enables machines to process and interpret visual data from images or video, using algorithms, often based on machine learning and deep learning, to make decisions.

Table 2: Descriptions of AI-Related Human Oversight

Level of AI Agency	Human Oversight	Characteristics
Zero Agency	Human-in-the-lead	The AI only produces outputs when prompted by a human.
Assisted Agency	Structured human-in-the-loop	Goals will be set by a human, and all actions and decisions require human review and approval.
Conditional Agency	Human-in-the-loop	Goals will be set by a human, and actions will be performed and decisions will be made independently of a human but only within conditions set by a human.
High Agency	Advisory Human	Goals will be set by a human, and actions will be performed and decisions will be made independently of a human and without conditions set by a human.
Full Agency	Human-out-of-the-loop	The AI will act entirely independently and set its own goals without any conditions set by a human.

B. AI System Use-Case Inventory

Table 3: Inventory of the Company's In-Operation AI System Use Cases

AI System Use Case	Functional Objective	Human Oversight	AI Type
Advanced Metering Infrastructure ("AMI") based Electric Vehicle ("EV") identification	An analytical model is used to identify residential customers likely to have EVs and produce regular reporting to support EV rate adoption and program planning.	Assisted Agency	Machine Learning
Asset Management Analytics ("AMA")	AMA includes both Asset Health Index ("AHI") and Probability of Defect ("PoD") models that are used to make asset-condition insights more visible and actionable for asset-management planning. AHI focuses on the risk of assets nearing or reaching the end of their useful life, while PoD predicts corrective maintenance activities to ensure asset reliability.	Assisted Agency	Machine Learning
Business District ("BD")	An analytical tool is used to identify BD customer segments in the gas distribution network for annual program planning and safety.	Assisted Agency	Machine Learning
Customer Meter Services ("CMS") Text Mining	A text mining and sentiment capability is used to group customer comments into categories, making feedback easier to review and act on.	Assisted Agency	Machine Learning
Customer Smart Thermostat Enrollment Propensity	A customer segmentation model is used to identify customers most likely to enroll in Connected Solutions and understand factors that may affect participation.	Assisted Agency	Machine Learning

AI System Use Case	Functional Objective	Human Oversight	AI Type
GridVoice AI Analysis	A model is used to analyze employee survey comments and develop insights that support follow-up actions and planning.	Assisted Agency	Machine Learning
Vegetation Contractor Optimization	Constrained programming is used to evaluate contractor bid scenarios and required constraints, supporting vegetation-management award decisions and negotiations.	Assisted Agency	Machine Learning
Fugro - ROAMES	Fugro's platform combines Light Detection and Ranging ("LIDAR") with analytics for power-network vegetation, asset, and risk management. The 3D visualization is not itself AI; the AI component is the machine-learning/AI-enabled analysis performed on the geospatial and LiDAR data.	Assisted Agency	Machine Learning
Distributed Energy Resource ("DER") Identification from AMI Data	Detect DER technologies from AMI data.	Assisted Agency	Machine Learning
Gas Load Forecasting ("GLF") Weather Normalization	Normalize gas consumption to standard weather conditions for forecasting and analysis.	Assisted Agency	Machine Learning
Long-Term Forecasting with Exogenous Variables	Produce long-term forecasts using weather, economic, demographic, and calendar data.	Assisted Agency	Machine Learning
Informatica Cloud-scale AI-powered Real-time Engine ("CLAIRE")	Informatica provides a centralized way to bring together data cataloging, business definitions, ownership, lineage, and governance. CLAIRE is	Assisted Agency	Machine Learning

AI System Use Case	Functional Objective	Human Oversight	AI Type
	Informatica's AI -powered tool for tasks such as database glossary association and classification		
Geospatial DER Propensity Modeling and Allocation	Predict and spatially allocate future DER adoption for feeder-level planning.	Assisted Agency	Machine Learning
GridTwin Parcel-Based PV Profitability Analysis	Evaluate and rank solar development opportunities across service territories.	Assisted Agency	Machine Learning
Probabilistic Forecasting / Peak Weather Simulation	Quantify uncertainty in short-term and long-term load and peak forecasts through machine learning and scenario simulation.	Assisted Agency	Machine Learning
Model Feature Importance / Explainability	Explain model predictions and drivers to increase user trust and support validation and regulatory discussions.	Assisted Agency	Machine Learning
Short-Term Forecasting	Forecast electric or gas load from hours to weeks ahead to support operations, procurement, and grid decision-making.	Assisted Agency	Machine Learning
Hierarchical Forecast Reconciliation	Create mathematically consistent forecasts across planning levels.	Assisted Agency	Machine Learning
Global Forecasting Models	Develop a single, unified global model on available time-series data (feeders, substations) simultaneously across territories.	Assisted Agency	Machine Learning
Anomaly Detection Methods	Identify and remove poor-quality load and weather data used in forecasting models, supporting forecasting teams by improving model accuracy and reliability.	Assisted Agency	Machine Learning

AI System Use Case	Functional Objective	Human Oversight	AI Type
NICE AI-enabled workforce and quality foundation	Uses AI-powered forecasting and intraday management to compare actual contact center performance against forecasted demand and staffing in 15-minute intervals, helping Workforce Management teams quickly identify deviations from plan and respond to changing demand, protecting wait times and service levels.	Assisted Agency	Machine Learning
Storm Outage Modeling	Machine learning models use weather forecasts, historical outage data, and other relevant inputs to predict potential storm-related outages and support operational planning.	Assisted Agency	Machine Learning
Gas Leak Forecast	Machine learning models are used to generate a forecast of leak receipts that is used to prepare work plans for the next fiscal year.	Assisted Agency	Machine Learning
AI-generated envelope security tint	Microsoft Copilot is used to generate three envelope security tint options for staff review, supporting a more consistent design process and faster approval readiness.	Assisted Agency	Generative AI
Customer & Stakeholder Service Agents	Microsoft Copilot agents are used to classify inquiries, retrieve authorized case information, draft responses, and recommend routing or next steps for customer and stakeholder service.	Zero Agency	Generative AI

AI System Use Case	Functional Objective	Human Oversight	AI Type
Data, Reporting, Risk & Compliance Support Agents	Microsoft Copilot agents are used to summarize authorized data and documents, identify patterns or anomalies, and support reporting, compliance, risk, and decision reviews.	Zero Agency	Generative AI
Employee Knowledge & Support Agents	Microsoft Copilot agents are used to retrieve, summarize, and explain approved internal knowledge, helping employees find policies, procedures, standards, and technical guidance more quickly.	Zero Agency	Generative AI
Operational, Field & Engineering Support Agents	Microsoft Copilot agents are used to retrieve technical information, summarize records, identify potential issues, and draft operational or engineering outputs for human review.	Zero Agency	Generative AI
Workflow & Process Automation Agents	Microsoft Copilot agents and approved workflow tools are used to extract information, prepare draft records, route work, and support routine process steps within configured permissions.	Zero Agency	Generative AI
Snowflake Cortex Code (“CoCo”)	Snowflake CoCo is an agentic AI coding assistant specialized for data work inside Snowflake. This assistant is used to generate, explain, and optimize SQL; author Python notebooks and data workflows; support data discovery; and develop	Assisted Agency	Generative AI, Machine Learning

AI System Use Case	Functional Objective	Human Oversight	AI Type
	semantic models, agents, and machine learning.		
Atlassian Rovo (integration with Jira) - Generative AI Assistant	IT Product Owners and Scrum Masters supporting the New York electric business leverage Rovo to help find information, answer questions, create content (features), and automate work across Jira and Confluence.	Assisted Agency	Generative AI
Databricks Genie	AI agent/compound AI system for data analytics.	Assisted Agency	Generative AI
ArcGIS Online - Generative AI Assistants	New York Electric Data and Systems Administrators of ArcGIS Online use "Item Details Assistant," a generative AI assistant that helps generate better item metadata such as titles, summaries, and tags.	Assisted Agency	Generative AI
Business Logic Extraction	Generative AI is used to unlock, translate, and speed up National Grid's Customer Information System ("CIS") transformation. This approach, co-developed with ADAM Partner IBM, will accelerate delivery, reduce costs, and support National Grid's transformation programs.	Assisted Agency	Generative AI
Summarizing External Documents	Accelerate understanding of policy, regulatory, legislative, and research documents through AI-generated summaries and Q&A.	Assisted Agency	Generative AI
Billing and Collections	Identify customers for collections outreach,	Assisted Agency	Generative AI

AI System Use Case	Functional Objective	Human Oversight	AI Type
	determine the appropriate timing and communication channel, and route collections activities to the appropriate agents.		
Demand-Side Management ("DSM")/In Demand business-rule extraction	Uses generative AI to analyze legacy DSM code, extract business rules, and create user stories and acceptance criteria for the Clean Energy 2.0 transition.	Assisted Agency	Generative AI
GridGPT	An internal AI assistant is used to streamline workflows, improve the employee experience, and help users access information more efficiently.	Assisted Agency	Large Language Model
Damage Prevention using 4M	Reduce the number of gas damages by using 4M, an AI company that uses computer vision to provide expedited digital gas utility maps to 811 design ticket requestors and baseline information on anticipated facility crossings for leak prone pipe replacement projects.	Assisted Agency	Computer Vision

Note: GridCARE,[1] which the Commission cited in the Order, is an innovative collaboration exploring the potential for AI to identify and unlock capacity in constrained areas of the electric grid. Because GridCARE is not currently in operational use by the Company, however, it was not included in the Company's AI system use case inventory.

[1] GridCARE utilizes AI and grid physics modelling to identify potential flexible capacity in existing electricity networks.

III. AI GOVERNANCE, RISK MANAGEMENT AND OVERSIGHT

National Grid has established enterprise governance intended to support the responsible development, acquisition, and use of AI. The framework includes a Responsible AI Policy (Attachment 1) and controls, due-diligence assessments addressing internal and external partners, and an AI Governance Council (also referred to as the AI Due Diligence Group) with representatives from the Company's Compliance, Data Science, Legal, Privacy, and Security functions. National Grid also provides training through its Data and AI Academy and routinely reviews its approach in response to technology and regulatory changes.

National Grid's responsible AI governance framework is aligned with industry best practices, including Gartner's *Predicts 2026* recommendations. The Responsible AI Policy encompasses integrated governance, lifecycle and third-party risk assessments, pre-deployment testing, operational-risk controls, privacy and security safeguards, and mandatory human oversight. These measures are reinforced by a comprehensive AI Risk Taxonomy, recognized international standards, cross-functional assurance, and auditability to ensure that AI risk is managed as an enterprise and operational priority rather than solely as a technology issue.

Table 4: National Grid Responsible AI Policy and Governance Framework

AI Policy Area	National Grid AI Policy and Governance
AI Governance	• National Grid has established an AI-specific governance framework that includes an AI Risk Taxonomy, Responsible AI Policy, and standardized assessments of internally developed and third-party AI. • AI governance is owned by the Responsible AI team within the Chief Data Office. • AI governance is informed by leading industry frameworks (*e.g.*, ISO standards, NIST AI Risk Management Framework, IBM AI Risk Atlas), and National Grid's Responsible AI team continues to review the Company's AI governance framework and policy based on developments in the AI field (most recent major update in March 2026 with interim updates based on continuous monitoring).
Verification Methodologies	• Controls address key AI risks based on industry best practices, including bias, learning supervision, model sources, and validation. Please see Attachment 2 for a copy of the Company's "Responsible AI – Internal Risk Assessment" and Attachment 3 for a Copy of the Company's External AI Due Diligence Risk Assessment. • External AI is assessed through a supplier questionnaire (Attachment 3) reviewed by representatives from the Company's Compliance, Data Science, Legal, Privacy, and Security functions. • Internally developed AI undergoes an Internal AI Risk Assessment (Attachment 2) that identifies controls specific to the risk profile (*e.g.*, impact on assets, customers, and cybersecurity).
Pre-Deployment Testing	• Internal AI Risk Assessment screens for the level of testing required before deploying AI (*e.g.*, impact on critical network infrastructure, physical and cybersecurity impact). • Testing is explicitly included among the control topics in the AI Risk Taxonomy. • Supplier assessments must be approved before a contract is signed and may identify supplier-, tool-, product-, or service-specific contractual requirements.
Human Oversight Protocols	• "Keep humans involved" is one of National Grid's three core Responsible AI principles. *See* Attachment 1. • National Grid states that AI is used with "human accountability, intervention, and validation" so that actions and outputs are as

AI Policy Area	National Grid AI Policy and Governance
	required and expected. • "Assist ways of working" positions AI as complementing organizational thinking and processes.
Override Capabilities	• National Grid's Responsible AI Policy provides: "Artificial Intelligence must not be designed in a way that allows it to continue regardless of the impact of its actions, and so all autonomous Artificial Intelligence must incorporate mechanisms that enable a human to override the Artificial Intelligence in its entirety and at a specific task and decision level." *See* Attachment 1 at 11.
Data privacy	• National Grid's internal and external AI risk assessments trigger a Privacy risk assessment and engagement with the Privacy team when there are personally identifiable information ("PII") risks. • Privacy representatives participate in the AI Governance Council that refreshes internal and external risk assessments to address emerging privacy concerns.

IV. CONCLUSION

In responding to the Order, National Grid has provided the operational AI system use cases and AI governance policies. The Company is committed to the responsible use of AI and has established a human-in-the-loop governance framework designed to ensure that innovation continues to serve customers and the public interest while maintaining appropriate oversight and accountability. The Company routinely reviews and refreshes its Responsible AI Policy and AI governance framework to address new developments in AI technology and emerging risks, supported by the business assurance teams as well as executive support from the Chief Data Office.

Going forward, National Grid supports clear outcome-based expectations for the responsible deployment of AI, while preserving the flexibility necessary to manage and govern operational use cases appropriately. The Company's policies are designed to ensure that:

- **AI accountability remains within human control**: AI may inform or accelerate work, but National Grid and its authorized personnel remain responsible for decisions, approvals, and outcomes.
- **Governance is proportionate to risk**: Given the broad range of potential AI system use cases, appropriate safeguards should reflect the nature, context, and risk profile of each use case.
- **Policies are durable and technology-neutral**: Clear outcome-based expectations can protect customers and critical systems while allowing governance practices and controls to evolve with advances in technology, industry standards, and regulatory expectations.

National Grid is committed to continuing to work with the Commission, the Department of Public Service Staff, other utilities, and interested stakeholders as AI technologies and practices evolve. The Company welcomes the opportunity to collaborate on a regulatory approach that promotes responsible innovation, maintains appropriate accountability and safeguards, and improves service of our electric and gas customers.

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Respectfully submitted,

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